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THE PRIME MINISTER

5 June 2013

Your Holiness,

When I said farewell to Pope Benedict at the end of his historic State Visit to Britain in September 2010, I made a number of promises. I said that the United Kingdom would keep its promises on aid, in particular in dedicating 0.7% of GNI to international development aid, despite the tough economic times. I said that we would continue to help the poorest and ensure the money we spend on aid goes to those who need it most. I also promised that we would redouble our resolve to work for the common good, working closely with the Holy See.

In 2013, the United Kingdom holds the Presidency of the G8 group of nations. I am determined to ensure that our G8 agenda will lead to real benefits for the global economy and will help people in developed and developing countries alike. Your Holiness has spoken eloquently about the need to rebalance the global economy, to help the poor and disadvantaged, and to find people work. My aim for our G8 Presidency, especially at the G8 Summit at Lough Erne on 17 and 18 June, is to do this by restoring strong and sustainable growth to the world economy by practical action on fairer taxes, freer trade, and greater transparency.

I will use the G8 to galvanise collective international action to effectively tackle tax evasion and aggressive tax avoidance - problems shared by developed and developing countries alike. We shall promote a new global standard for automatic information exchange between tax authorities to shrink the space for tax evasion. We shall provide political support for the ongoing OECD and G20 work to prevent some individuals and corporates artificially shifting their profits to ultra-low tax jurisdictions, distorting competition and seek to enhance the flow of information to tax authorities. We shall seek to set out concrete steps we will take to let law enforcement and tax collectors find out who really owns and controls every company. We shall also explore what more can be done by the G8 to support lower-income developing countries to collect the tax revenues owed to them, thereby strengthening their public services in areas like health and education on which people's well-being depends.

On trade, I know the Vatican has taken a keen interest in trade liberalisation, particularly the potential that it offers to alleviate poverty, and the need to ensure the poorest countries are integrated into the global economy. This is very much in line with the trade agenda for Lough Erne. We shall ensure that the G8 shows leadership on free trade by opening our markets, resisting protectionism and supporting an open, global rule-based trading system to ensure that all countries can benefit from increased trade. Protectionism and trade bureaucracy are amongst the most significant brakes on the global economy, affecting developing and developed economies alike and creating a barrier to economic and social progress. This is why I will put political impetus on progressing bilateral and plurilateral deals as well as supporting the multilateral trading system.

We will support efforts to conclude a multilateral deal on Trade Facilitation at the WTO Ministerial Conference in December, which could add \$70 billion to the global economy and would help boost trade in Africa in particular. We will also work with African countries to help them realise their goal of a Continental Free Trade Area, including through our support for regional integration. This could see intra-African trade double by 2022. If G8 countries complete all of their current trade deals and those in the pipeline, it could boost the income of the whole world by more than \$1 trillion. Under our G8 Presidency, I also want to see real progress on tackling food and nutrition insecurity through practical action and greater political commitment to fighting global malnutrition.

Many of the world's poorest countries are shackled by a lack of transparency, poor rules, corrupt practices and weak capacity. Too often, a veil of secrecy allows corrupt corporations and officials in countries to flout the law and prevent development. Too often, mineral wealth in developing countries becomes a curse rather than a blessing, as a lack of transparency fosters crime and corruption. Too often, instead of a shared hope for the next generation, such wealth brings conflict, greed, and environmental damage. Through the G8, I plan to push for mandatory higher global standards for the extractives sector, to encourage responsible and sustainable investment in land, and setting the standards for ensuring that government data are released in an open and useable format.

Finally, the High Level Panel Report on the post-2015 development agenda, which we transferred to the UN Secretary General last week, highlighted the importance of trade, tax and transparency to better the lives of the world's poorest. The Report presents an ambitious roadmap to eradicate extreme poverty from the face of the earth by 2030. It says that everyone - regardless of gender, ethnicity, income, disability, age - must have their basic needs met, and their economic and human rights respected. It too makes a strong call for

economic growth that promotes social inclusion and preserves the planet's natural resources for future generations. It says that freedom from violence, good governance and justice are not only fundamental to achieving poverty eradication, but goods in themselves that all citizens of the world have equal right to enjoy. I hope that you will be able to read the Report and offer support for its core messages.

You have called for disinterested solidarity and for a return to person-centred ethics in the world of finance and economics. As President of the G8, I aim to help secure the growth and stability on which the prosperity and welfare of the whole world depends. To do this, we must tackle the conditions that cause poverty, stiffen the sinews of responsible capitalism, and strengthen governance and transparency.

I believe that this path is one which requires more than the G8 to find success, that responsible governments, business and faiths can and should travel together, doing what we can to turn these values into practical action for the benefit of all.

Yours sincerely,

David Cameron

His Holiness Pope Francis

