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Eurostep is a network of autonomous European non-governmental development organisations working towards peace, justice and equality in a world free of poverty. Its membership, rooted in their own societies, works together to influence Europe's role in the world, particularly in pursuing the eradication of injustice and poverty. It advocates changes in Europe's policies and practice based on the perspectives drawn from direct experiences of an active involvement of its members and their partners in development in over 100 countries across the world. The members of Eurostep include: 11.11.11 (Belgium), ACSUR Las Segovias (Spain), Alliance Sud (Switzerland), CFSI (France), Concern Worldwide (Ireland), Deutsche Welthungerhilfe (Germany), FDSC (Romania), Hivos (Netherlands), Kepa (Finland), Manitese (Italy), Marie-Stopes International (UK), Mellemløkkeligt Samvirke (Denmark), Oikos (Portugal), Oxfam International (Netherlands), People in Need (Czech Republic), SNV (Netherlands), terre des hommes Germany.

Address

Re: A place for financing for development in the EU's response to the Global financial crisis

Dear *Minister*,

The General Affairs and External Relations Council, where European Foreign, Development and Defence Ministers will consider major issues on Europe's external actions and development agenda, will convene on 16-17 March. We would like to bring to your attention our concerns regarding the preparations of the EU's response to the global economic and financial crises.

The negotiations on a new international financial and economic architecture need to be fully inclusive, therefore the United Nations must be at the heart of the negotiations, with the aim of introducing an equitable, sustainable financial architecture to allow strong democratic representation and involvement of decision-making by developing countries – including equal voting rights. The G20 are not the legitimate forum to resolve the financial crisis.

We urge the EU and its member states to put development on the agenda of the Spring European Council and therefore, ensure a place for financing for development in the EU's response to the global economic and financial crisis and within the transformed international financial and economic architecture.

The EU must play a leading role in a comprehensive transformation of the international financial and economic Institutions at the G20 Meeting on April 2 in order to allow an inclusive process with the participation of all countries affected by the Institutions. The current global financial system must be transformed into one that serves the interests of all countries and its peoples.

Moreover, we urge the EU: to shut down secrecy jurisdictions, the shadow banking system and offshore financial centres (OFC) that are at the heart of the current financial crisis; and to eliminate cross-border tax evasion and capital flight and limit the scope for future tax avoidance in order to mobilise much-needed resources for sustainable development. As first step strong regulation on bank transfers to OFC need to be developed. Ultimately, an international tax organization under UN auspices is needed for the democratic control of taxation, i.e. to combat tax competition, tax evasion and corrupt capital flight.

We believe that in response to the current financial crisis significant advances in promoting a just and equitable world can be achieved.

Eurostep is a member of CONCORD

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However, this requires the commitment of all governments to ensure that the global architecture work in the interest of the global community as a whole. This can only be assured if all governments are fully involved in the processes that are transparent. The EU can and must give leadership in achieving this goal.

Yours sincerely,