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UN MILLENNIUM CAMPAIGN CALLS FOR \$300 BILLION BAILOUT OF WORLD'S POOR AT INTERNATIONAL ECONOMIC SUMMIT THIS SATURDAY

G-8 nations must compensate \$300 billion loss in GDP faced by the world's poorer nations as the result of financial crisis they had no role in causing

The United Nations Millennium Campaign is today calling for world leaders gathering at President Bush's economic summit in Washington this Saturday to allocate \$300 billion in additional aid and debt relief to the world's poorer countries, to make up for the GDP they are forecast to lose as a result of the global financial crisis over the next two years.

“Independent forecasts that the global financial meltdown will cost developing countries \$300 billion in GDP over the next two years do not adequately take into account the effects of shrinking exports and remittances, the global credit squeeze, and rising unemployment and poverty,” said Salil Shetty, Director of the United Nations Millennium Campaign. “For the world's 1.4 billion people living on less than \$1.25 per day, having less purchasing power is literally a question of survival – the difference between whether their children get a meal each day or not. The trillions of dollars found overnight to bail out Western bankers have shown us that the real issue we face in addressing this global crisis is not the availability of money, but of political will. World leaders must craft a similar ‘bailout’ package for the world's poor nations, who are bearing the brunt of a crisis they had no role in creating.”

The bailout package of \$300 billion in additional financing should be provided by the G-8 leaders to the poorest countries over the next two years, to counteract the loss in GDP and help them cope with the external shock and achieve the Millennium Development Goals.

The package could be a combination of additional aid from the G-8, debt relief, and, if required, IMF gold sales. Recipient governments must in turn ensure that these funds are allocated for a significant scaling-up of social expenditures on education, health and social protection programs. These programs must particularly target the poor and excluded members of society -- especially women and children.

Additionally, the UN Millennium Campaign is calling on donor countries to commit to honoring all existing aid commitments for at least the next 3 years, which total \$140 billion.

Finally, the UN Millennium Campaign is calling on G-20 leaders meeting this weekend to find a breakthrough on the deadlocked trade talks, for which there is a new urgency as a result of the effects of the financial crisis on the poorer nations of the world. Added to this, the world requires a more equitable financial architecture based on a new and inclusive form of multilateralism. Any new

agreement and system must be formulated through a participatory process involving both rich and poor countries, governments and people's organizations, so that it will be accountable to the world's poorest people and be focused on upholding their rights and achieving the Millennium Development Goals.

To arrange interviews with Millennium Campaign spokespeople or for more information contact:

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Note to editors:

The UN Millennium Campaign was established by UN Secretary General Kofi Annan in 2002. The Campaign supports citizens' efforts to hold their governments to account for the achievement of the Millennium Development Goals. The Millennium Development Goals were adopted by 189 world leaders from the north and south, as part of the Millennium Declaration which was signed in 2000. These leaders agreed to achieve the Goals by 2015. Our premise is simple: we are the first generation that can end poverty and we refuse to miss this opportunity. For more information, visit www.endpoverty2015.org.