

G8 Conclusions on Development, 1975-2012

John Kirton, Zaria Shaw and Sarah Jane Vassallo
G8 Research Group, August 24, 2012

Summary of Development Conclusions in G8 Summit Documents

Year	# of Words	% of Total Words	# of Paragraphs	% of Total Paragraphs	# of Documents	% of Total Documents	# of Dedicated Documents
1975	164	14.5	1	6.6	1	100	0
1976	270	16.6	3	12	1	100	0
1977	491	18.3	5	12.8	1	50	0
1978	585	19.5	12	24.4	1	50	0
1979	330	15.6	4	11.7	1	50	0
1980	654	16.3	6	12.5	1	20	0
1981	589	18.6	10	19.2	1	33.3	0
1982	290	16.1	1	5	1	50	0
1983	233	10.8	2	5.4	1	50	0
1984	109	3.3	1	2	1	20	0
1985	528	16.8	3	7.1	1	50	0
1986	394	10.9	4	12.5	1	25	0
1987	373	7.3	4	5.4	1	14.2	0
1988	824	16.9	9	13.8	1	33.3	0
1989	858	12	18	15	1	9	0
1990	1,066	14	15	12.1	1	25	0
1991	705	8.7	13	23.2	1	20	0
1992	510	6.7	5	2.9	1	25	0
1993	334	9.8	3	7.1	1	33.3	0
1994	913	22.1	8	11.7	1	50	0
1995	711	9.8	7	5.2	2	66.6	0
1996	3,129	20.4	46	20.1	2	50	1
1997	848	6.5	8	5.7	1	20	0
1998	407	6.6	5	7.8	1	25	0
1999	1,460	14.5	23	26.7	2	66.6	0
2000	1,974	14.5	21	14.4	2	40	0
2001	1,003	16.1	14	19.1	2	28.5	1
2002	6,693	55.9	64	56.1	3	42.8	2
2003	695	4.1	11	6.5	1	7.6	0
2004	461	1.1	3	0.89	3	14.2	2
2005	6,105	27.3	63	29.7	2	10	0
2006	3,234	10.5	46	18.7	1	5.8	1
2007	1,766	6.8	17	6.1	5	41.6	2
2008	1,661	9.8	12	6.8	2	18.1	0
2009	3,815	22.9	31	9.4	4	30.7	2
2010	1,839	17.3	17	17.3	3	100	0
2011	5,656	30.7	72	33.5	4	80	1
2012	620	17.0	6	15.0	1	50	0
Average	1,376.2	14.9	15.6	13.7	1.6	39.6	0.3

Notes:

Data are drawn from all official English-language documents released by the G8 leaders as a group. Charts are excluded.

“# of Words” is the number of development-related subjects for the year specified, excluding document titles and references. Words are calculated by paragraph because the paragraph is the unit of analysis.

“% of Total Words” refers to the total number of words in all documents for the year specified.

“# of Paragraphs” is the number of paragraphs containing references to development for the year specified. Each point is recorded as a separate paragraph.

“% of Total Paragraphs” refers to the total number of paragraphs in all documents for the year specified.

“# of Documents” is the number of documents that contain development-related subjects and excludes dedicated documents.

“% of Total Documents” refers to the total number of documents for the year specified.

“# of Dedicated Documents” is the number of documents for the year that contain a development-related subject in the title.

Introduction and Definition

The G8 recognizes that each country has primary responsibility for its own economic and social development, and for this reason respects country-owned development strategies. With regard to the diversity of growth models and approaches, the G8 is committed to strengthening the dialogue on varying development philosophies, strategies and policies from which all countries can benefit. The G8 has called upon developing countries to establish sound economic and social policies to attract more private capital flows, and for developed countries to support these actions through an open trading system and development assistance. Together the international community is working to make real progress in Africa and the poorest areas of the world. The G8 is committed to a shared vision for global development and continues to develop its global partnership with emerging countries. The 2010 *Muskoka Accountability Report* measures G8 action to implement its development commitments. It focuses on nine major development themes: aid and aid effectiveness, economic development, health, water and sanitation, food security, education, governance, peace and security, and the environment and energy. At the 2012 Camp David Summit, the leaders emphasized to Africa that international assistance alone would not bring about the inclusive and sustainable development that the continent needs.

Search Terms

The following keywords were used for this report when they related to the development agenda. Some search terms are highlighted in the text.

Inclusions

African Development Bank (AfDB), African Union (AU), debt relief, development aid, development assistance, Development Assistance Committee (DAC), developing countries, donor, highly/heavily indebted poor countries (HIPC), international development assistance, International Development Association (IDA), international financial institutions (IFIs), International Monetary Fund (IMF), least developed countries (LDCs), Millennium Development Goals (MDGs), multilateral development banks (MDBs), Muskoka Initiative, New Partnership for Africa's Development (NEPAD), North-South relations, Organisation for Economic Co-operation and Development (OECD), official development assistance (ODA), Paris Club, poorest of the poor, poverty reduction, sustainable development, World Bank, United Nations (UN)

Coding Rules

The unit of analysis is the paragraph/sentence.

A direct reference to 'development' or a cognate term is required.

Cognate or extended terms can be used without a direct reference to 'development' if they have previously been directly associated together in summit communiqué history.

Conclusions on Development in G8 Summit Documents

1975 Rambouillet, France

Communiqué

A cooperative relationship and improved understanding between the **developing nations** and the industrial world is fundamental to the prosperity of each. **Sustained growth** in our economies is necessary to growth in **developing countries**; and their growth contributes significantly to health in our own economies. The present large deficits in the current accounts of the **developing countries** represent a critical problem for them and also for the rest of the world. This must be dealt with in a number of complementary ways. Recent proposals in several international meetings have already improved the atmosphere of the discussion between developed and **developing countries**. But early practical action is needed to assist the **developing countries**. Accordingly, we will play our part, through the **IMF** and other appropriate international fora, in making urgent improvements in international arrangements for the stabilization of the export earnings of **developing countries** and in measures to assist them in financing their deficits. In this context, priority should be given to the **poorest developing countries**.

1976 San Juan, Puerto Rico, United States

Communiqué

We support the aspirations of the **developing nations** to improve the lives of their peoples. The role of the industrialized democracies is crucial to the success of their efforts. Co-operation between the two groups must be based on mutual respect, take into consideration the interests of all parties and reject unproductive confrontation in favor of sustained and concerted efforts to find constructive solutions to the problems of **development**.

The industrialized democracies can be most successful in helping the **developing countries** meet their aspirations by agreeing on, and co-operating to implement, sound solutions to their problems which enhance the efficient operation of the international economy. Close collaboration and better co-ordination are necessary among the industrialized democracies; our efforts must be mutually supportive, not competitive. Our efforts for international economic co-operation must be considered as complementary to the policies of the **developing countries** themselves to achieve **sustainable growth** and **rising standards of living**.

At Rambouillet, the importance of a co-operative relationship between the developed and **developing nations** was affirmed; particular attention was directed to following up the results of the Seventh Special Session of the UN General Assembly, and especially to addressing the balance of payments problems of some **developing countries**. Since then, substantial progress has been made. We welcome the constructive spirit which prevails in the work carried out in the framework of the Conference on International Economic Co-

operation, and also by the positive results achieved in some areas at UNCTAD IV in Nairobi. New measures taken in the **IMF** have made a substantial contribution to stabilizing the export earnings of the **developing countries** and to helping them finance their deficits.

1977 London, United Kingdom

Communiqué

The world economy can only grow on a sustained and equitable basis if developing countries share in that growth. We are agreed to do all in our power to achieve a successful conclusion of the CIEC [Conference on International Economic Co-operation] and we commit ourselves to a continued constructive dialogue with **developing countries**. We aim to increase the flow of **aid** and other real resources to those countries. We invite the COMECON [Council for Mutual Economic Co-operation] countries to do the same. We support multilateral institutions such as the **World Bank**, whose general resources should be increased sufficiently to permit its lending to rise in real terms. We stress the importance of secure private investments to foster world economic progress.

To carry out these tasks we need the assistance and cooperation of others. We will seek that cooperation in appropriate international institutions, such as the United Nations, the **World Bank**, the **IMF**, the GATT [General Agreement on Tariffs and Trade], and **OECD**. Those among us whose countries are members of the European Economic Community intend to make their efforts within its framework.
countries.

(i) North-South Relations

The world economy can only **grow on a sustained** and equitable basis if developing countries share in that growth. Progress has been made. The industrial countries have maintained an open market system despite a deep recession. They have increased **aid** flows, especially to poorer nations. Some \$8 billion will be available from the IDA [International **Development** Association] for these nations over the next three years, as we join others in fulfilling pledges to its fifth replenishment. The **IMF** has made available to **developing countries**, under its compensatory financing facility, nearly an additional \$2 billion last year. An International Fund for Agricultural **Development** has been created, based on common efforts by the developed OPEC and other **developing nations**.

The progress and the spirit of cooperation that have emerged can serve as an excellent base for further steps. The next step will be the successful conclusion of the Conference on International Economic Cooperation and we agreed to do all in our power to achieve this. We shall work:

- (i) To increase the flow of **aid** and other real resources from the industrial to **developing countries**, particularly to the 800 million people who now live in **absolute poverty**; and to improve the effectiveness of **aid**:
- (iii) To support such multilateral lending institutions as the **World Bank**, whose lending capacity, we believe, will have to be increased in the years ahead to permit its lending to

increase in real terms and widen in scope;

(iv) To promote the secure investment needed to foster world economic **development**; It is desirable that these actions by developed and **developing countries** be assessed and concerted in relation to each other and to the larger goals that our countries share. We hope that the **World Bank**, together with the **IMF**, will consult with other developed and **developing countries** in exploring how this could best be done.

1978 Bonn, Germany

Communiqué

(ii) Introduction

We agreed on a comprehensive strategy covering growth, employment and inflation, international monetary policy, energy, trade and other issues of particular interest to **developing countries**. We must create more jobs and fight inflation, strengthen international trading, reduce payments imbalances, and achieve greater stability in exchange markets. We are dealing with longterm problems, which will only yield to sustained efforts. This strategy is a coherent whole, whose parts are interdependent. To this strategy, each of our countries can contribute; from it, each can benefit.

(iii) Energy

We stress the need for improvement and coordination of assistance for **developing countries** in the energy field. We suggest that the **World Bank** explore ways in which its activities in this field can be made increasingly responsive to the needs of the **developing countries**, and to examine whether new approaches, particularly to financing hydrocarbon exploration, would be useful.

(iv)

(v) Trade

We welcome the statement on positive adjustment policy made by the **OECD** Ministers. There must be a readiness over time to accept and facilitate structural change. Measures to prevent such change perpetuate economic inefficiency, place the burden of structural change on trading partners and inhibit the integration of **developing countries** into the world economy. We are determined in our industrial, social, structural and regional policy initiatives to help sectors in difficulties, without interfering with international competition and trade flows.

We underline our willingness to increase our cooperation in the field of foreign private investment flows among industrialized countries and between them and **developing countries**. We will intensify work for further agreements in the **OECD** and elsewhere.

In the context of expanding world economic activity, we recognize the requirement for better access to our countries' markets for the products of the **developing countries**. At the same time we look to increasing readiness on the part of the more advanced **developing countries** to open their markets to imports.

(vi) Relations with Developing Countries

Success in our efforts to strengthen our countries' economies will benefit the **developing countries**, and their economic progress will benefit us. This calls for joint action on the basis of shared responsibility.

In the years ahead the **developing countries**, particularly those most in need, can count on us for an increased flow of financial assistance and other resources for their **development**. The Prime Minister of Japan has stated that he will strive to double Japan's official **development** assistance in three years.

We deeply regret the failure of the COMECON countries to take their due share in the financial assistance to **developing countries** and invite them once more to do so.

The poorer **developing countries** require increased concessional **aid**. We support the soft loan funds of the **World Bank** and the three regional **development** banks. We pledge our governments to support replenishment of the International **Development** Association on a scale that would permit its lending to rise annually in real terms.

26. As regards the more advanced **developing countries**, we renew our pledge to support replenishment of the multilateral **development** banks' resources, on the scale needed to meet the growing needs for loans on commercial terms. We will encourage governmental and private cofinancing of **development** projects with these banks.

The cooperation of the **developing countries** in creating a good investment climate and adequate protection for foreign investment is required if foreign private investment is to play its effective role in generating economic growth and in stimulating the **transfer of technology**.

We also refer to our efforts with respect to **developing countries** in the field of energy as outlined in paragraphs 15 and 16.

1979 Tokyo, Japan

Communiqué

8. Constructive **North-South relations** are essential to the health of the world economy. We for our part have consistently worked to bring **developing countries** more fully into the open world trading system and to adjust our economies to changing international circumstances. The problems we face are global. They can only be resolved through shared responsibility and partnership. But this partnership cannot depend solely on the efforts of the industrialized countries. The OPEC countries have just as important a role to play. The latest decision substantially to increase oil prices will also severely increase the problems facing **developing countries** without oil resources, as well as the difficulties for developed countries in helping them. The decision could even have a crippling effect on some of the **developing countries**. In this situation we recognize, in particular, the need for the flow of financial resources to the **developing countries** to

increase, including private and public, bilateral and multilateral resources. A good investment climate in **developing countries** will help the flow of foreign investment.

We are deeply concerned about the millions of people still living in conditions of **absolute poverty**. We will take particular account of the **poorest countries** in our aid programs.

We will place more emphasis on cooperation with **developing countries** in overcoming hunger and malnutrition. We will urge multilateral organizations to help these countries to develop effective food sector strategies and to build up the storage capacity needed for strong national food reserves. Increased bilateral and multilateral **aid** for agricultural research will be particularly important. In these and other ways we will step up our efforts to help these countries develop their human resources, through technical cooperation adapted to local conditions.

We will also place special emphasis on helping **developing countries** to exploit their energy potential. We strongly support the **World Bank's** program for hydrocarbon exploitation and urge its expansion. We will do more to help **developing countries** increase the use of renewable energy; we welcome the **World Bank's** coordination of these efforts.

1980 Venice, Italy

Communiqué

(vii) Introduction

Successive large increases in the price of oil, bearing no relation to market conditions and culminating in the recent decisions by some members of the Organization of [The] Petroleum Exporting Countries (OPEC) at Algiers, have produced the reality of even higher inflation and the imminent threat of severe recession and unemployment in the industrialized countries. At the same time they have undermined and in some cases virtually destroyed the prospects for growth in the **developing countries**. We believe that these consequences are increasingly coming to be appreciated by some of the oil exporting countries. The fact is that the industrialized countries of the free world, the oil producing countries, and the non oil **developing countries** depend upon each other for the realization of their potential for economic **development** and prosperity. Each can overcome the obstacles to that **development**, but only if all work together, and with the interests of all in mind.

We are deeply concerned about the impact of the oil price increases on the **developing countries** that have to import oil. The increase in oil prices in the last two years has more than doubled the oil bill of these countries, which now amounts to over \$50 billion. This will drive them into ever-increasing **indebtedness**, and put at risk the whole basis of their economic growth and social progress, unless something can be done to help them.

(viii) Relations with Developing Countries

We approach in a positive spirit the prospect of global negotiations in the framework of the United Nations and the formulation of a new International **Development** Strategy. In particular, our object is to cooperate with the **developing countries** in energy conservation and **development**, expansion of exports, enhancement of human skills, and the tackling of underlying food and population problems.

