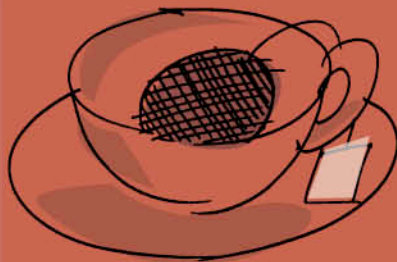


# The issues: why we are taking action



**Across the globe billions of people live in poverty. 1 billion people don't have enough food and more than 2.6 billion people lack basic sanitation, causing 4000 preventable deaths of children under 5 every day.**

**It shouldn't be this way.**

Aid is essential, but by itself, aid will not end poverty. If poor countries are to prosper we also need changes to the rules of the game. We need multinational companies to open up the books on what they pay in poor countries, and to stop avoiding payments through tax havens. We need innovative ways of funding development like financial transaction taxes (for example, the Robin Hood Tax).

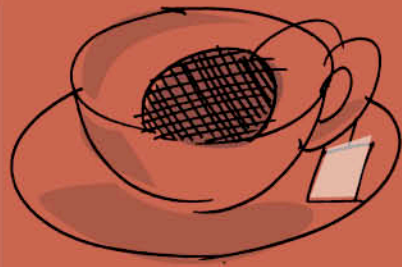
We are calling on MPs to ensure the government does three things:

- **Keep up the good work on aid, and ensure it reaches the poorest;**
- **Stop tax dodging and shine a light on the payments companies make to governments;**
- **Champion new, fair and effective ways of funding development.**

There's more detail on these in this booklet, but you can also visit [www.teatimeforchange.org.uk](http://www.teatimeforchange.org.uk), or speak to one of the agencies on the back cover if you have any queries.

We'll also provide you with a briefing on the day with 3 clear questions to ask your MP.

## Aid works – make it count



Aid works. Aid transforms the lives of millions by kick-starting economic growth, helping parents feed their families and providing vital healthcare and education. Effective aid not only protects people from the worst effects of poverty, it increases the options available to them. To be effective, aid should be consistent, and guided by the most vital local priorities.

The UK government have set out a timetable to show how it will ensure that we give 0.7% of national income in aid by 2013. This promise was first made over 40 years ago, and we want to thank them for standing by it. It's vital that they stick to this commitment.

Over the last decade, debt relief and aid have enabled poor countries to:

- **Invest in health, so that 10,000 fewer children die every day now than in 1990.**
  - **Support distribution of 88 million mosquito nets that have saved 2.5 million lives since 2002.**
  - **Help 40 million more African children to attend primary school.**
- But there's still much more to do.
- **20,000 children are still dying every day of preventable, poverty-related causes.**
  - **Around 300 million people still contract malaria every year with 850,000 dying of the disease.**
  - **72 million children worldwide still can't go to school.**



### We will be asking MPs to:

**Support the Government's promise to give 0.7 per cent of national income in aid by 2013, and make this into law.**

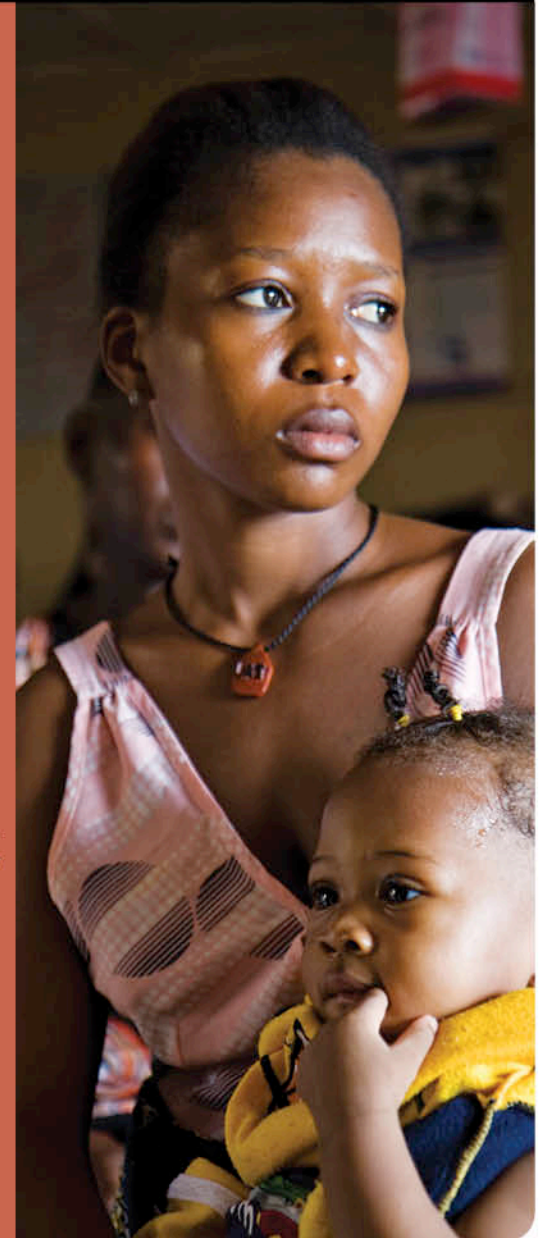
## Fatmata from Sierra Leone: "I want my children to be healthy"

Sierra Leone has one of the worst rates of child and maternal mortality in the world. However a new health programme which provides free healthcare for pregnant and lactating mothers and children under 5 has been made possible by funding from the UK government. The programme, which has so far received £34 million from the UK, is expected to benefit 230,000 women and 950,000 children and strengthen the healthcare system for the wider population

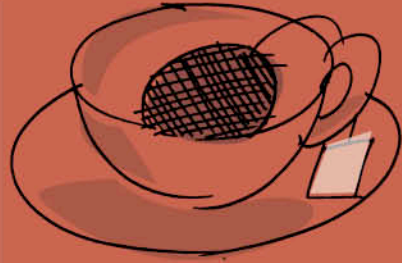
Access to a local clinic is vital for mothers like Fatmata and her daughter Ramatulai.

