



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Belinda Calaguas

ActionAid

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Dear Ms Calaguas

Thank you for taking the trouble to write to me and for your involvement in this campaign.

Recently I met with members of Action Aid's Outlandish Revenue Service campaigners outside HM Treasury. I am very interested in your campaign and the support it has received.

I recently delivered a speech on the importance of people paying their fair share of tax. The public and media interest in this issue reflect the growing need for action to ensure that both corporations and individuals pay their fair share of tax internationally. It is vitally important we do all we can to ensure developing countries are not exploited and robbed of vital tax at a time when they particularly need it.

I want to assure you that we have been prioritising action to make it easier for developing countries to secure the benefits of a new cooperative tax environment.

At the Conference on Promoting Transparency and Exchange of Information in Tax Matters in Berlin in June I pushed strongly for a commitment to work towards country-by-country reporting. As a result the OECD is now undertaking an in-depth study of country-by-country reporting and the benefits it may bring for increased tax transparency and the reduction of tax avoidance. I remain committed to pursuing this issue. The work of the OECD will assist us in promoting the merits of this concept to develop an international consensus.

Since the London Summit we have seen moves on tax information exchange that were inconceivable only months before. The new 90 Tax Information Exchange Agreements and 60 Double Taxation Agreements which have been drafted or amended to the international standard will mean that there are simply fewer places for evaders to hide their money from developing countries.

We now need to ensure that countries live up to the commitments they have made. That is why I am fully behind the Global Forum's commitment to put in place a peer review process to ensure that countries are exchanging information on request.

I am looking forward to being in regular contact with ActionAid on these matters.

Yours sincerely,
Stephen Timms

Rt Hon Stephen Timms MP