A major international effort to help these countries increase their energy production is required. We believe that this view is gaining ground among oil exporting countries. We ask the **World Bank** to examine the adequacy of the resources and the mechanisms now in place for the exploration, **development** and production of conventional and renewable energy sources in oil importing **developing countries**, to consider means, including the possibility of establishing a new affiliate or facility by which it might improve and increase its lending programs for energy assistance, and to explore its findings with both oil exporting and industrial countries.

We are deeply conscious that **extreme poverty** and chronic malnutrition afflict hundreds of millions of people of **developing countries**. The first requirement in these countries is to improve their ability to feed themselves and reduce their dependence on food imports. We are ready to join with them and the international agencies concerned in their comprehensive long-term strategies to increase food production, and to help improve national as well as international research services. We will support and, where appropriate, supplement initiatives of the **World Bank** and of the Food and Agriculture Organization of the United Nations (FAO) and to improve grain storage and food handling facilities. We underline the importance of wider membership of the new **Food Aid** Convention so as to secure at least ten million tons of food **aid** annually and of an equitable replenishment of the International Fund for Agricultural **Development**.

We strongly support the general capital increase of the **World Bank**, increases in the funding of the regional **development** banks, and the sixth replenishment of the International **Development** Association. We would welcome an increase in the rate of lending of these institutions, within the limits of their present replenishments, as needed to fulfill the programs described above. It is essential that all members, especially the major **donors**, provide their full contributions on the agreed schedule.

The democratic industrialized countries cannot alone carry the responsibility of **aid** and other different contributions to **developing countries**: it must be equitably shared by the oil exporting countries and the industrialized Communist countries. The Personal Representatives are instructed to review **aid** policies and procedures and other contributions to **developing countries** and to report back their conclusions to the next Summit.

1981 Montebello, Canada

Communiqué

(ix) Relations with Developing Countries

We support the stability, independence and genuine nonalignment of **developing countries** and reaffirm our commitment to cooperate with them in a spirit of mutual interest, respect and benefit, recognizing the reality of our interdependence.

It is in our interest as well as in theirs that the **developing countries** should grow and flourish and play a full part in the international economic system commensurate with their capabilities and responsibilities and become more closely integrated in it.

We reaffirm our willingness to explore all avenues of consultation and cooperation with **developing countries** in whatever forums may be appropriate. We are ready to participate in preparations for a mutually acceptable process of global negotiations in circumstances offering the prospect of meaningful progress.

While growth has been strong in most **middle income developing countries**, we are deeply conscious of the serious economic problems in many **developing countries**, and the grim poverty faced especially by the poorer among them. We remain ready to support the **developing countries** in the efforts they make to promote their economic and social **development** within the framework of their own social values and traditions. These efforts are vital to their success.

We are committed to maintaining substantial and, in many cases, growing levels of **Official Development Assistance** and will seek to increase public understanding of its importance. We will direct the major portion of our aid to poorer countries, and will participate actively in the United Nations Conference on the Least Developed Countries.

We point out that the strengthening of our own economies, increasing access to our markets, and removing impediments to capital flows contribute larger amounts of needed resources and technology and thereby complement official aid. The flow of private capital will be further encouraged in so far as the **developing countries** themselves provide assurances for the protection and security of investments.

The Soviet Union and its partners, whose contributions are meager, should make more **development assistance** available, and take a greater share of exports of **developing countries**, while respecting their independence and nonalignment.

We attach high priority to the resolution of the problems created for the non oil **developing countries** by the damaging effects on them of the high cost of energy imports following the two oil price shocks. We call on the surplus oil exporting countries to broaden their valuable efforts to finance **development** in non oil **developing countries**, especially in the field of energy. We stand ready to cooperate with them for this purpose and to explore with them, in a spirit of partnership, possible mechanisms, such as those

being examined in the **World Bank**, which would take due account of the importance of their financial contributions.

We recognize the importance of accelerated food production in the **developing world** and of greater world food security, and the need for **developing countries** to pursue sound agricultural and food policies; we will examine ways to make increased resources available for these purposes. We note that the Italian Government has in mind to discuss within the European Community proposals to be put forward in close cooperation with the specialized UN institutions located in Rome for special action in this field primarily directed to the **poorest countries**.

We are deeply concerned about the implications of world population growth. Many **developing countries** are taking action to deal with that problem, in ways sensitive to human values and dignity; and to **develop** human resources, including technical and managerial capabilities. We recognize the importance of these issues and will place greater emphasis on international efforts in these areas.

1982 Versailles, France

Communiqué

(x) Development Assistance

The growth of the **developing countries** and the deepening of a constructive relationship with them are vital for the political and economic wellbeing of the whole world. It is therefore important that a high level of financial flows and official assistance should be maintained and that their amount and their effectiveness should be increased as far as possible, with responsibilities shared broadly among all countries capable of making a contribution. The launching of global negotiations is a major political objective approved by all participants in the Summit. The latest draft resolution circulated by the **Group of 77** is helpful, and the discussion at Versailles showed general acceptance of the view that it would serve as a basis for consultations with the countries concerned. We believe that there is now a good prospect for the early launching and success of the global negotiations, provided that the independence of the specialized agencies is guaranteed. At the same time, we are prepared to continue and **develop** practical cooperation with the **developing countries** through innovations within the **World Bank**, through our support of the work of the regional **development** banks, through progress in countering instability of commodity export earnings, through the encouragement of private capital flows, including international arrangements to improve the conditions for private investment, and through a further concentration of official assistance on the poorer countries. This is why we see a need for special temporary arrangements to overcome funding problems for **IDA** [International **Development** Association] VI, and for an early start to consideration of **IDA** VII. We will give special encouragement to programs or arrangements designed to increase food and energy production in **developing countries** which have to import these essentials, and to programs to address the implications of population growth.

1983 Williamsburg, United States

Communiqué

4. We view with concern the international financial situation, and especially the **debt burdens** of many **developing nations**. We agree to a strategy based on: effective adjustment and **development policies** by **debtor nations**; adequate private and official financing; more open markets; and worldwide economic recovery. We will seek early ratification of the increases in resources for the **International Monetary Fund** and the **General Arrangements to Borrow**. We encourage closer cooperation and timely sharing of information among countries and the international institutions, in particular between the **International Monetary Fund (IMF)**, the **International Bank for Reconstruction and Development (IBRD)**, and the GATT.

6. The weight of the recession has fallen very heavily on **developing countries**, and we are deeply concerned about their recovery. Restoring sound **economic growth** while keeping our markets open is crucial. Special attention will be given to the flow of resources, in particular official **development assistance**, to **poorer countries**, and for food and energy production, both bilaterally and through appropriate international institutions. We reaffirm our commitments to provide agreed funding levels for the **International Development Association**. We welcome the openness to dialogue which the **developing countries** evinced at the recent conferences of the **NonAligned Movement** in New Delhi and the **Group of 77** in Buenos Aires, and we share their commitment to engage with understanding and cooperation in the forthcoming meeting of the **United Nations Conference on Trade and Development** in Belgrade.

1984 London II, United Kingdom

Communiqué

7. We are mindful of the concerns expressed by the **developing countries**, and of the political and economic difficulties which many of them face. In our discussion of each of the issues before us we have recognized the economic interdependence of the industrialized and **developing countries**. We reaffirm our willingness to conduct our relations with them in a spirit of goodwill and cooperation. To this end we have asked Ministers of Finance to consider the scope for intensified discussion of international financial issues of particular concern to **developing countries** in the **IBRD [International Bank for Reconstruction and Development] Development Committee**, an appropriate and broadly representative forum for this purpose.

1985 Bonn II, Germany

Communiqué

(xi) Relations with Developing Countries

7. **Sustained growth** in world trade, lower interest rates, open markets and continued financing in amounts and on terms appropriate to each individual case are essential to

enable **developing countries** to achieve sound **growth** and overcome their economic and financial difficulties. **Flows of resources**, including official development **assistance**, should be maintained and, wherever possible, increased, especially to the **poorer countries**. In particular, more stable long-term finance, such as direct investment from industrial countries, should be encouraged. We welcome longer-term **debt restructuring agreements** between **debtor countries** and commercial banks. We continue to stand ready, where appropriate, to negotiate further multi year reschedulings of **debts** to governments and government agencies.

8. We continue to encourage the constructive dialogue with the **developing countries** in the existing international institutions with a view to promoting their **economic development** and thereby their **social and political stability**. We emphasize the crucial role of, and the improved cooperation between, the **International Monetary Fund** and the **World Bank Group** in supporting policies by **debtor countries** necessary to strengthen the confidence of domestic and foreign creditors and investors, to **mobilize domestic savings** and to ensure efficient use of resources and sound long-term **development**. We agree to work to ensure that these institutions are equipped with the necessary resources and instruments, and we stand ready to discuss an increase in the resources available to the **World Bank which** may be necessary in the coming years. We remain concerned over the particular problems facing a number of **developing countries** that are neither among the **poorest** nor foremost among the group of **major debtors**. We agree that consideration should be given to easing the financial constraints of **these countries** on a **casebycase basis**.

9. We are deeply concerned about the plight of African peoples who are suffering from famine and drought. We welcome the positive response from our citizens and from private organizations, as well as the **substantial assistance** provided by the governments of many countries and the establishment by the **World Bank** of the **Special Facility for Sub-Saharan Africa**. We shall continue to supply **emergency food aid**. In addition, we shall intensify our cooperation with African countries to help them **develop** their economic potential and a longterm food strategy, based on their own agricultural programs. We are prepared to promote increases in food production by supplying agricultural inputs such as seed, pesticides and fertilizers, within the framework of agricultural **development projects**. We agree upon the need to improve the existing early warning systems and improve transportation arrangements. Political obstacles in the countries concerned should not be allowed to stand in the way of the delivery of food to the hungry. We emphasize the need to examine the establishment of a research network on dry zone grains. We shall strengthen our cooperation with African countries in fighting against desertification. Continued efforts are needed by all countries in a position to contribute to any or all of this work. We call upon the Soviet Union and other Communist countries to assume their responsibilities in this regard. We have set up an expert group to prepare proposals for followup measures to be reported to Foreign Ministers by September 1985.

1986 Tokyo II, Japan

Communiqué

(xii) Relations with Developing Countries

9. Private financial flows will continue to play a major part in providing for their **development needs**. We reaffirm our willingness to maintain and, where appropriate, expand official financial flows, both bilateral and multilateral, to **developing countries**. In this connection, we attach great importance to an early and substantial eighth replenishment of the **International Development Association (IDA)** and to a general capital increase of the **World Bank** when appropriate. We look for progress in activating the Multilateral Investment Guarantee Agency.
10. We reaffirm the continued importance of the **casebycase** approach to **international debt problems**. We welcome the progress made in **developing** the **cooperative debt strategy**, in particular building on the United States initiative. The role of the international financial institutions, including the **multilateral development banks**, will continue to be central, and we welcome moves for closer cooperation among these institutions, and particularly between the **IMF** and the **World Bank**. Sound adjustment programs will also need resumed commercial bank lending, flexibility in rescheduling **debt** and appropriate access to export credits.
11. We welcome the improvement which has occurred in the food situation in Africa. Nonetheless a number of African countries continue to need **emergency aid**, and we stand ready to assist. More generally, we continue to recognize the high priority to be given to meeting the needs of Africa. Measures identified in the **Report on Aid to Africa** adopted and forwarded to us by our Foreign Ministers should be steadily implemented. **Assistance** should focus in particular on the medium- and longterm economic **development** of **these countries**. In this connection we attach great importance to continued cooperation through the **Special Facility for SubSaharan African countries**, early implementation of the newly established **Structural Adjustment Facility** of the **IMF** and the use of the **IDA**. We intend to participate actively in the forthcoming **United Nations Special Session on Africa** to lay the foundation for the region's **longterm development**.

Tokyo Declaration: Looking Forward to a Better Future

4. We proclaim our conviction that in today's world, characterized by ever increasing interdependence, our countries cannot enjoy lasting stability and prosperity without stability and prosperity in the **developing world** and without the cooperation among us which can achieve these aims. We pledge ourselves afresh to fight against hunger, disease and poverty, so that **developing nations** can also play a full part in building a common, bright future.

1987 Venice II, Italy

Communiqué

(xiii) Developing Countries and Debt

21. We attach particular importance to fostering stable economic progress in **developing countries**, with all their diverse situations and needs. The problems of many **heavily indebted developing countries** are a cause of economic and political concern and can be a threat to political stability in countries with democratic regimes. We salute the courageous efforts of many of these countries to achieve **economic growth and stability**.

22. We underline the continuing importance of official development assistance and welcome the increased efforts of some of our countries in this respect. We recall the target already established by international organizations (0.7 percent) for the future level of official development assistance, and we take note that overall financial flows are important to development. We strongly support the activities of international financial institutions, including those regional development banks which foster policy reforms by borrowers and finance their programs of structural adjustment.

27. We recognize that the problems of some of the **poorest countries**, primarily in SubSaharan Africa, are uniquely difficult and need special treatment. These countries are characterized by such features as **acute poverty**, limited resources to invest in their own **development**, **unmanageable debt burdens**, heavy reliance on one or two commodities, and the fact that their **debt** is owed for the most part to governments of industrialized countries themselves or to international financial institutions. For those of the **poorest countries** that are undertaking adjustment effort, consideration should be given to the possibility of applying lower interest rates to their existing **debt**, and agreement should be reached, especially in the Paris Club,[2] on longer repayment and grace periods to ease the **debt** service burden. We welcome the various proposals made in this area by some of us, and also the proposal by the Managing Director of the **IMF** for a significant increase in the resources of the **Structural Adjustment Facility** over the three years from January 1, 1988. We urge a conclusion on [sic] discussions on these proposals within this year.

28. We note that **UNCTAD VII [UN Conference on Trade and Development, Seventh Session]** provides an opportunity for a discussion with **developing countries** with a view to arriving at a common perception of the major problems and policy issues in the world economy.

1988 Toronto, Canada

Communiqué

(xiv) Multilateral Trading System/ Uruguay Round

17. Trade plays a key role in development. We encourage the **developing countries**, especially the newly industrializing economies, to undertake increased commitments and

obligations and a greater role in the GATT, commensurate with their importance in international trade and in the international adjustment process, as well as with their respective **stages of development**. Equally, developed countries should continue to strive to ensure more open markets for the exports of **developing countries**.

(xv) Developing Countries and Debt

22. The performance of **developing countries** is increasingly important to the world economy. Central to the prospects of the **developing countries** are a healthy global economic environment and an open trading system, adequate financial flows and, most important, their commitment to appropriate economic reform. The problems of many **heavily indebted developing countries** are a cause of economic and political concern and can be a threat to political stability in **developing countries**. Several countries find themselves in that situation in various regions of the world: Latin America, Africa and the Pacific, particularly the Philippines, and that merits our special attention.

(xvi) MiddleIncome Countries

23. A number of **highly indebted middle income countries** continue to have difficulties servicing their external **debt** and generating the investment necessary for **sustainable growth**. The marketoriented, growthled strategy based on the **casebycase** approach remains the only viable approach for overcoming their external **debt** problems.

