

## INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS

### ICFTU OnLine...

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Global Unions call on the IMF and World Bank to go beyond G8 agreement and drop harmful conditions on loans

Brussels, 26 September 2005 (ICFTU OnLine): In a statement issued today to the 2005 Annual Meetings of the IMF and World Bank, Global Unions called on industrialised countries to go further than the G8 Summit commitments in increasing debt relief and development assistance. They also called on these institutions to eliminate economic policy conditionality attached to debt relief and aid.

"Following through on the G8 debt relief commitments is a key task for the Washington-based international financial institutions," said ICFTU General Secretary Guy Ryder. "But the IFIs have an equally important duty: they must stop conditioning debt relief and aid on structural reforms like privatization and unilateral trade liberalization, which often hurt the poor in developing countries."

"The current policy regime is akin to giving with one hand and taking with the other. Major reform is essential in order to attain the goals of the Global Call to Action against Poverty (GCAP), the global anti-poverty alliance supported and co-founded by the ICFTU," Ryder continued.

The Global Unions statement maintains that economic policy conditionality often undercuts original domestic efforts to eradicate poverty and achieve the Millennium Development Goals.

"We encourage the IFIs to instead provide financial assistance in support of participatory national development plans, originated in countries through civil society and trade union consultation and approved by national parliaments, as an alternative to economic policy conditionality," Ryder added.

The statement further calls on the IMF and World Bank to extend debt relief to a greater number of countries. It demands that the IMF and World Bank prioritize decent employment creation, respect of core labour standards, and comprehensive social protection in their lending and policy recommendations. In consideration of the IFIs' inconsistent record of defending workers' rights, the Global Unions statement reiterates that respect for workers' rights and decent work, including adequate wages, safe workplaces, and social protection, are essential to eradicating poverty and attaining the Millennium Development Goals.

The statement can be found at:

<http://www.icftu.org/displaydocument.asp?Index=991222138&Language=EN>

For more information, please contact the ICFTU Press Department on +32 2

224 0245 or +32 476 621 018.

The Global Unions group is made up of the International Confederation of Free Trade Unions (ICFTU), the Trade Union Advisory Committee (TUAC) to the OECD, and the Global Union Federations (GUFs) which represent their respective sectors at the international trade union level (UNI, IFBWW, IUF, IMF, PSI, EI, ITGLWF, IFJ, ITF and ICEM).

Global Unions represents over 150 million workers.

<http://www.global-unions.org>

The ICFTU represents 145 million workers in 234 affiliated organisations in 154 countries and territories. ICFTU is also a member of Global Unions: <http://www.global-unions.org>

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