



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt. Hon. Philip Hammond MP
Chancellor of the Exchequer
Her Majesty's Treasury
1 Horse Guards Road
London
SW1A 2HQ

29th May 2019

Our Ref: CS/EG

Dear Philip,

We are writing to you ahead of the G20 Finance Ministers meeting in Japan (8-9 June) to call for strong action from the G20 and UK to increase the transparency of loans to governments. Debt problems are increasing in developing countries. The Jubilee Debt Campaign reports that government external debt payments, as a proportion of government revenue, have increased by 85% between 2010 and 2018.

Transparency is a vital step in the good governance of resources. It allows parliaments, media and civil society to hold governments to account on how loans are spent. It gives lenders more certainty about the basis upon which they are lending. And it should give borrowers lower interest rates because lenders can be more confident about the size of risk they are taking on.

Given the City of London's role as a major global financial centre, a large number of international debt contracts are owed under UK law, and it is therefore of urgent importance that the UK government take a lead on this agenda. In recent scandals of loans being given in secret, such as in Mozambique, the loans were given by UK-based companies and are owed under UK law.

We call on you to seek to secure agreement on the following at this year's G20:

- Creation of a publicly accessible registry of loans to governments
- Commitment by governments and multilateral institutions to disclosing the loans they give to governments on this registry
- Commitment by all relevant jurisdictions, especially the UK and New York, to introduce a requirement that for a loan to a government to be enforceable it must have been publicly disclosed in the registry when the loan is given

We further call on you to begin consultations on introducing a law in the UK to require loans to governments given under UK law to be publicly disclosed at the time they are given.

We agree with your statement in December 2018 that you “reject the idea that laxer regulation makes a jurisdiction more attractive”. We hope you will make the UK a world leader in improving the transparency of loans to governments, in the interest of good governance around the world.

Yours ever,



Rt. Hon. Dame Caroline Spelman MP

Rt Hon Dame Margaret Hodge MP

Rt Hon Andrew Mitchell MP

Stephen Twigg MP

Alison Thewliss MP

Jo Swinson MP

Sammy Wilson MP

Hywel Williams MP

Caroline Lucas MP

Mike Gapes MP

Rushanara Ali MP

Tonia Antoniazzi MP

Rt Hon Hilary Benn MP

Rt Hon Tom Brake MP

Chris Bryant MP

Richard Burden MP

Dr Lisa Cameron MP

Sir Alan Campbell MP

Ronnie Campbell MP

Rosie Cooper MP

Jim Cunningham MP

Nic Dakin MP

Martyn Day MP

Martin Docherty-Hughes MP

Chris Elmore MP

Paul Farrelly MP

Tim Farron MP

Rt Hon Caroline Flint MP

Ruth George MP

Patricia Gibson MP

Roger Godsiff MP

Patrick Grady MP

Kate Green MP

Rt Hon Justine Greening MP

Helen Hayes MP

George Howarth MP

Diana Johnson MP

Peter Kyle MP

Stephen Lloyd MP

Ian C. Lucas MP

Kerry McCarthy MP

Stuart McDonald MP

Catherine McKinnell MP

Albert Owen MP

Jim Shannon MP

Virendra Sharma MP

Tommy Sheppard MP

Tulip Siddiq MP

Alex Sobel MP

Ross Thomson MP

Rt Hon Stephen Timms MP