24. We are encouraged that many **indebted countries** have begun the difficult process of macroeconomic adjustment and **structural reform** necessary for **sustained progress**, encouraging the return of flight capital and new investment flows. The success of these efforts is essential for improving the economic performance and strengthening the **creditworthiness of these countries**.

25. Official financing has played a central role in the **debt** strategy through the **Paris Club** (U.S. \$73 billion of principal and interest have been consolidated since 1983) and the flexible policies of export credit agencies. The international financial institutions will continue to have a pivotal role. We endorse the recent initiatives taken by the **International Monetary Fund** to strengthen its capacity to support **mediumterm programs** of macroeconomic adjustment and **structural reform**, and to provide greater protection for **adjustment programs** from unforeseen external **developments**. We strongly support the full implementation of the **World Bank's** U.S. \$75 billion General Capital Increase to **strengthen** its capacity to **promote adjustment in middleincome countries**. We also support greater awareness by international financial institutions of the environmental impact of their **development programs**.

26. Commercial banks have played an important role in supporting **debtor countries' reform** efforts through an expanded menu of financing options which has facilitated the channeling of commercial bank lending into productive uses. Their continued involvement is indispensable to the **debt** strategy. In this regard, the **World Bank** and **IMF** can play an important catalytic role in mobilizing additional financing from private (and official) sources in support of **debtor countries' adjustment programs**.

28. International direct investment plays an important role in spurring **economic growth** and **structural adjustment** in **developing countries**. Thus it contributes to alleviating **debt** problems. **Developing countries** should welcome and encourage such investment by creating a favorable investment climate.

(xvii) Debt of the Poorest

29. An increase in concessional resource flows is necessary to help the **poorest developing countries** resume **sustained growth**, especially in cases where it is extremely difficult for them to service their **debts**. Since Venice, progress in dealing with the **debt burden** of these countries has been encouraging. **Paris Club** creditors are rescheduling **debt** at extended grace and repayment periods. In addition, the recent enhancement of the **IMF's Structural Adjustment Facility**; the **World Bank** and **Official Development Assistance (ODA)** agencies' enhanced program of cofinancing; and the fifth replenishment of the **African Development Fund** will mobilize a total of more than U.S. \$18 billion in favor of the **poorest** and **most indebted countries** undertaking adjustment efforts over the period 1988/90. Out of this total, U.S. \$15 billion will be channeled to Sub-Saharan African countries.

30. We welcome proposals made by several of us to ease further the **debt service** burdens of the **poorest countries** that are undertaking internationally-approved adjustment programs. We have achieved consensus on rescheduling official **debt** of these countries within a framework of comparability that allows official creditors to choose among concessional interest rates usually on shorter maturities, longer repayment periods at commercial rates, partial writeoffs of **debt** service obligations during the consolidation period, or a combination of these options. This approach allows official creditors to choose options consistent with their legal or budgetary constraints. The **Paris Club** has been urged to work out necessary technicalities to ensure comparability by the end of this year at the very latest. This approach will provide benefits over and above the impressive multilateral agreements to help the **poorest countries** over the past year. We also welcome the action taken by a number of creditor governments to writeoff or otherwise remove the burden of **ODA** loans, and also urge countries to maintain a high grant element in their future assistance to the **poorest**.

1989 Paris, France

Communiqué

-The **development** and the further integration of **developing countries** into the world economy. Whilst there has been substantial progress in many **developing countries**, particularly those implementing sound economic policies, the **debt burden** and the persistence of **poverty**, often made worse by natural disasters affecting hundreds of millions of people, are problems of deep concern which we must continue to face in a spirit of solidarity.

(xviii) General Problems with Development

22. **Development** is a shared global challenge. We shall help **developing countries** by opening the world trading system and by supporting their **structural adjustment**. We shall encourage, too, economic diversification in commodity **dependent countries** and the creation of a favorable environment for **transfers of technology and capital flows**.

We underline the continuing importance of **official development assistance** and welcome the increased efforts of Summit participants in this respect. We note the targets already established by international organizations for the future level of **official development assistance** and stress the importance of **overall financial flows to development**.

We underline simultaneously the importance attached to the quality of the **aid** and to the evaluation of the projects and the programs financed 23. We urge **developing countries** to implement sound economic policies. A vital factor will be the adoption of financial and fiscal policies which attract inward investment and **encourage growth** and the return of flight capital.

24. We note with satisfaction that there has been substantial progress in the **multilateral aid** initiative for the Philippines that was given special attention in the Toronto economic declaration.

25. Faced with the worrying economic situation of Yugoslavia, we encourage its government to implement a strong economic reform program that can command bilateral and multilateral support.

(xix) The Situation in the Poorest Countries

26. The enhancement of the **International Monetary Fund Structural Adjustment Facility**, the **World Bank special program of assistance** for the **poorest and most indebted countries** and the fifth replenishment of the **African Development Fund** are all important measures benefiting those countries having embarked upon an **adjustment process**. We stress the importance attached to a substantial replenishment of **International Development Association** resources.

27. As we urged last year in Toronto, the **Paris Club** reached a consensus in September 1988 on the conditions of implementation of significant reduction of **debt** service payments for the **poorest countries**. Thirteen countries have already benefited by this decision.

28. We welcome the increasing grant element in the **development assistance** as well as the steps taken to convert loans into grants and we urge further steps to this end. Flexibility in **development aid** as much as in **debt** rescheduling is required.

29. We attach great importance to the efficient and successful preparation of the next general conference of the United Nations on the **least developed countries**, which will take place in Paris in 1990.

(xx) Strengthened Debt Strategy for the Heavily Indebted Countries

30. Our approach to the **debt** problems has produced significant results, but serious challenges remain: in many countries the ratio of **debt** service to exports remains high, financing for growth promoting investment is scarce, and capital flight is a key problem. An improvement in the investment climate must be a critical part of efforts to achieve a **sustainable level of growth** without excessive levels of **debt**. These improvements of the current situation depend above all on sustained and effective **adjustment policies** in the **debtor countries**.

31. To address these challenges, we are strongly committed to the strengthened **debt** strategy. This will rely, on a **case-by case** basis, on the following actions:

-borrowing countries should implement, with the assistance of the **Fund** and the **Bank**, sound economic policies, particularly designed to mobilize savings, stimulate investment and reverse capital flight;

-banks should increasingly focus on voluntary, **market-based debt** and **debt service reduction operations**, as a complement to new lending; -the **International Monetary Fund** and the **World Bank** will support significant **debt** reduction by setting aside a portion of policy-based loans;

-limited interest support will be provided, through additional financing by the **International Monetary Fund** and the **World Bank**, for transactions involving significant **debt** and **debt service reduction**. For that purpose the use of escrow accounts is agreed; -continued **Paris Club** rescheduling and flexibility of export-credit agencies; -strengthening of the international financial institutions' capability for supporting medium-term macroeconomic and **structural adjustment programs** and for compensating the negative effects of export shortfalls and external shocks.

32. In the framework of **this strategy**: -we welcome the recent decisions taken by the two institutions to encourage **debt** and **debt** service reduction which provide adequate resources for these purposes;

-we urge **debtor countries** to move ahead promptly to **develop** strong economic **reform programs** that may lead to **debt** and **debt** service reductions in accordance with the guidelines defined by the two **Bretton Woods institutions**;

-we urge banks to take realistic and constructive approaches in their negotiations with the **debtor countries** and to move promptly to conclude agreements on financial packages including **debt** reduction, **debt** service reduction and new money. We stress that official creditors should not substitute for private lenders. Our governments are prepared to consider as appropriate tax, regulatory and accounting practices with a view to eliminating unnecessary obstacles to **debt** and **debt** service reductions.

1990 Houston, United States

Communiqué

(xxi) Reform in Central and Eastern Europe

33. We welcome the political and economic reforms taking place in Central and Eastern Europe. At the recent Conference on Security and Co-operation in Europe (CSCE) in Bonn and by the agreement to establish the **European Bank for Reconstruction and Development (EBRD)**, the participating countries of the region accepted the key principles underpinning market economies. However, the degree of implementation of economic and political reform varies widely by country. Several countries have taken courageous and difficult measures to stabilize their economies and shorten the transition to a market economy.

35. Foreign private investment will be vital in the **development** of Central and Eastern Europe. Capital will flow to countries with open markets and hospitable investment climates. Improved access for their exports will also be important for those Central and Eastern European countries that are opening up their economies. Western Governments can support this process by various means, including trade and investment agreements. The recent decision by the Coordinating Committee for Multilateral Export Controls (COCOM) to liberalize export controls is a positive step.

(xxii) The Developing Nations

48. We reiterate that our commitment to the **developing world** will not be weakened by the support for reforming countries in Central and Eastern Europe. The **poorest of the developing nations** must remain the focus of special attention. The **International Development Association** replenishment of SDR 11.6 billion, agreed to last December, will provide needed resources for these countries, and marks the incorporation of environmental concerns into **development lending**. It is our intention to take a constructive part in the Paris Conference on the **least developed countries** in September.

49. The advanced industrial economies can make a number of major contributions to the **long-run development** of the **developing countries**. By sustaining **economic growth** and **price stability**, we can offer stable, growing markets and sources of capital for the **developing world**. By providing financial and technical support to **developing countries** undertaking genuine political and economic **reform**, we can reinforce their ongoing liberalization. The industrialized nations should continue to make efforts to enhance their **development aid** and **other forms of assistance** to the **developing countries**, including reinforcing the effectiveness of the **aid**.

50. In the **developing world**, there is a growing acceptance of the view that growth can be encouraged by a stable macroeconomic framework, sectoral **reform** to provide more competition, and an opening of markets. Open, democratic, and accountable political systems are important ingredients in the effective and equitable operation of market-oriented economies.

51. Important contributions to a hospitable investment climate can be made by the protection of intellectual property, and by liberalization of investment regimes, including transparent and equitable investment rules, and equality of treatment for foreign and domestic investors.

52. The recent Enterprise for the Americas initiative announced by the U.S. President will support and encourage more market-oriented policies in Latin America and the Caribbean. We believe that such U.S. efforts hold great promise for the region and will help improve prospects for **sustained growth** in the Americas through the encouragement of trade, open investment regimes, the reduction of U.S. bilateral concessional **debt** and the use of **debt-for-equity** and [**debt-for-]nature swaps**.

53. In a number of countries, sustainable **development** requires that **population growth** remains in some reasonable balance with expanding resources. Supporting the efforts of **developing countries** to maintain this balance is a priority. Improved educational opportunities for women and their greater integration into the economy can make important contributions to population stabilization programs.

(xxiii) Third World Debt

55. Significant progress has been made during the past year under the strengthened **debt** strategy, which has renewed the resolve in a number of **debtor countries** to continue economic **reforms** essential to **future growth**. In particular, the recent commercial bank agreements with Chile, Costa Rica, Mexico, Morocco, the Philippines, and Venezuela involve significant **debt** and **debt-service** reduction. Important financial support for **debt** and **debt-service** reduction is being provided by the **IMF** and the **World Bank**, as well as by Japan. The **Paris Club** has agreed, in order to support **medium-term IMF-supported reform** and financing programs, to provide adequate restructuring agreements, notably through multiyear reschedulings and through lengthening of the repayment period. The combination of **debtor reform** efforts and commercial bank **debt reduction** has had a notable impact on confidence in **debtor economies**, as clearly demonstrated through flows of both new investment and the return of flight capital to Mexico, in particular.

56. These measures represent major innovations in the **case-by-case debt strategy** and are potentially available to all **debtor nations** with serious **debt-servicing** problems which are implementing economic **adjustment policies**.

57. The adoption by **debtor nations** of strong economic **reform** programs with the **IMF** and **World Bank** remains at the heart of the **debt strategy**, and a prerequisite for **debt** and **debt-service reduction** within commercial bank financing packages. It is vital that **debtor countries** adopt measures to mobilize savings and to encourage new investment flows and the repatriation of flight capital to help sustain their recovery. In this connection, the recent U.S. Enterprise for the Americas initiative to support investment reform and the environment in Latin America needs to be given careful consideration by Finance Ministers.

58. For countries implementing courageous reforms, commercial banks should take realistic and constructive approaches in their negotiations to conclude promptly agreements on financial packages including **debt reduction**, **debt-service reduction** and new money.

59. **Creditor nations** will continue to play an important role in this process through ongoing contributions to the international financial institutions, rescheduling of official **debt** in the **Paris Club**, and new finance. We encourage the **Paris Club** to continue reviewing additional options to address **debt burdens**. In the case of the **lower middle-income countries** implementing strong **reform programs**, we encourage the **Paris Club** to lengthen the repayment period, taking account of the special situations of these countries. We welcome the decisions taken by France with respect to Sub-Saharan Africa and by Canada with respect to the Caribbean to alleviate the **debt burden** of the **lower middle-income countries**.

60. **Creditor governments** have also provided special support for the **poorest countries** through the implementation of Toronto terms in **Paris Club** reschedulings. All of us have cancelled **official development assistance (ODA) debt for the poorest countries**. We encourage the **Paris Club** to review the implementation of the existing options that apply to the **poorest countries**.

61. We note and will study with interest the Craxi Report on **debt** commissioned by the UN Secretary-General.

1991 London III, United Kingdom

Communiqué

(xxiv) Developing Countries and Debt

36. **Developing countries** are playing an increasingly constructive role in the international economic system, including the Uruguay Round. Many have introduced **radical policy reforms** and are adopting the following principles:

- (a) respect for human rights and for the law, which encourages individuals to contribute to **development**;
- (b) democratic pluralism and open systems of administration, accountable to the public;
- (c) sound, market-based economic policies to sustain **development** and **bring people out of poverty**.

We commend these countries and urge others to follow their example. Good governance not only promotes **development** at home, but helps to attract external finance and investment from all sources.

37. Our steadfast commitment to helping **developing countries**, in conjunction with a durable non-inflationary recovery of our economies and the opening of our markets, will be the most effective way we have of enhancing prosperity in the **developing world**.

38. Many of **these countries**, especially the **poorest**, need our **financial and technical assistance** to buttress their own **development** endeavours. Additional **aid** efforts are required, to enhance both the quantity and the quality of our **support** for priority **development** issues. These include alleviating **poverty**, improving health, education and training and enhancing the environmental quality of our **aid**. We endorse the increasing attention being given to population issues in devising strategies for **sustainable progress**.

39. Africa deserves our special attention. Progress by African governments towards sound economic policies, democracy and accountability is improving their prospects for **growth**. This is being helped by our continued support, focused on stimulating **development** of the private sector, encouraging regional integration, providing concessional flows and reducing **debt burdens**. The **Special Programme of Assistance for Africa**, co-ordinated by the **World Bank** and providing support for economic reform in over 20 African countries, is proving its worth. We will provide humanitarian assistance to those parts of Africa facing severe famine and encourage the reform of United Nations structures in order to make **this assistance** more effective. We will also work to help the countries concerned remove the underlying causes of famine and other emergencies, whether these are natural or provoked by civil strife.

40. In the Asia-Pacific region, many economies, including members of the Association of South-East Asian Nations (ASEAN) and the Asia-Pacific Economic Co-operation (APEC), continue to achieve dynamic **growth**. We welcome the efforts by those economies of the region which are assuming new international responsibilities. Other Asian countries, which are strengthening their reform efforts, continue to need **external assistance**.

