

MPs act to stop vulture funds

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[MPs act to stop vulture funds using UK courts to pursue poor nations | Business | guardian.co.uk](#)

Vulture funds would be banned from pursuing the world's poorest countries for debts in the UK courts, under a private member's bill that has won the backing of the government.

MPs will vote on the second reading of the [debt relief](#) (developing countries) bill, sponsored by Labour backbencher Andrew Gwynne, on Friday. The Treasury has repeatedly promised to tackle the problem of investors [suing poverty-stricken governments](#), often over debts contracted decades ago.

So-called vulture funds buy the debts of poor countries, usually at a sizeable discount, wait until the government has received debt relief from foreign creditors, and then pursue their share of the debt in courts around the world.

Vultures are invariably based in tax havens / secrecy jurisdictions. This is an essential development to stop yet another offshore abuse.

Congratulations to all involved.