



**Jubilee Sunday 20 May, 2012
Good News! Some Progress Made to Stop Debt Vultures!**

Dear Colleague

Last year on Jubilee Sunday in Australia, our Columban Mission Institute, which has been involved with Jubilee Australia for many years, drew your attention to Jubilee Australia's Stop Debt Vultures campaign, aimed at stopping the immoral, but not illegal (yet!), actions of vulture funds in Australia.

Vulture Funds are private investment vehicles that prey on the world's poorest countries. They circle developing countries on the lookout for debts that the country is struggling to pay. In particular, they target the debt of nations who have worked hard to comply with the terms of international debt relief programs. Upon achieving eligibility for the program, creditors are meant to voluntarily reduce their debt claims in accordance with the terms of the debt relief program. Sadly, these countries lose the benefit they work so hard for when some creditors sell that debt to sovereign debt vultures whose business is to disregard the debt relief programs and capitalise. They purchase debt from the original lenders for cents on the dollar and sue the poor country to recover the full value of the debt – plus interest, penalties, court fees and legal fees. Their actions result in the loss of funds that are desperately needed for health, education and poverty reduction.

We told you about one such vulture fund which bought debt of the Democratic Republic of Congo, then came to the NSW courts to recover some of the funds held by an Australian mining company. Jubilee Australia has been working for over a year to make Australians and the Australian government aware of this caustic practice. Supporters of the campaign have sent Stop Debt Vultures postcards to members of Parliament, written letters to federal cabinet members, signed our petition against debt vultures and emailed the Australian Attorney General directly using the application on the Stop Debt Vultures website.

Jubilee Australia is very pleased to say that our concerns have been recognised. Very soon we expect a motion to be moved in the Australian House of Representatives, and echoed in the Australian Senate. The motion asks the Attorney General to urgently draft and introduce legislation to stop debt vultures from exploiting a loophole in the Australian judicial system that enables them to extract massive profits from the world's poorest nations. We are counting on the continued support of you who believe that our legal and financial systems should operate for the great majority of people and not a tiny minority of ruthless and unethical operators. We invite you to participate in Jubilee Sunday 2012. Please read the attached material for how you can do this.

Yours Sincerely

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