41. In Latin America we are encouraged by the progress being made in carrying out genuine economic reforms and by **developments** in regional integration. We welcome the continuing discussions on the **Multilateral Investment Fund**, under the **Enterprise for the Americas Initiative** which, together with other efforts, is helping to create the right climate for direct investment, freer trade and a reversal of capital flight.

42. We recognise with satisfaction the progress being made under the strengthened **debt** strategy. Some countries have already benefited from the combination of strong adjustment with commercial bank **debt reduction** or equivalent measures. We encourage other countries with **heavy debts** to banks to negotiate similar packages.

43. We note:

(a) the agreement reached by the **Paris Club** on **debt reduction** or equivalent measures for Poland and Egypt, which should be treated as exceptional cases;

(b) the **Paris Club's** continued examination of the special situation of some **lower middle-income countries** on a **case by case** basis.

44. **The poorest, most indebted countries** need very special terms. We agree on the need for additional **debt relief** measures, on a **case by case basis**, for these countries, going well beyond the relief already granted under Toronto terms. We therefore call on the **Paris Club** to continue its discussions on how these measures can best be implemented promptly.

45. We recognize the need for appropriate new financial flows to **developing countries**. We believe the appropriate way to avoid **unsustainable levels of debt** is for **developing countries** to adopt strengthened policies to attract direct investment and the return of flight capital.

46. We note the key role of the **IMF**, whose resources should be strengthened by the early implementation of the quota increase under the Ninth General Review and the associated Third Amendment to the Articles of Agreement.

1992 Munich, Germany

Communiqué

(xxv) United Nations Conference on Environment and Development (UNCED)

13. The Earth Summit has been a landmark in heightening the consciousness of the global environmental challenges, and in giving new impetus to the process of creating a worldwide partnership on **development** and the environment. Rapid and concrete action is required to follow through on our commitments on climate change, to protect forests and oceans, to preserve marine resources, and to maintain biodiversity. We therefore urge all countries, developed and **developing**, to direct their policies and resources towards **sustainable development** which safeguards the interests of both present and future generations.

14. To carry forward the momentum of the Rio Conference, we urge other countries to join us:

in drawing up and publishing national action plans, as foreseen at **UNCED**, by the end of 1993;

in giving additional **financial and technical support** to **developing countries** for **sustainable development** through **official development assistance (ODA)**, in particular by replenishment of **IDA**, and for actions of global benefit through the Global Environment Facility (GEF) with a view to its being established as a permanent funding mechanism;

in establishing at the **1992 UN General Assembly** the **Sustainable Development Commission** which will have a vital role to play in monitoring the implementation of Agenda 21;

in establishing an international review process for the forest principles, in an early dialogue, on the basis of the implementation of these principles, on possible appropriate internationally agreed arrangements, and in **increased international assistance**;

in the promotion of the **development** and diffusion of energy and environment technologies, including proposals for innovative technology programmes;

(xxvi) Developing Countries

18. The industrial countries bear a special responsibility for a sound global economy. We shall pay regard to the effects of our policies on the **developing countries**. We will continue our best efforts to increase the quantity and quality of **official development assistance** in accordance with our commitments. We shall direct **official development assistance** more towards the **poorest countries** that undertake credible efforts to help themselves. The more prosperous **developing countries** are invited to **contribute international assistance**.

20. Negotiations on a substantial replenishment of **IDA** funds should be concluded before the end of 1992. The **IMF** should continue to provide concessional **financing to support the reform programmes** for the **poorest countries**. We call for an early decision by the **IMF** on the extension for one year of the **Enhanced Structural Adjustment Facility** and for the full examination of options for the subsequent period, including a renewal of **the facility**.

23. We confirm the validity of the international **debt strategy**. We welcome the enhanced **debt relief** extended to the **poorest countries** by the **Paris Club**. We note that the **Paris Club** has agreed to consider the stock of **debt** approach, under certain conditions, after a period of three or four years, for the **poorest countries** that are prepared to adjust, and we encourage it to recognise the special situation of some **highly indebted lower-middle-income countries** on a **case by case** basis. We attach great importance to the enhanced use of voluntary **debt** conversions, including **debt** conversions for environmental protection.

1993 Tokyo III, Japan

Communiqué

(xxvii) Developing Countries

12. While encouraging changes in policy reforms and performance are taking place in many **developing countries**, many are still confronted with major economic and social difficulties, particularly in Africa. We recognize that their **sustainable development** and their integration into the world economy as well as their cooperation in addressing the

global challenges to mankind are essential for peace and prosperity of the world. We will continue to strengthen our support for their self help efforts based on the principles of good governance. We will also encourage them to follow sound and open economic policies to create a solid base for **sustainable economic growth**.

13. To this end, we will pursue a comprehensive approach, covering not only **aid** but also trade, **investment** and **debt strategy**, and a differentiated approach, tailored to the needs and performances of each country at its particular stage of **development** and taking environmental aspects into account. Under such an approach, we will make all efforts to enhance **development assistance** in order to respond to ongoing needs as well as new requirements. The **poorest countries** deserve special attention. Accordingly, we support the succession to or the renewal of the **IMF's Enhanced Structural Adjustment Facility**. We also look forward to a successful outcome of the **International Conference on African Development** in October this year. We confirm the validity of the international **debt strategy** and invite the **Paris Club** to continue reviewing the question of **debt relief** for the **poorest highly indebted countries**, especially with regard to earlier reductions in the stock of **debt** on a **case by case** basis. We welcome the U.S. administration's decision to join us in **debt reduction for these countries**.

14. We welcome the initiatives taken by **developing countries** to establish a more constructive partnership and dialogue on issues of our mutual interest. We will work for the success of the **International Conference on Population and Development** in Cairo next year which is important in addressing the linkages between rapid **population growth** and the goals of **sustainable development**.

1994 Naples, Italy

Communiqué

(xxviii) Developing Countries

1. We welcome the economic progress of many **developing countries**. We are concerned, however, by the stagnation and continued **poverty** in **some countries**, particularly in Africa. Since rapid **population growth** has aggravated **poverty** in many **countries**, we stress the importance of a positive outcome of the **Cairo Conference on Population and Development**.

2. We are committed to continue our efforts to enhance **development assistance** as well as promoting trade and investment in **developing countries**. We are encouraged by significant private capital flows to **developing countries** and by the efforts of many of these countries, particularly in Latin America and Asia, to increase trade among themselves. We call on the **World Bank** as well as the **regional development banks** to strengthen their efforts to reinforce private capital flows to the **developing world** while providing growing resources for health, education, family policies and environmental protection. We encourage the **Paris Club** to pursue its efforts to improve the **debt treatment** of the **poorest and most indebted countries**. Where appropriate, we favour a

reduction in the stock of **debt** and an increase in concessionality for those countries facing special difficulties. We welcome the renewal of the ESAF and the measures under consideration by the IMF to increase support to **developing countries** and to ensure that all members take part in the SDR system. In addition we agree to explore ways to mobilize more effectively the existing resources of the international financial institutions to respond to the special needs of **countries** emerging from economic and political disruption and the **poorest most indebted countries**.

3. In the Middle East, **economic development** is essential to underpin the peace process. Thus, along with others, we are providing **financial and technical assistance** to the Palestinian Authority and are working to promote cooperation and **development** in the region. We call for an end to the Arab boycott of Israel. We warmly welcome South Africa's transition to full democracy. This will open new opportunities for trade and inward investment. We will provide further assistance to help strengthen economic and **social development**, in particular for the **poorest groups**. Not only the people of South Africa but also her regional neighbours have much to gain from steady economic policies that unlock her full potential. We also welcome the adjustment measures taken by the countries in the CFA Franc area after the recent devaluation and prompt support from the international community.

(xxix) Promoting Sustainable Development

24. A **higher quality of life** for all people is the goal of **sustainable development**. Democracy, human rights, transparent and accountable governance, investment in people and environmental protection are the foundations of **sustainable development**. The primary responsibility rests with each country but bilateral and multilateral international cooperation is essential to reinforce national efforts. We are committed to securing substantial flows of funds and to improving the quality of our **assistance**.

25. **IDA** plays an indispensable role in helping to reduce **poverty** and integrate the **poorest countries** into the global economy. We urge all **donor** countries to fulfil promptly their commitments to **IDA-10** and to support a significant replenishment through **IDA-11**. We look forward to the recommendations of the **Development Committee's Task Force on Multilateral Development Banks**.

26. Multilateral institutions play a crucial role by providing intellectual leadership and policy advice, and by marshalling resources for countries committed to **sustainable development**. The United Nations and the Bretton Woods institutions should build on their respective strengths. The UN offers a unique forum for consensus building on global priorities, is an advocate for core values, and responds to **development** and humanitarian needs. The Bretton Woods institutions have a particular role in promoting macroeconomic stability, in supporting favourable environments for **sustainable development** and in mobilizing and transferring resources for **development**. We will work with the organizations and all their members to ensure relevant multilateral institutions: make **sustainable development** a central goal of their policies and programmes, including by intensifying and deepening the integration of environmental considerations into all aspects of their programmes; encourage countries to follow sound

economic, environmental and social policies and to create the appropriate legal and structural framework for sustainable **development**; encourage countries to follow participatory **development** strategies and support governmental reforms that assure transparency and public accountability, a stable rule of law, and an active civil society; encourage the **development** of a healthy private sector, expand guarantees and co-financing arrangements to catalyze private flows, and increase credit for small and medium-sized enterprises; continue to provide resources for the infrastructure needed for **sustainable development**, where these are not available from the private sector.

(xxx) Reducing Poverty

29. We welcome the **Paris Club** response to our encouragement last year to improve the treatment of the **debt** of the **poorest countries** and urge the full and constructive implementation of the Naples terms. We recognize that some of the **poorest countries** have substantial multilateral **debt** burdens. We will encourage: the Bretton Woods institutions to **develop** a comprehensive approach to **assist countries** with multilateral **debt** problems, through the flexible implementation of existing instruments and new mechanisms where necessary; better use of all existing **World Bank** and **IMF** resources and adoption of appropriate measures in the **multilateral development banks** to advance this objective and to continue concessional ESAF lending operations.

30. Open markets throughout the world are also crucial to accelerated **economic growth** in the **developing countries**. Multilateral institutions should work to assist the integration of the **poorest countries** into the world trading system. We encourage the WTO to monitor and review the Uruguay Round's impact on the **least developed countries**.

1995 Halifax, Canada

Communiqué

(xxxi) Promoting Sustainable Development

25. **IDA** plays an indispensable role in helping to reduce **poverty** and integrate the **poorest countries** into the global economy. We urge all **donor** countries to fulfil promptly their commitments to **IDA-10** and to support a significant replenishment through **IDA-11**. We look forward to the recommendations of the **Development Committee's Task Force on Multilateral Development Banks**.

26. Multilateral institutions play a crucial role by providing intellectual leadership and policy advice, and by marshalling resources for countries committed to **sustainable development**. The United Nations and the Bretton Woods institutions should build on their respective strengths. The UN offers a unique forum for consensus building on global priorities, is an advocate for core values, and responds to **development** and humanitarian needs. The Bretton Woods institutions have a particular role in promoting macroeconomic stability, in supporting favourable environments for **sustainable development** and in mobilizing and transferring resources for **development**. We will work with the organizations and all their members to ensure relevant multilateral

institutions: make **sustainable development** a central goal of their policies and programmes, including by intensifying and deepening the integration of environmental considerations into all aspects of their programmes; encourage countries to follow sound economic, environmental and social policies and to create the appropriate legal and structural framework for sustainable **development**; encourage countries to follow participatory **development** strategies and support governmental reforms that assure transparency and public accountability, a stable rule of law, and an active civil society; encourage the **development** of a healthy private sector, expand guarantees and co-financing arrangements to catalyze private flows, and increase credit for small and medium-sized enterprises; continue to provide resources for the infrastructure needed for **sustainable development**, where these are not available from the private sector.

(xxxii) Reducing Poverty

28. An overriding priority is to improve the plight of the **world's poor**. Persistence of **extreme poverty** and marginalization of the **poorest countries** is simply not compatible with universal aspirations for prosperity and security. Sub-Saharan Africa faces especially severe challenges. We will work with others to encourage relevant multilateral institutions to:

-focus concessional resources on the **poorest countries**, especially those in Sub-Saharan Africa, which have a demonstrated capacity and commitment to use them effectively, and take trends in military and other unproductive spending into account in extending **assistance**;

direct a substantially increased proportion of their resources to basic social programmes and other measures which attack the roots of **poverty**.

29. We welcome the **Paris Club** response to our encouragement last year to improve the treatment of the **debt** of the **poorest countries** and urge the full and constructive implementation of the Naples terms. We recognize that some of the **poorest countries** have substantial multilateral **debt** burdens. We will encourage: the Bretton Woods institutions to **develop** a comprehensive approach to **assist countries** with multilateral **debt** problems, through the flexible implementation of existing instruments and new mechanisms where necessary; better use of all existing **World Bank** and **IMF** resources and adoption of appropriate measures in the **multilateral development banks** to advance this objective and to continue concessional ESAF lending operations.

30. Open markets throughout the world are also crucial to accelerated **economic growth** in the **developing countries**. Multilateral institutions should work to assist the integration of the **poorest countries** into the world trading system. We encourage the WTO to monitor and review the Uruguay Round's impact on the **least developed countries**.

Chair's Statement

(xxxiii) Promoting New Approaches

7. New approaches are needed in the UN and elsewhere to deal with emerging global challenges such as environmental degradation, **unsustainable population growth**, mass displacement of victims of conflict and involuntary migration across borders. Initiatives such as the **UN Secretary-General's Agenda for Development** that highlight the linkages between economic, social and political issues could make an important contribution to international stability. We commit ourselves to working with other Member States to build on it. We also recognize the importance of non-governmental organizations in the UN's work on **economic and social development**, including human rights and humanitarian assistance, and believe that greater coordination of their efforts with those of the UN and other organizations would benefit the world community. We reiterate our firm belief in the necessity for the international community to promote efficient means to respond promptly to humanitarian emergencies, and support the work of the WEU in this area.

1996 Lyon, France

Communiqué

(xxxiv) Promoting Strong and Mutually Beneficial Growth of Trade and Investment

21. We recognize the importance of the integration of **developing countries** in the global trading system as an essential element of **sustainable growth and development**. We have agreed on ways to help **developing countries**, especially the **least developed**, to benefit more fully from the results of the Uruguay Round.

(xxxv) Implementing a New Global Partnership for Development: An Ambition for the 21st Century

32. Thanks to sound domestic economic policies and to an increasingly global economy, many **developing countries** are experiencing robust **growth**, assisted by their expanding involvement in international trade and capital inflows. But there is a growing divide between these countries and those, mainly **low income countries**, which are currently unable to benefit from these opportunities and are falling further behind.

33. We need therefore to define a new global partnership between **developing countries**, developed countries and multilateral institutions. This will involve a fresh look at **development** policies including **development aid**, its content and the bilateral and multilateral instruments through which it is provided.

34. This new partnership should set its sights on enabling all **developing countries**, whatever their stage of **development**, to share and participate in the benefits of globalization. To that end, it should take the achievement of **sustainable development** as its fundamental objective. Goals should include the reduction of **poverty** and social inequities, the respect of internationally recognized labour standards, protection of

children, a strengthened civil society, protection of the environment, improved health and education.

