

WRITTEN QUESTION E-3105/01
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to the Commission

Subject: Practices of international financial institutions

In several African and Latin American countries loans granted by the IMF and negotiated with local governments under the 'Poverty Reduction and Growth Facility' have imposed various conditions, one of which being water privatisation. This privatisation of state-owned companies has led to a rise in prices, making water even less accessible to large sections of the population in these countries.

Is the Commission aware of the dangers and serious repercussions of such practices on the part of international financial institutions? What proposals will the Commission put forward to remedy them and to ensure that these loans make a real contribution to reducing poverty in the countries concerned?