*"I came here because since yesterday Ramatulai has been very sick – she has a high fever and I'm afraid she has malaria, or something else which could be serious. The free healthcare has made a big difference to me, because now I can come with my children to the clinic at any time without having to worry about the cost of a consultation and medicine. I want my children to be healthy and it feels good that I can come here for health checks, whenever I need to."*

Free healthcare services for pregnant and lactating women and young children in Sierra Leone, Government of Sierra Leone, November 2009



# Stop tax dodging and shine a light on payments companies make to governments



Countries could reduce their reliance on aid if they could put the funds rightfully due to them from their natural resources, and money owed to them in taxes, to work reducing poverty. Developing countries currently lose over one and a half times more through tax dodging than they receive in aid. Secrecy around how companies operate enables them to siphon billions out of developing countries every year into tax havens, and secrecy also means it is hard for citizens to demand that the proceeds from the country's natural resources are used for development.

All multinational companies should publish a basic set of accounts for every country in which they operate, including tax havens. This simple solution will make it easier to keep both companies and governments honest and accountable to ordinary citizens.



## We will be asking MPs to:

**Ensure the UK Government champions robust EU and UK legislation on country-by-country reporting in the oil, gas and mining industries – a first step towards greater corporate transparency.**



## We will be asking MPs to:

**Write to the Prime Minister asking him to put pressure on at the G20 meeting in November, to make all companies report a basic set of accounts, country-by-country, to crack down on tax haven secrecy and ensure transparent payments to governments.**

## Zambia: The wealth beneath their feet

Zambia is the world's largest producer of copper. Annual exports amount to hundreds of thousands of tonnes. Last year, the price of copper on the world market rocketed.

Yet with one doctor per 10,000 people and life expectancy a mere 47 years, Zambia's people are not benefiting from the wealth beneath their feet.

Because of endemic secrecy surrounding company accounts, they are unaware of how much foreign mining corporations make in profits, or how much they pay to governments in the form of taxes and royalties to mine their copper.

Without this information, companies can siphon profits out of Zambia into tax havens, and communities cannot call for a fair share of the proceeds from mining to be spent on schools, hospitals, and basic services like electricity.



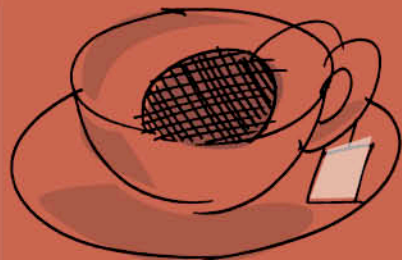
## Mericio from Timor Leste: opening up the books

Timor Leste is an example of where transparent practices have already benefited local communities. Oil and

gas companies are required by law to provide information about the payments they make to use Timor's natural resources. Mericio Akara, who works for NGO Luta Hamutuk, is unequivocal about why clear and reliable information is so important. *"Because we know where this money comes from and how it is taxed, we are able to understand where it goes and how the government spends it. It's an important step in the fight against corruption."*



## Champion new and fair funding for development



There are new and innovative sources of finance for development which remain untapped. One is a Financial Transaction Tax, known as the Robin Hood Tax. A proposed tiny tax of 0.05% on financial transactions could generate a whopping \$400bn globally each year to fight poverty overseas, and help poor countries tackle the effects of climate change.

This isn't a pipe dream. It's fair, it's timely, and it's possible. The European Parliament have come out in favour of it, and France is promoting a Robin Hood Tax to tackle poverty and climate change as a key aim of its G20 presidency. We want to see the UK government championing this idea at the G20 too.

### Working for development, not against

The Robin Hood Tax campaign is a coalition of 115 domestic, international, faith-led and environmental organisations with a quarter of a million supporters in the UK, and the endorsement of 1000 economists. At a time when the financial crisis has pushed developing countries further back in their fight against poverty, it's important that financial markets work for development and not against. The finance industry has been historically under-taxed compared with other sectors, and taxation could be levied via Financial Transaction Taxes, an expanded Bank Levy, or a Financial Activities Tax. The money raised would be used to fight poverty at home and abroad and to help tackle climate change.



### We will be asking MPs to:

**Get the UK government to work with the G20 to deliver a tax on the financial sector (Robin Hood Tax) to provide additional finance to tackle global poverty and the effects of climate change.**

### Profulla from Bangladesh: "I decided to rebuild my shop stronger"

Profulla Sarkar was a shopkeeper in his village of Kainmari, Bangladesh, when Cyclone Sidr struck in 2007. "I was left with nothing", said Profulla, "and I decided I had to build my shop back stronger so I wouldn't lose it again." He spent his savings rebuilding his shop on a raised concrete plinth to protect against future extreme weather events. Thanks to development aid, local partners were also able to give

him duck rearing training to so that he could supplement his income by selling duck eggs. It's vitally important that we help people find new ways to support their families and adapt to a changing climate. Money raised from new sources could provide essential funds to enable small business owners like Profulla to be more able to raise themselves out of poverty and cope with the effects of climate change.