35. We want the partnership to achieve concrete results. We emphasize the usefulness of indicators capable of measuring progress toward **development** objectives in specific countries in areas such as **extreme poverty**, infant, child and maternal mortality, and primary education. Other essential aspects of **development** must also be considered, including a number of non-measurable qualitative factors. We welcome the ongoing work of the **OECD** on this subject.

36. The new **development** partnership should be mutually beneficial and based on a spirit of solidarity and burden-sharing among all those involved:

- the **developing countries** have a fundamental responsibility for promoting their own **development**. This means conducting sound and consistent economic and social policies, promoting a political and legal environment conducive to the development of the private sector, and encouraging domestic and foreign investment. Democracy, human rights and good governance are indispensable **components of development**. It is up to these countries to give priority to funding social and economic **development programs** and to avoid unproductive expenditures, in particular excessive military spending, without prejudice to their right to self-defence. It is in their interest to commit themselves actively to the multilateral system and to promote regional cooperation;
- the **developed countries** must support the efforts of the **developing countries** in a spirit of common purpose and efficiency. Their growth and market-opening policies also benefit developing countries. In implementing these policies, they should seek to create an environment which encourages trade and private financial flows in the developing countries direction. Bilateral agreements for investment protection and generalized preference measures contribute to this objective. We renew our commitment to secure substantial flows of official aid and to improve the quality of this aid. The whole international community should be mobilized in this effort, and new donors should assume growing responsibility, so that the burden is more equally shared;
- the **multilateral development institutions**, cooperating among each other and with bilateral donors, play an important role in **promoting development** and encouraging the **developing countries** to reduce poverty, to implement sound economic policies and to improve capacity. They must be provided with sufficient and appropriate financial resources for this purpose. Their strength depends on the active participation of all members. Efforts by the **multilateral institutions** to discourage unproductive expenditures in **developing countries** should be pursued and supported by donor countries in their own bilateral aid and credits.

37. Within the framework of this new partnership, the priority must be to implement more effectively-targeted policies, with four complementary objectives :

- external financial support should take into full account the differentiation between countries in transition, emerging economies and the poorest countries. Sub-Saharan Africa continues to face unusually severe challenges. We will concentrate resources on those countries that need them most and that can use them effectively, reflecting the fact that their policy program is credible and that their Government is fully committed to implement it. Grants and concessional financing should be directed primarily to meet the financial requirements of the poorest countries which have no or limited access to the international capital markets, once they can demonstrate their commitment to create the conditions to use them effectively ;
- giving more explicit priority to **sustainable development** and the alleviation of poverty. This should mean adequate **ODA funding** of essential sectors such as health and education, basic infrastructures, clean water schemes, environmental conservation, micro-enterprises, agricultural research and small-scale agriculture, with for example the help of IFAD ;
- we should support the establishment of a dynamic and competitive private sector in developing countries based on small and medium scale enterprises . **ODA** can play a catalytic role in creating the conditions in which such a private sector can flourish ;
- lastly, further integrating the **Least and Less Developed Countries** into the global economy, using the full range of policy instruments having an **impact on development**. Within the multilateral environment which has emerged from the Uruguay Round Agreement, this should be an essential objective. We will support the LLDCs' efforts to achieve such integration, for example, by responding favourably to requests for technical assistance in the fields of investment, privatisation and export diversification, and encouraging international organisations and programs to do likewise. We will implement the provisions of the **Marrakech Decision on Measures in Favour of Least Developed Countries**. In this context we will examine what each of us could do to improve their access to our markets and we encourage others to do the same, including other **developing countries**.

(xxxvi) Enhancing the Effectiveness of Multilateral Institutions for the Benefit of Development

38. To be effective in supporting this global partnership for **development**, the multilateral institutions must pursue their efforts to adapt and reform. We welcome the widespread support for institutional reform that has arisen in the past year and we are determined to help increase this momentum.

39. In Halifax a year ago, we called for reforms of the international financial institutions in order to improve coordination, reduce overlap, and increase their effectiveness. Reform efforts have intensified over the past year. The reform of the **Development Committee** has made it possible for Ministers from developed and **developing countries** to consider issues together and provide guidance to the institutions. The **World Bank** and the **IMF** are cooperating more closely with tangible results, for example in their joint studies on **debt** and public spending. Collaboration among the heads of the **multilateral**

development banks has been intensified. Operational and administrative reforms are underway and attention must be directed to effective implementation.

We commend the work undertaken by the **Multilateral Development Banks** to make procurement processes more transparent. We encourage efforts by all the multilateral institutions to support reforms that will help to promote good governance and to reduce corrupt commercial practices.

A sustained effort is needed in reforming the **development banks** to achieve better results on the ground, while reducing costs further. We endorse the recommendations of the **Development Committee Task Force** for closer cooperation between banks at all levels.

40. In Halifax, we committed ourselves to encourage the broadening and deepening of the reform process underway in the United Nations system. We believe that our initiatives have significantly contributed to an increasing awareness of necessary changes in the system as a prerequisite for improved efficiency, with a view to tangible benefits for recipients of the various **development** activities.

We particularly appreciate the outcome of the 9th session of UNCTAD at Midrand where we succeeded, together with all our partners, to pave the way for a thorough reform which can also be regarded as an important point of reference for the reform of the UN economic and social sector. We also deem significant the recent decision to strengthen the coordinating role of ECOSOC. We welcome the UN regional economic commissions initiatives to examine their activities, adjust priorities, restructure programs and reorganize their staff to increase efficiency and cost effectiveness.

We will work with other members to make rapid progress in the reform of the **UN** in order to rationalize and strengthen its role in **development**.

41. The **United Nations** plays a crucial role in the organization of international cooperation in favour of **sustainable development**, and in fostering consensus around **development** objectives and policies.

The **UN's** priority areas are, notably: reduction of **poverty**, employment, housing, the provision of essential services, and especially those relating to health and education, the advancement of women and protection of children, and humanitarian assistance in general.

The **UN** also has a fundamental role to play in promoting democracy, human rights and the rule of law, protection of the environment, emergency relief and post-conflict stabilization, and technical assistance to enable the **poorest countries** to participate in international trade and investment.

42. In order to be more effective in the field of **development**, the **UN** must clarify its role and comparative advantages. It must enhance the efficiency of its Secretariat and

operational framework, make them more coherent and ensure genuine coordination at all levels. Proposals to that effect should focus on existing structures and build on ideas which have emerged in various discussions on **UN** reform.

43. Reform could center upon the following main points :

- the three Secretariat departments responsible for **development** should be merged under the authority of a single Under Secretary-General ;
- the Under Secretary-General should notably serve as Executive Secretary of ECOSOC in order to enhance the Council's policy formulation and coordinating role ;
- the Secretary-General, assisted by the Under Secretary-General and supported by the Head of the **UN Office of Internal Oversight Services**, in cooperation with the heads of agencies, should urgently review the roles and mandates of specialized agencies and commissions involved in **development** with a view to eliminating overlap and improving effectiveness. This review should include an examination of the case for merging their **development** functions. The Secretary-General should make recommendations in this sense and pursue their implementation through the Administrative Committee on Coordination and ECOSOC ;
- upon being appointed, the Under Secretary-General should support the process by conducting a review of existing **UN development funds and programs** in close consultation with the heads of relevant individual bodies. Where a strong case for rationalization can be made, **funds and programs** should be merged into the **UNDP**, which would thus be enhanced ;
- the Under Secretary-General should also carry forward the rationalization of UN's economic analysis and reporting in consultation with other organizations involved in economic analysis such as the **IMF**, the **World Bank** and the **OECD**, with a view to eliminating duplication ;
- **UN** field premises and administrative systems in the field should be further consolidated and the timetable for approval of **UNDP**, **UNFPA** and **UNICEF** country programs should be harmonized;
- savings resulting from improved cost effectiveness should be reinvested in **development programs**. The Secretary-General should study ways of implementing this goal.

44. **UNCTAD IX** was a major milestone in the renewal of **UNCTAD**. In close partnership with the other member States, we succeeded in reforming **UNCTAD's** intergovernmental machinery and in refocusing its work on a small number of priorities to promote **development** through trade and investment with the aim of facilitating the integration of **developing countries** in the international trade system. We are committed to the implementation of these reforms. The LLDC's will be the major beneficiaries of

this action. We also welcome the WTO and the renewed **UNCTAD** initiative to enhance mutual cooperation with each other, with due regard to their respective mandates.

45. We urge greater cooperation between UN agencies, the international financial institutions and the WTO:

- regular meetings between the United Nations Secretary General, the IMF Managing Director, the World Bank President and the WTO Director General, and at other levels, would assure the coordinated and concerted action of these institutions. This closer cooperation must take into account the necessity for each institution to concentrate on areas of comparative advantage and to avoid unnecessary duplication ;

- **UNDP**, other **UN** agencies, the **World Bank**, the **IMF**, the **WTO** and **regional development banks** could work together, in full cooperation with the host country, in the preparation of country strategy reports submitted to their respective governing bodies. Regular meetings of donors in each country should be organized to facilitate the exchange of information and the shaping of programs according to the comparative advantages of each institution. Bilateral donors should be involved in this process. The resident United Nations co-ordinator or the **World Bank** or **regional development bank** representative could organize these meetings at regular intervals. Such meetings will help coordinate and rationalize the work of **donors** while reducing costs ;

- the non-military aspects of peace operations (including such tasks as democratization, police training, institution building, and delivery of humanitarian assistance) should be addressed through a comprehensive approach. In this regard, we encourage a closer cooperation between the United Nations, the International Financial Institutions and the relevant regional organizations, in order to facilitate the transition between the emergency intervention phase and the rehabilitation phase. Consultation among multilateral and bilateral **donors** in post-conflict countries should also be reinforced.

(xxxvii) Providing the Necessary Multilateral Support for Development

46. The replenishment of the concessional resources of the multilateral financial institutions must be completed. In this context, we stress the importance of sharing this burden equitably, we welcome the emergence of new **donors** and we encourage other countries to participate.

47. We welcome the fact that all **donors** have agreed to contribute to **IDA-XI** and the activation of the **Interim Trust Fund**. This agreement will enable the **Association** to lend up to USD 22 billion over three years. This is a major success. It is important that all **donors** ensure the success of **IDA-XI** by fully respecting their commitments on time.

48. We also welcome the replenishment of the resources of the **African Development Fund**, whose work is of vital importance for this continent, recognizing the reforms already made by the management of the **Bank**. Timely replenishment of the **Asian Development Fund** is also important.

49. We are committed to a continuing **Enhanced Structural Adjustment Facility (ESAF)** as the centerpiece of the **International Monetary Fund** support for the **poorest countries**, and we welcome the proposals of the Managing Director of the IMF for greater concessionality in **ESAF** lending for a limited number of **poor and highly indebted countries**, as the **IMF's** contribution to putting them in a sustainable position. We will examine constructively and positively the options for financing the needed subsidies, using primarily resources held by the **IMF**, without excluding bilateral contributions. If needed, the **IMF** should consider optimizing its reserves management in order to facilitate the financing of **ESAF**. This will enable the **IMF** to hold out to the **poorest countries** the prospect of macro-economic stability and **structural reforms** aimed at **growth**.

50. We welcome progress achieved in the alleviation of the **debt** problems and the active implementation, by the **Paris Club**, of the Naples terms. However, for some **heavily indebted poor countries**, we acknowledge the need for additional action, in particular to reduce **debts** owing to multilateral institutions and other bilateral creditors that are not members of the **Paris Club**. Following the proposals developed by the **Bretton Woods Institutions**, we look forward to a concrete solution being agreed by next Autumn at the latest on the following basis:

- the solution should provide an exit for **unsustainable debt** and be based on a **case by case** approach adapted to the specific situation of each country concerned, once it has shown its commitment to pursuing its economic adjustment;
- the continuation of **ESAF** will provide the basis for a reduction in the burden of the **debt** to the **IMF** for **these countries**;
- we welcome the proposal by **World Bank** management to commit 500 million \$ to this initiative and substantial amounts for future years. We will support and work together for an overall **World Bank** contribution of the order of 2 billion \$ for this initiative. We look to the **World Bank** together with the **Regional Development Banks** to develop practical funding mechanisms for treating **debt** owed to **these institutions**;
- as concerns bilateral credits, we are committed to work, in conjunction with a maximum possible contribution by the **World Bank** and the **IMF**, to achieve financial viability and **debt** sustainability for all **these countries** which undertake the necessary adjustment efforts. We acknowledge **Official Development Aid debt cancellation** already given by some creditor countries. We urge the **Paris Club** creditor countries, where they deem appropriate, on a **case by case** basis, to go beyond the Naples terms for **these countries**. These efforts would include, on a voluntary basis, **debt** conversion schemes up to 20% instead of currently 10% of the stock of **debts**, and increased **debt** alleviation. In parallel, and on the basis of the same assessment, all other bilateral creditors are encouraged to make their own contributions to these countries in –

Wherever feasible, traditional lending for capital projects should be left to the private sector and more generally the **MDBs** should ensure that their **lending** is genuinely

additional to private sector finance, and not replacing it. In order to promote **development** process, the **MDBs** should: encourage private sector financing of capital projects through various financing mechanisms; encourage the **development** of a healthy private sector by establishing a policy environment conducive to private enterprise the provision of sufficient infrastructure for **sustainable growth**.
terms comparable.

A New Partnership for Development

In their determination to ensure substantial flows of **aid** and to provide the necessary support to multilateral action in favor of **development**, the Heads of State and Government strongly urged the heads of the international organizations to persevere resol The new partnership starts from the principle that it is the responsibility of the **developing countries** themselves to determine and pursue policies to reduce **poverty** and foster sustainable, job-creating, equitable and environmentally-friendly **development**. All participants at the meeting stated their conviction of the need to focus grants and concessional financing primarily on the **poorest countries**, to enable them to implement these policies and thus benefit from the globalization of capital and trade flow They decided to pay particular attention to Sub-Saharan Africa. A medium-term strategy will be framed for this continent, taking as its starting point the initiative launched by the United Nations Secretary-General on March 15.

Based on solidarity and effective burden-sharing among all participants in the **development** process, this new partnership should contribute to **sustainable development** and the success of globalization for the benefit of all.

1997 Denver, United States

Communiqué

(xxxviii) United Nations Reform

49. We reaffirm the crucial role of the **United Nations** in maintaining international peace and security and in fostering global partnership and **sustainable development**. We support thorough-going reform, with the goal of strengthening the **UN**. We welcome progress that has occurred in the economic and social fields since our meetings in Halifax and Lyon. In this regard, we welcome Secretary General Kofi Annan's recent reform proposals and support their rapid implementation; we also look forward to the Secretary General's more extensive proposals next month. We remain committed to working with all UN members to realize these reforms.

50. In order for the **UN** to cope with the challenges of the 21st century, financial reform should proceed together with necessary reform measures in other areas. The **UN** system must be placed on a firm financial footing through full and timely payment of obligations, and **development** of a more logical and equitable scale of assessments. Budgets throughout the **UN** system should be scrutinized with emphasis on prioritization

and maximum operating efficiency. We look forward to the Secretary General's specific proposals for reinvesting savings from improved cost-effectiveness in high priority **development programs**. Robust oversight mechanisms and sound personnel policies are essential for success.

