

JEREMY QUIN MP
Member of Parliament for Horsham



HOUSE OF COMMONS
LONDON SW1A 0AA

10th February 2017

Dear Constituent,

RE: COMMONWEALTH DEVELOPMENT CORPORATION BILL

Thank you for contacting me about the Commonwealth Development Corporation (CDC) Bill.

No country can defeat poverty without sustained economic growth, creating jobs and raising taxes for public services. CDC's mission is to create jobs and achieve lasting change for people in the poorest countries in Africa and Asia. CDC currently has investments in more than 1,200 businesses in over 70 countries. In 2015, the businesses that CDC invested in helped create over a million new direct and indirect jobs in the world's poorest countries.

I am pleased that the UK places a uniquely strong emphasis, compared to other advanced industrialised economies, on hitting our targets for aid expenditure.

CDC investments deliver significant development impact, while at the same time generating a financial return, every penny of which is re-invested. Over the past three years alone, CDC's investee companies have also generated over US\$7 billion worth of local tax revenue, which helps support public services like health and education in developing countries.

CDC has radically transformed its approach over the last five years to ensure its support is targeted where it is needed most, where it can have the greatest impact for the poorest and deliver value for money for UK taxpayers. DFID works closely with CDC to ensure it is at the forefront of global standards including on transparency and development impact.

The Bill will raise the limit on the level of financial support the Government can provide to CDC. The current limit, of £1.5 billion, was set 17 years and has now been reached. The Bill will raise the cumulative financial limit by £4.5 billion to £6 billion, with the potential to raise it further to £12 billion in the future, allowing CDC to continue with its pioneering work. However, even if the Bill passes, no new capital will be released to CDC without a clear business case subject to Ministerial scrutiny and approval. I believe this is the right approach.

Thank you again for taking the time to contact me.

Best wishes,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jeremy Quin'.