51. The urgent challenges of **economic and social development** require the UN to coordinate more effectively the policies and activities of its various bodies including the specialized agencies. To this end, the UN's Economic and Social Council (ECOSOC), supported by the Under Secretary General for economic and social issues, should strengthen its policy and coordination role, in particular through streamlining its subsidiary bodies and improving its working relationship with international financial institutions and the WTO. We welcome the recent reforms in the governance of the funds and programs as well as in the various UN bodies, in particular at **UNCTAD** and in the regional commissions; these efforts should be sustained and expanded.

52. We call for a thorough and urgent review of the **UN's funds and programs**, as well as a system-wide review of the roles and mandates of specialized agencies and commissions. We welcome the Secretary General's recommendations for strengthened integration at the country level and better coordination at headquarters. In this context, we recommend the **UN** undertake performance evaluations of the coordination of its **development** activities in a range of representative countries. We expect the least developed countries to be the principal beneficiaries of improved efficiency in the **UN's development** work.

(xxxix) Africa: Partnership for Development

54. At Lyon, we initiated a New Global Partnership for Development, noting- both that **developing countries** have a fundamental responsibility for promoting their own **development**, and that developed countries must support these efforts. We paid particular attention to the problems of Sub-Saharan African countries, many of which continue to face unusually severe challenges. This year, we aim to translate the principles of that Partnership into new concrete action to support the efforts of African countries to participate fully in the expansion of global prosperity and to spread the benefits throughout their societies. Our objective is not only to facilitate the progressive integration of African countries into the world economy, but also to foster the integration of **poor populations** into economic, social and political life of their countries.

59. Substantial flows of **official development assistance** will continue to play an essential role in building the capacity of Sub-Saharan African countries to achieve their **sustainable development** objectives. We are committed to a results-oriented approach to **development policy**, with the particular goal of combating **extreme poverty**. But **development assistance** alone cannot overcome inappropriate policies. We will work with African countries to ensure adequate and well-targeted **assistance for those countries** which have the **greatest need** and carry out the necessary broad-based reforms. **This assistance** will include support for democratic governance, respect for human rights, sound public administration, efficient legal and judicial systems, **infrastructure development, rural development**, food security, environmental

protection and **human resource development**, including health and education of their people. In this regard, we will work to strengthen cooperation among concerned institutes to facilitate and coordinate capacity building efforts.

60. To maximize the effectiveness of our efforts, we will deepen the dialogue with African partners, work for greater local ownership of **development** strategies and encourage the participation of non-governmental actors. We will also strengthen **donor** coordination, including with emerging **donors**. We welcome and fully support the emerging trend of intraregional and inter-regional cooperation to further African **development**.

61. The United Nations plays a major role in development in Africa, and African countries will be major beneficiaries of reform of the UN **economic and social development** activities. We encourage the UN's **development funds and programs and specialized agencies**, to emphasize work in the field in Africa and to fully integrate and coordinate their efforts, both at the headquarters and at the country level. We are encouraged by the Economic Commission on Africa's efforts to energize and focus its activities. The **UN Development Program's** decision to allocate a portion of its resources based on program quality is a useful approach to assuring effectiveness, and we urge that it be adopted more broadly in the UN's work.

1998 Birmingham, United Kingdom

Communiqué

(xl) Introduction

2. Of the major challenges facing the world on the threshold of the 21st century, this Summit has focused on three:

-
- achieving **sustainable economic growth and development** throughout the world in a way which, while safeguarding the environment and promoting good governance, will enable **developing countries** to grow faster and reduce poverty, restore growth to emerging **Asian economies**, and sustain the liberalisation of trade in goods and services and of investment in a stable international economy;

(xli) Promoting Sustainable Growth in the Global Economy

4. Overall global prospects remain good. However, since we last met, the prospects have been temporarily set back by the financial crisis in Asia. We confirm our strong support for the efforts to re-establish stability and growth in the region and for the key role of the International Financial Institutions. Successful recovery in Asia will bring important benefits for us all. Therefore:

- we are conscious of the serious impact of the crisis in the region on the poor and most vulnerable. Economic and financial reform needs to be matched with actions and policies by the countries concerned to help protect these groups from the worst effects

of the crisis. We welcome the support for this by the **World Bank**, the **Asian Development Bank** and **bilateral donors** and the increased emphasis on social expenditure in programmes agreed by the **IMF**;..

- 7. To help achieve these goals, we intend to implement fully the vision we set out at Lyon and Denver. We therefore pledge ourselves to a shared international effort:

•• to support the speedy and determined extension of **debt relief** to more countries, within the terms of the **Heavily Indebted Poor Countries** (HIPC) initiative agreed by the International Financial Institutions (IFIs) and **Paris Club**. We welcome the progress achieved with six countries already declared eligible for **HIPC debt relief** and a further two countries likely to be declared shortly. We encourage all eligible countries to take the policy measures needed to embark on the process as soon as possible, so that all can be in the process by the year 2000. We will work with the international institutions and other creditors to ensure that when they qualify, countries get the relief they need, including interim relief measures whenever necessary, to secure a lasting exit from their debt problems. We expect the **World Bank** to join the future financial effort to help the **African Development Bank** finance its contribution to the **HIPC initiative**; ...

1999 Köln, Germany

Communiqué

(xlvi) V. Strengthening Social Safeguards

23. We call on the International Financial Institutions (IFIs) to support and monitor the **development of sound social policy and infrastructure in developing countries**. We commend actions already being taken in this regard. We urge the International Monetary Fund (IMF) to give more attention to this issue in designing its economic programs and to give particular priority to core budgets such as basic health, education and training to the extent possible, even during periods of fiscal consolidation. We welcome the efforts of the **World Bank**, in collaboration with the UN, to develop principles of good practice in social policy and their work to strengthen partnerships with borrower countries through the comprehensive **development network**. We invite the World Bank and the IMF to work together to develop a set of policies and practices that can be drawn upon, by donors and borrowers alike, in the design of adjustment programs that ensure the protection of the most vulnerable.

(xlvii) VI. Deepening the Development Partnership

27. **Developing countries** are essential partners in a globalized world. We are committed to working with them, especially with the poorest countries, to eradicate poverty, launch effective policies for **sustainable development** and develop their capacity to integrate better into the global economy, thus benefiting from the opportunities offered by globalization.

- We will continue to provide substantial support and assistance to **developing and transition economies** in support of their own efforts to open and diversify their economies, to democratize and improve governance, and to protect human rights.
- We will strive gradually to increase the volume of **official development assistance** (ODA), and to put special emphasis on countries best positioned to use it effectively.
- To ease future **debt burdens** and facilitate **sustainable development**, we agree to increase the share of grant-based financing in the **ODA** we provide to the **least developed countries**.
- Non-governmental organizations also have an important role to play.
- While **international assistance** and **debt relief** are clearly important, their positive effects depend on sound national efforts towards economic and structural reform and good governance, where the private sector and civil society are able to play productive roles.
- We intend to step up work with **developing countries** and **multilateral institutions** to improve **developing country capacity** to exercise their rights and meet their obligations in the global trading system so as to ensure that they derive the full benefits of liberalized trade and thus contribute to global economic growth.
- We call on the UN and the IFIs to help developing countries mobilize sufficient means for social services and basic infrastructure and continue to support and to mainstream democratization, good governance and the rule of law into country **development strategies**.
- We reaffirm our support for the OECD mandate to finalize a recommendation on untying aid to the **least developed countries**. We call on OECD members to bring this effort to a successful conclusion as soon as possible.

28. We reaffirm our commitment to contribute to the achievement of **economic and social development** in Africa, Asia and Latin America. We will review the situation in that regard every year, on the basis of reports by the IFIs and the relevant **regional development banks**, on the alleviation of poverty.

(xliv) VII. Launching the Köln Debt Initiative

29. We have decided to give a fresh boost to **debt relief to developing countries**. In recent years the international creditor community has introduced a number of debt relief measures for the poorest countries. The **Heavily Indebted Poor Countries** (HIPC) framework has made an important contribution in this respect. Recent experience suggests that further efforts are needed to achieve a more enduring solution to the problem of unsustainable debt burdens. To this end we welcome the 1999 Köln Debt

Initiative, which is designed to provide deeper, broader and faster debt relief through major changes to the HIPC framework. The central objective of this initiative is to provide a greater focus on poverty reduction by releasing resources for investment in health, education and social needs. In this context we also support good governance and **sustainable development**.

G7 Statement

(xlv) III. Köln Debt Initiative

9. One of the most critical challenges confronting the international community as we approach the new millennium is to ensure that **heavily indebted poor countries** pursuing sound policies, and that demonstrate a commitment to reform and poverty alleviation, are not crippled by the **burden of debt**. The **Heavily Indebted Poor Countries Initiative** (HIPC Initiative) has made an important contribution towards this objective. The time has come to go further. We therefore call for an expanded initiative that will provide faster, broader and deeper debt relief. We strongly believe that this will promote the goals of poverty reduction, **sustainable development** and good governance. It should also reinforce the incentives for reform and growth, while enhancing the prospects for access to private credit in the future.

10. The **Köln Debt Initiative** should be built on an enhanced framework for poverty reduction, developed by the IFIs in consultation with other institutions and with civil society. This is critical to ensure that more resources are invested in health, including AIDS prevention, education and other social needs, which are essential for **sustainable development**.

11. We welcome and endorse the Report of our Finance Ministers on the **Köln Debt Initiative**. The proposals contained in this report will lead to a deeper debt reduction through more ambitious targets, faster debt relief through greater flexibility in the timing of delivery of agreed debt relief packages, and a stronger focus on early cash flow relief by the International Financial Institutions. We also ask the **Paris Club** and other **bilateral creditors** to forgive commercial debt up to 90 % and more in individual cases if needed to achieve debt sustainability, in particular for the very poorest among these countries. In addition to these amounts, we call for full cancellation on a bilateral basis, through various options, of **Official Development Assistance** (ODA) debt. For poor countries not qualifying under the **HIPC Initiative**, the **Paris Club** could consider a unified 67 per cent reduction under Naples terms and, for other debtor countries, an increase of the existing limit on debt swap operations.

12. If implemented, the debt stock of countries possibly qualifying under the **HIPC Initiative** would be reduced, from some US \$ 130 billion in nominal terms (US \$71 billion in net present value) remaining after traditional debt relief, by an additional US \$ 50 billion in nominal terms (US \$27 billion in net present value). These measures, together with forgiveness of debts arising from **Official Development Assistance**, of which up to US \$20 billion in nominal terms are owed to G7 countries, would reduce the

overall debt stock by more than half, lowering the debt service burden significantly and freeing resources for priority social spending.

13. We recognize that these changes will entail significant costs, in particular arising from debt owed to the IFIs. We are prepared to support a number of mechanisms to meet these costs recognizing the importance of maintaining an adequate concessional lending capacity by the IFIs:

- To meet the IMF's costs, the Fund should mobilize its resources, while maintaining an appropriate level of reserves, through the use of premium interest income, the possible use of reflows from the special contingency account or equivalent financing, and the use of interest on the proceeds of a limited and cautiously phased sale of up to 10 million ounces of the IMF's gold reserves.
- The **Multilateral Development Banks** (MDBs) should build on the work they have begun to identify and exploit innovative approaches which maximize the use of their own resources.
- The costs to the IFIs will also require bilateral contributions. We have pledged substantial contributions to the existing **HIPC Trust Fund**. We will consider in good faith contributions to an expanded **HIPC Trust Fund**.
- In meeting the costs, we call for appropriate burden sharing among donors taking into account all relevant aspects, including the magnitude and quality of **ODA** already extended and past **ODA** forgiveness, and recognizing the contributions of countries with high **ODA** loans outstanding relative to GDP.

14. We would welcome efforts by the private sector to reinforce the objectives of this initiative, including through contributions to a **Millennium Fund to help finance debt relief**.

15. On the basis of this framework, we call on the IFIs and the **Paris Club** to provide faster, deeper and broader **debt relief**, to work with the **HIPC countries** to ensure that three quarters of eligible countries have reached their decision point by the year 2000, and to assist the very poorest countries to embark on the **HIPC process** as soon as possible. Concrete proposals should be agreed by the time of the next Annual Meetings of the IMF and the **World Bank**.

2000 Okinawa, Japan

Communiqué

(xlvi) Development

13. The 21st century must be a century of prosperity for all, and we commit ourselves to the agreed **international development goals**, including the overarching objective of reducing the share of the world's population living in extreme poverty to half its 1990 level by 2015. 13. We welcome the Report on Poverty Reduction by **Multilateral Development Banks** (MDBs) and the International Monetary Fund (IMF) which we

requested in Cologne, and we look forward to receiving an annual poverty report as we review progress each year in reducing poverty across the globe. This report shows that progress is possible where the right conditions are created for **growth and social development**. But it reminds us of the vast challenges that remain. While the percentage of poor in **developing countries** declined from 29% in 1990 to 24% in 1998, there are still 1.2 billion people living on less than one dollar a day and there are marked differences both within and between regions. In particular, many developing countries, notably in Africa, are growing too slowly. The HIV/AIDS pandemic aggravates the situation.

14. As the report indicates, many countries have made significant **progress in overcoming poverty** in the past quarter century, and their example is a beacon of hope for others. From their success, we have learned that poverty can best be overcome in resilient, peaceful, and democratic societies with freedom and opportunity for all, growing and open economies and dynamic private sectors, and strong and accountable leaders and institutions.

15. Robust, broad-based and equitable economic growth is needed to fight poverty and rests on expanding people's capabilities and choices. Government must, in co-operation with the private sector and broader civil society, establish economic and social foundations for broad-based, private sector growth. Small and medium sized enterprises, together with the opportunities presented by IT can be powerful **tools for development**. We will work with **developing countries** to put in place policies, programmes and institutions that offer people a fair chance to better their lives. We therefore welcome the constructive discussions of the Tenth Meeting of the **United Nations Conference on Trade and Development** (UNCTAD X) in Bangkok, and will work in the United Nations and other fora to further reduce poverty, especially in the **Least Developed Countries** (LDCs).

16. We also welcome the increasing co-operation between the International Labour Organisation (ILO) and the International Financial Institutions (IFIs) in promoting adequate social protection and core labour standards. We urge the IFIs to incorporate these standards into their policy dialogue with member countries. In addition, we stress the importance of effective co-operation between the World Trade Organisation (WTO) and the ILO on the social dimensions of globalisation and trade liberalisation.

17. Trade and investment are critical to promoting **sustainable economic growth** and reducing poverty. We commit ourselves to put a higher priority on trade-related capacity-building activities. We are also concerned that certain regions remain marginalised as regards foreign direct investment, and that the 48 LDCs attract less than 1% of total foreign direct investment flows to the developing countries. We urge **multilateral development organisations** and **financial institutions** to support **developing countries'** efforts to create a favourable trade and investment climate, including through the Poverty Reduction Strategy Papers (PRSPs) and the Integrated Framework (IF).

18. We are particularly concerned about the severity of the challenges facing the **LDCs**, particularly those in Africa, which are held back from sharing in the fruits of globalisation by a debilitating and self-reinforcing combination of conflict, poverty and weak governance.

19. We are committed to mobilising the instruments and resources of the international community to support and reinforce the efforts of these countries to combat and overcome these challenges, with particular priority on promoting equitable distribution of the benefits of growth through sound social policies, including regarding health and education. To this end, as we set out in detail below, we have agreed to:

- Push forward the **Heavily Indebted Poor Countries** (HIPC) debt initiative;
- Provide significantly improved access to our markets;
- Strengthen the effectiveness of our **official development assistance** (ODA);

20. **ODA** is essential in the fight against poverty. We commit ourselves to strengthening the effectiveness of our ODA in support of countries' own efforts to tackle poverty, including through national strategies for poverty reduction. We will take a long-term approach favouring those countries where governments have demonstrated a commitment to improve the well-being of their people through accountable and transparent management of resources devoted to development. To achieve increased effectiveness of **ODA**, we resolve to untie our aid to the **Least Developed Countries** on the basis of progress made in the Organisation for Economic Co-operation and Development (OECD) to date and a fair burden-sharing mechanism that we will agree with our OECD partners. We believe that this agreement should come into effect on 1 January 2002. In the meantime, we urge those countries which maintain low levels of untying of **ODA** to **improve their performance**. We will also seek to demonstrate to the public that well-targeted **ODA** gets results, and on that basis will strive to give increased priority to such assistance. Well co-ordinated assistance is helpful for developing countries and we will consider how best to improve such co-ordination.

21. We also agree to give special attention to three issues - debt, health, and education, as a spur to growth.

(xlviij) Debt

22. Last year in Cologne, we agreed to launch the **Enhanced HIPC Initiative** to deliver faster, broader and deeper debt relief, releasing funds for investment in national poverty reduction strategies. We welcome endorsement of this initiative by the international community last autumn.

23. Since then, while further efforts are required, progress has been made in implementing the **Enhanced HIPC Initiative**. Nine countries (Benin, Bolivia, Burkina Faso, Honduras, Mauritania, Mozambique, Senegal, Tanzania and Uganda) have already reached their Decision Points and are seeing the benefits of the Initiative. Total debt relief under the HIPC Initiative for these countries should amount to more than US\$15 billion in nominal terms (US\$8.6 billion in Net Present Value).

24. We welcome the efforts being made by **HIPCs** to develop comprehensive and country-owned poverty reduction strategies through a participatory process involving civil society. IFIs should, along with other donors, help **HIPCs** prepare PRSPs and assist their financial resource management by providing technical assistance. We are concerned by the fact that a number of HIPC countries are currently affected by military conflicts which prevent poverty reduction and delay **debt relief**. We call upon these countries to end their involvement in conflicts and to embark quickly upon the **HIPC process**. We agree to strengthen our efforts to help them prepare and come forward for **debt relief**, by asking our Ministers to make early contact with the countries in conflict to encourage them to create the right conditions to participate in the **HIPC Initiative**. We will work together to ensure that as many countries as possible reach their Decision Points, in line with the targets set in Cologne, giving due consideration to the progress of economic reforms and the need to ensure that the benefits of debt relief are targeted to assist the poor and most vulnerable. We will work expeditiously together with **HIPCs** and the IFIs to realise the expectation that 20 countries will reach the Decision Point within the framework of the **Enhanced HIPC Initiative** by the end of this year. In this regard, we welcome the establishment of the Joint Implementation Committee by the **World Bank** and the **IMF**. We for our part will promote more responsible lending and borrowing practices to ensure that HIPC countries will not again be burdened by unsupportable debt.

25. We note the progress made in securing the required financing of the IFIs for effective implementation of the **Enhanced HIPC Initiative**, and welcome pledges including those to the HIPC Trust Fund. We reaffirm our commitment to make available as quickly as possible the resources we have pledged in the spirit of fair burden sharing.

G7 Statement

(xlviii) Progress of the Enhanced HIPC Initiative

17. The International Development Goal of cutting in half by 2015 the proportion of the world's population living in extreme poverty is an ambitious one. It demands a strategy of economic growth accompanied by the right social sector policies which can contribute to a virtuous circle of poverty reduction and economic development. **Debt relief for Heavily Indebted Poor Countries** (HIPC countries) is only one part of such a strategy, but it is a crucial part.

18. Last year in Cologne, we agreed to launch the **Enhanced HIPC Initiative** to deliver faster, broader and deeper **debt relief**, releasing funds for poverty reduction. We welcome endorsement of this initiative by the international community last autumn.

19. Since then, while further efforts are required, progress has been made in implementing the **Enhanced HIPC Initiative**. As reported in the annex to our G7 Finance Ministers' report, published today, on "Poverty Reduction and Economic Development," nine countries (Benin, Bolivia, Burkina Faso, Honduras, Mauritania, Mozambique, Senegal, Tanzania and Uganda,) have already reached their Decision Points and are seeing the benefits of the Initiative. Total **debt relief** under the **HIPC**

Initiative for these countries should amount to more than US\$15 billion in nominal terms (US\$8.6 billion in Net Present Value).

20. We welcome the efforts being made by **HIPCs** to develop comprehensive and country-owned poverty reduction strategies through a participatory process involving civil society. We encourage those **HIPCs** that have not yet done so to embark quickly on the process and thus fully benefit from **the debt reduction**. We are concerned by the fact that a number of **HIPCs** are currently affected by military conflicts which prevent poverty reduction and delay **debt relief**. We call upon these countries to end their involvement in conflicts and to embark quickly upon the **HIPC process**. We agree to strengthen our efforts to help them prepare and come forward for **debt relief**, by asking our Ministers to make early contact with the countries in conflict to encourage them to create the right conditions to participate in the **HIPC Initiative**. We will work together to ensure that as many countries as possible reach their Decision Points, in line with the targets set in Cologne, giving due consideration to the progress of economic reforms and the need to ensure that the benefits of **debt relief** are targeted to assist the poor and most vulnerable.

21. In this regard, we welcome the establishment of the Joint Implementation Committee (JIC) by the **World Bank** and the **IMF**, and strongly urge both **HIPCs** and **IFIs** to accelerate their work toward the implementation of the Initiative. IFIs should, along with other donors, help **HIPCs** prepare PRSPs and assist their financial resource management by providing technical assistance.

22. We reaffirmed our commitment to provide **100% debt reduction of ODA claims**, and newly commit to 100% debt reduction of eligible commercial claims. We welcome the announcement made by some non-G7 countries that they too will provide 100% debt relief, and we urge other donors to follow suit.

23. We note the progress made in securing the required financing of the IFIs for effective implementation of the **Enhanced HIPC Initiative**, and welcome pledges and the initial contributions including those to the **HIPC Trust Fund**. We reaffirm our commitment to make available as quickly as possible the resources we have pledged. In this context, we recognise the importance of fair burden sharing among creditors.

24. Given the enormous destructive effect of war and crisis, we call upon the OECD to review strengthened measures, including a review of national rules and regulations, toward ensuring that export credits to **HIPCs** and other low income developing countries are not used for non-productive purposes. We encourage the OECD to complete this work and publish the results as soon as possible.

2001 Genoa, Italy

G7 Statement

2. As democratic leaders, accountable to our citizens, we believe in the fundamental importance of open public debate on the key challenges facing our societies. We will

promote innovative solutions based on a broad partnership with civil society and the private sector. We will also seek enhanced co-operation and solidarity with **developing countries**, based on a mutual responsibility for combating **poverty** and promoting **sustainable development**.

(xlvi) A Strategic Approach to Poverty Reduction

4. The situation in many **developing countries** - especially in Africa - calls for decisive global action. The most effective **poverty reduction** strategy is to maintain a strong, dynamic, open and growing global economy. We pledge to do that.

5. We will also continue to provide effective **development assistance** to help **developing countries'** own efforts to build long-term prosperity. Consistent with the conclusions of the **LDC III Conference** and the **Millennium Declaration**, we support a strategic approach centred on the principles of ownership and partnership. In the common interest of **donors** and **recipients of aid**, we shall ensure the efficient use of scarce resources.

6. Open, democratic and accountable systems of governance, based on respect for human rights and the rule of law, are preconditions for **sustainable development** and robust growth. Thus, we shall help **developing countries** promote:

- accountability and transparency in the public sector
- legal frameworks and corporate governance regimes to fight corruption
- safeguards against the misappropriation of public funds and their diversion into non-productive uses
- access to legal systems for all citizens, independence of the judiciary, and legal provisions enabling private sector activity
- active involvement of civil society and Non Governmental Organisations (NGOs)
- freedom of economic activities.

(I) Debt Relief and Beyond

7. Debt relief - particularly the **Enhanced Heavily Indebted Poor Countries (HIPC) Initiative** - is a valuable contribution to the **fight against poverty**, but it is only one of the steps needed to stimulate **faster growth** in **very poor countries**. We are delighted **twenty-three countries** have qualified for an overall amount of **debt relief** of over \$53 billion, out of an initial stock of **debt** of \$74 billion. We must continue this progress.

14. **Official development assistance (ODA)** is essential. We will work with **developing countries** to meet the **International Development Goals**, by strengthening and enhancing the effectiveness of our **development assistance**. We commit ourselves to implement the landmark **OECD-DAC Recommendation on Untying Aid to LDCs** which should increase **aid** effectiveness and achieve more balanced effort-sharing among **donors**.

Genoa Plan For Africa

Meeting at the Genoa G8 Summit, we agreed to support African efforts to resolve African problems. Peace, stability and the **eradication of poverty** in Africa are among

the most important challenges we face in the new millennium. We welcome the **New African Initiative**, which is based on the principles of responsibility and ownership, with an emphasis on democracy, transparency, good governance, rule of law and human rights as fundamental factors of **development**. This initiative provides the basis for a new intensive partnership between Africa and the **developed world**.

Significant progress has been made on conflict resolution in several parts of Africa. In many places, however, conflict remains a major obstacle to **economic and social development**. We urge continued commitment to conflict prevention, management and resolution by the international community in partnership with African governments, the African Union and sub-regional organisation.

We have decided today to forge a new partnership to address issues crucial to **African development**. We are committed to promoting this objective with our African partners and in multilateral fora - in the **UN**, the **World Bank** and the **IMF**, and in a new **Round of WTO negotiations**.

13. The **Multilateral Development Banks (MDBs)** have a central role to play in **combating poverty** by promoting **productivity growth** and supporting equitable and **sustainable economic development**, thus contributing to the achievement of the **2015 International Development Goals**. To this end, we welcome and endorse our Finance Ministers' recommendations for reforming the **MDBs** and sharpening their focus on core social and human investments, in particular health and education. We encourage the **MDBs** to continue to evaluate their internal structure in order to enhance their operational effectiveness. We attach particular importance to:

- strengthening co-ordination among **MDBs**;
- reviewing their pricing policies with a view to enhancing the **development impact** of the resources available;
- promoting good governance in **borrowing countries**.

(ii) HIPC

15. The Enhanced **HIPC Initiative** we launched in Cologne aims to **increase growth, reduce poverty** and provide a lasting exit from **unsustainable debt**, by **reducing debt** on the basis of strengthened **policy reforms**. We welcome the important progress that has been achieved in implementing the **Initiative**. At Okinawa **nine countries** had qualified for **debt relief**. Now, **twenty-three countries** (Benin, Bolivia, Burkina Faso, Cameroon, Chad, The Gambia, Guinea, Guinea Bissau, Guyana, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Rwanda, Sao Tomé and Principe, Senegal, Tanzania, Uganda and Zambia) are benefiting from the **Initiative**, with an overall amount of **debt relief** of over \$53 billion, out of an initial stock of **debt** of \$74 billion. This will significantly reduce their **debt service**, thus freeing resources for social sector expenditure, in particular education and health.

16. We have all agreed as a minimum to provide **100% debt reduction** of **official development assistance (ODA)** and eligible commercial claims for qualifying **HIPC**

countries. We urge **those countries** that have not already done so to take similar steps, and we underline the need for the active and full participation of all bilateral creditors in providing timely **debt relief** to **HIPCs**.

17. We encourage **HIPCs** that have not yet reached their decision point to quickly undertake the necessary economic and social reforms, including the **development** of a strategy for overall **poverty reduction** in co-operation with the **World Bank** and the **IMF**. Economic, structural, and social reforms, improved governance, and a strengthened ability to track **poverty-reducing** expenditures are necessary to ensure the maximum benefit of **debt relief**. In particular, we call upon **those countries** involved in military conflicts to lay down their arms, and implement the necessary reforms. We confirm our willingness to help them take measures needed to come forward to **debt relief**. We pledge to continue working together to ensure that the benefits of **debt relief** are targeted to assist the **poor** and **most vulnerable**. Nuclear Safety

2002 Kananaskis, Canada

Chair's Summary

We met in Kananaskis for our annual Summit to discuss the challenges of fighting terrorism, strengthening **global economic growth** and **sustainable development**, and building a new partnership for **Africa's development**.

We will fund our share of the shortfall in the enhanced **HIPC initiative**, recognizing that this shortfall will be up to US \$1 billion. We stressed the importance of good governance in **countries benefiting from HIPC debt relief**.

We reviewed implementation of the **DOT Force's Genoa Plan of Action** and welcomed **its initiatives** to strengthen **developing countries'** readiness for **e-development**, such as the e-model to improve the efficiency of public administrations and to enhance the transparency of national budgeting.

We adopted a series of recommendations to **assist developing countries** to achieve universal primary education for all children and equal access to education for girls. We agreed to increase significantly our **bilateral assistance** for **countries** that have demonstrated a strong and credible policy and financial commitment to these goals.

We met with the Presidents of Algeria, Nigeria, Senegal and South Africa, and the Secretary General of the United Nations, to discuss the challenges faced by Africa and the G8's response to the **New Partnership for Africa's Development (NEPAD)**.

We adopted **the G8 Africa Action Plan** as a framework for action in support of the **NEPAD**. We agreed to each establish enhanced partnerships with African countries whose performance reflects the **NEPAD** commitments.

Assuming strong African policy commitments, and given recent **assistance trends**, we believe that in aggregate half or more of our new **development assistance** commitments

announced at Monterrey could be directed to African nations that govern justly, invest in their own people and promote economic freedom.

Statement by G7 Leaders: Delivering the Promise of the Enhanced HIPC Initiative

Debt relief alone, no matter how generous, cannot guarantee fiscal solvency, long-term economic growth, and social development. Good governance, prudent new borrowing, and sound debt management by **heavily indebted poor countries** (HIPCs), as well as responsible financing by creditors, are also essential elements of the policy framework needed to achieve these goals.

The enhanced **Heavily Indebted Poor Countries Initiative**, launched following the Köln Summit in 1999, is an important avenue for **debt reduction**. To date, 26 countries are benefiting from debt relief under this Initiative. Overall, debt relief for these countries will amount to US\$40 billion in net present value terms - almost two-thirds of their total debt. As many as 37 countries are expected eventually to benefit from debt reduction under the Initiative.

While this is very encouraging, there are factors that may prevent the HIPC Initiative from delivering the debt reduction it has promised:

-
- not all creditors have agreed to reduce their HIPC debts;
-
- the expected financing needs of the Initiative have not been fully met;
-
- as a result of weaker growth and export commodity prices, a number of countries could be at risk of not having sustainable debt loads at the Completion Point.

In our discussions we agreed to take action to address these three issues.

(iii) A. Securing the participation of all creditors

To provide information on the participation of all creditors, we agreed to call on the **International Monetary Fund (IMF)** and **World Bank** to:

-
- a. include, in **HIPCs'** Poverty Reduction and Growth Facility reviews and Completion Point documents, more detailed information on the respective countries' success in obtaining comparable treatment;
-
- b. post comprehensive information on creditor participation on the Bank and Fund Web sites, including creditors' explanations for non-participation.

We will ask the **IMF** and **World Bank** to continue to work with regional and small multilateral development institutions to encourage and facilitate their participation in the Initiative. We will also write to the Boards of those institutions that have not yet committed to participate in order to ask them to take part in the Initiative. Furthermore, we will encourage those **multilateral institutions** that are late in providing debt relief to accelerate their efforts.

Noting the importance of commercial creditor participation, we agreed to ask the **World Bank** and **IMF** to prepare a comprehensive report on legal action brought against **HIPCs** by non-participating creditors, including by commercial creditors, and on options for **HIPCs** to obtain technical assistance to facilitate resolution of disputes. We further agreed to ask the **IMF** and **World Bank** to continue to encourage bilateral creditors not to sell their claims on **HIPCs** in the secondary debt market.

As far as **non-Paris Club official bilateral creditors** are concerned, we will ask the **IMF and World Bank** to encourage creditors who are members of the two organizations to participate fully in the **HIPC Initiative**, particularly relatively wealthy creditors that have a significant amount of claims.

In addition, we will urge the **IMF** to identify creditor countries' participation in the Initiative ahead of any debt rescheduling with the **Paris Club**. We will also ask the Chair of the **Paris Club** to consider inviting, on a case-by-case basis, non-member official creditors to participate in its negotiations with **HIPC** countries on the understanding that these creditors will join a satisfactory consensus and will abide by **Paris Club** principles.

We agreed to ask the **IMF and World Bank** to include participation in the HIPC Initiative in reporting under Article IV as well as other Fund and Bank documents.

We will explore means of approaching creditors that are not **IMF/World Bank** members to encourage them to participate in the Initiative.

(iii) B. Completing the financing of the HIPC Initiative

We acknowledged the threat to sustainable exit from debt due to under-financing of the Initiative and we committed to work with other donor countries and the international financial institutions (IFIs) to address this issue. We will also call upon the **multilateral development banks** to continue to make best efforts to identify internal resources to contribute to the financing of the **HIPC Initiative**.

(iv) C. Debt sustainability at the Completion Point

We will ask the **IMF and World Bank** to ensure that the comprehensive review of debt sustainability being prepared for the Annual Meetings includes an assessment of the methodology for assessing the need for, and amount of, additional assistance (or topping up) at the Completion Point. We committed to work with other donor countries and IFIs to ensure that the need for financial resources for this purpose is met.

Going forward, IFIs need to ensure that forecasts of debt sustainability are made on the basis of prudent and cautious assumptions about growth and exports.

Finally, we agreed on the need for bilateral donors to consider financing **HIPCs** and **HIPC "graduates"** primarily through grants for a sustained period, and to refrain from supporting unproductive expenditures. We will also call upon **multilateral development**

funds - which are in many cases the main creditors of **HIPCs** - to make appropriate use of grants in delivering assistance to **HIPCs** and **HIPC** graduates.

G8 Africa Action Plan

1. We, the Heads of State and Government of eight major industrialized democracies and the Representatives of the European Union, meeting with African Leaders at Kananaskis, welcome the initiative taken by African States in adopting the *New Partnership for Africa's Development* (NEPAD), a bold and clear-sighted vision of Africa's development. We accept the invitation from African Leaders, extended first at Genoa last July and reaffirmed in the NEPAD, to build a new partnership between the countries of Africa and our own, based on mutual responsibility and respect. The NEPAD provides an historic opportunity to overcome obstacles to development in Africa. Our Africa Action Plan is the G8's initial response, designed to encourage the imaginative effort that underlies the NEPAD and to lay a solid foundation for future cooperation.
2. The case for action is compelling. Despite its great potential and human resources, Africa continues to face some of the world's greatest challenges. The many initiatives designed to spur Africa's development have failed to deliver sustained improvements to the lives of individual women, men and children throughout Africa.
3. The *New Partnership for Africa's Development* offers something different. It is, first and foremost, a pledge by African Leaders to the people of Africa to consolidate democracy and sound economic management, and to promote peace, security and people-centred development. African Leaders have personally directed its creation and implementation. They have formally undertaken to hold each other accountable for its achievement. They have emphasized good governance and human rights as necessary preconditions for Africa's recovery. They focus on investment-driven economic growth and economic governance as the engine for poverty reduction, and on the importance of regional and sub-regional partnerships within Africa.
4. We welcome this commitment. In support of the NEPAD objectives, we each undertake to establish enhanced partnerships with African countries whose performance reflects the NEPAD commitments. Our partners will be selected on the basis of measured results. This will lead us to focus our efforts on countries that demonstrate a political and financial commitment to good governance and the rule of law, investing in their people, and pursuing policies that spur economic growth and alleviate poverty. We will match their commitment with a commitment on our own part to promote peace and security in Africa, to boost expertise and capacity, to encourage trade and direct growth-oriented investment, and to provide more effective official development assistance.

5. Together, we have an unprecedented opportunity to make progress on our common goals of eradicating extreme poverty and achieving sustainable development. The new round of multilateral trade negotiations begun at Doha, the Monterrey meeting on financing for development, this G8 Summit at Kananaskis and the World Summit on Sustainable Development in Johannesburg, are key milestones in this process.
6. NEPAD recognizes that the prime responsibility for Africa's future lies with Africa itself. We will continue to support African efforts to encourage public engagement in the NEPAD and we will continue to consult with our African partners on how we can best assist their own efforts. G8 governments are committed to mobilize and energize global action, marshal resources and expertise, and provide impetus in support of the NEPAD's objectives. As G8 partners, we will undertake mutually reinforcing actions to help Africa accelerate growth and make lasting gains against poverty. Our Action Plan focuses on a limited number of priority areas where, collectively and individually, we can add value.
7. The African peer-review process is an innovative and potentially decisive element in the attainment of the objectives of the NEPAD. We welcome the adoption on June 11 by the NEPAD Heads of State and Government Implementation Committee of the Declaration on Democracy, Political, Economic and Corporate Governance and the African Peer Review Mechanism. The peer-review process will inform our considerations of eligibility for enhanced partnerships. We will each make our own assessments in making these partnership decisions. While we will focus particular attention on enhanced-partnership countries, we will also work with countries that do not yet meet the standards of NEPAD but which are clearly committed to and working towards its implementation. We will not work with governments which disregard the interests and dignity of their people.
8. However, as a matter of strong principle, our commitment to respond to situations of humanitarian need remains universal and is independent of particular regimes. So, too, is our commitment to addressing the core issues of human dignity and development. The Development Goals set out in the United Nations Millennium Declaration are an important component of this engagement.
9. At Monterrey, in March 2002, we agreed to revitalize efforts to help unlock and more effectively utilize all development resources including domestic savings, trade and investment, and official development assistance. A clear link was made between good governance, sound policies, aid effectiveness and development success. In support of this strong international consensus, substantial new development assistance commitments were announced at Monterrey. By 2006, these new commitments will increase ODA by a total of US\$12 billion per year. Each of us will decide, in accordance with our respective priorities and procedures, how we will allocate the additional money we have pledged. Assuming strong African policy commitments, and given recent assistance trends, we believe that in aggregate half or more of our new development assistance

could be directed to African nations that govern justly, invest in their own people and promote economic freedom. In this way we will support the objectives of the NEPAD. This will help ensure that no country genuinely committed to poverty reduction, good governance and economic reform will be denied the chance to achieve the Millennium Goals through lack of finance.

10. We will pursue this Action Plan in our individual and collective capacities, and through the international institutions to which we belong. We warmly invite other countries to join us. We also encourage South-South cooperation and collaboration with international institutions and civil society, including the business sector, in support of the NEPAD. We will continue to maintain a constructive dialogue with our African partners in order to achieve effective implementation of our Action Plan and to support the objectives of the NEPAD. We will take the necessary steps to ensure the effective implementation of our Action Plan and will review progress at our next Summit based on a final report from our Personal Representatives for Africa.
11. To demonstrate our support for this new partnership, we make the following engagements in support of the NEPAD:

(iv) I. Promoting Peace and Security

Time and again, progress in Africa has been undermined or destroyed by conflict and insecurity. Families have been displaced and torn apart, and the use of child soldiers has robbed many individuals of the opportunity to learn, while also sowing the seeds of long-term national disruption, instability and poverty. Economic development has been deeply undermined as scarce resources needed to fight poverty have too often been wasted in deadly and costly armed conflicts. We are determined to make conflict prevention and resolution a top priority, and therefore we commit to:

1.1 Supporting African efforts to resolve the principal armed conflicts on the continent - including by:

- Providing additional support to efforts to bring peace to the Democratic Republic of the Congo and Sudan, and to consolidate peace in Angola and Sierra Leone within the next year;
- Assisting with programmes of disarmament, demobilization and reintegration; at the appropriate time,
- Taking joint action to support post-conflict development in the Great Lakes Region and Sudan; and,
- Endorsing the proposals from the UN Secretary-General to set up, with the Secretary-General and other influential partners, contact groups and similar mechanisms to work with African countries to resolve specific African conflicts.

1.2 Providing technical and financial assistance so that, by 2010, African countries and regional and sub-regional organizations are able to engage more effectively to prevent and resolve violent conflict on the continent, and undertake peace support operations in accordance with the United Nations Charter - including by:

- Continuing to work with African partners to deliver a joint plan, by 2003, for the development of African capability to undertake peace support operations, including at the regional level;
- Training African peace support forces including through the development of regional centres of excellence for military and civilian aspects of conflict prevention and peace support, such as the Kofi Annan International Peace Training Centre; and,
- Better coordinating our respective peacekeeping training initiatives.

1.3 Supporting efforts by African countries and the United Nations to better regulate the activities of arms brokers and traffickers and to eliminate the flow of illicit weapons to and within Africa - including by:

- Developing and adopting common guidelines to prevent the illegal supply of arms to Africa; and,
- Providing assistance in regional trans-border cooperation to this end.

1.4 Supporting African efforts to eliminate and remove antipersonnel mines.

1.5 Working with African governments, civil society and others to address the linkage between armed conflict and the exploitation of natural resources - including by:

- Supporting United Nations and other initiatives to monitor and address the illegal exploitation and international transfer of natural resources from Africa which fuel armed conflicts, including mineral resources, petroleum, timber and water;
- Supporting voluntary control efforts such as the Kimberley Process for diamonds, and encouraging the adoption of voluntary principles of corporate social responsibility by those involved in developing Africa's national resources;
- Working to ensure better accountability and greater transparency with respect to those involved in the import or export of Africa's natural resources from areas of conflict;
- Promoting regional management of trans-boundary natural resources, including by supporting the Congo Basin Initiative and trans-border river basin commissions.

1.6 Providing more effective peace-building support to societies emerging from or seeking to prevent armed conflicts - including by:

- Supporting effective African-led reconciliation efforts, including both pre-conflict and post-conflict initiatives; and,
- Encouraging more effective coordination and cooperation among donors and international institutions in support of peace-building and conflict prevention efforts - particularly with respect to the effective disarmament, demobilization and reintegration of former combatants, the collection and destruction of small arms, and the special needs of women and children, including child soldiers.

1.7 Working to enhance African capacities to protect and assist war-affected populations and facilitate the effective implementation in Africa of United Nations Security Council resolutions relating to civilians, women and children in armed conflict - including by supporting African countries hosting, assisting and protecting large refugee populations

(lvi) II. Strengthening Institutions and Governance

The NEPAD maintains that "development is impossible in the absence of true democracy, respect for human rights, peace and good governance". We agree, and it has been our experience that reliable institutions and governance are a precondition for long-term or large-scale private investment. The task of strengthening institutions and governance is thus both urgent and of paramount importance, and for this reason, we commit to:

2.1 Supporting the NEPAD's priority political governance objectives - including by:

- Expanding capacity-building programmes related to political governance in Africa focusing on the NEPAD priority areas of: improving administrative and civil services, strengthening parliamentary oversight, promoting participatory decision-making, and judicial reform;
- Supporting African efforts to ensure that electoral processes are credible and transparent, and that elections are conducted in a manner that is free and fair and in accordance with the NEPAD's commitment to uphold and respect "global standards of democracy";
- Supporting African efforts to involve parliamentarians and civil society in all aspects of the NEPAD process; and,
- Supporting the reform of the security sector through assisting the development of an independent judiciary and democratically controlled police structures.

2.2 Strengthening capacity-building programmes related to economic and corporate governance in Africa focusing on the NEPAD priority areas of implementing sound macro-economic strategies, strengthening public financial management and accountability, protecting the integrity of monetary and financial systems, strengthening accounting and auditing systems, and developing an effective corporate governance framework - including by:

- Supporting international and African organizations such as the African Capacity Building Foundation (ACBF) and the African Regional Technical Assistance Centres (AFRITACs) initiative of the International Monetary Fund (IMF) in expanding regionally-oriented technical assistance and capacity-building programmes in Africa; and,
- Financing African-led research on economic governance issues (through the United Nations Economic Commission for Africa (ECA), sub-regional and regional organizations, and other African institutions and organizations with relevant expertise).

2.3 Supporting African peer-review arrangements - including by:

- Encouraging cooperation with respect to peer-review practices, modalities and experiences between the Organisation for Economic Co-operation and Development (OECD) and the ECA, including the participation by the ECA in the OECD Development Assistance Committee (DAC) peer-review process where the countries under review so agree;
- Encouraging, where appropriate, substantive information sharing between Africa and its partners with respect to items under peer-review; and,
- Supporting regional organizations in developing tools to facilitate peer-review processes.

2.4 Giving increased attention to and support for African efforts to promote and protect human rights - including by:

- Supporting human rights activities and national, regional and sub-regional human rights institutions in Africa;
- Supporting African efforts to implement human rights obligations undertaken by African governments; and,
- Supporting African efforts to promote reconciliation and to ensure accountability for violations of human rights and humanitarian law, including genocide, crimes against humanity and other war crimes.

2.5 Supporting African efforts to promote gender equality and the empowerment of women - including by:

- Supporting African efforts to achieve equal participation of African women in all aspects of the NEPAD process and in fulfilling the NEPAD objectives; and,
- Supporting the application of gender main-streaming in all policies and programmes.

2.6 Intensifying support for the adoption and implementation of effective measures to combat corruption, bribery and embezzlement - including by:

- Working to secure the early establishment of a UN Convention on Corruption, and the early ratification of the UN Convention Against Transnational Organized Crime;
- Strengthening and assisting the implementation and monitoring of the OECD Convention on Bribery and assisting anti-bribery and anti-corruption programmes through the international financial institutions (IFIs) and the multilateral development banks;
- Intensifying international cooperation to recover illicitly acquired financial assets;
- Supporting voluntary anti-corruption initiatives, such as the DAC Guidelines, the OECD Guidelines for Multinational Enterprises, and the UN Global Compact;
- Supporting the role of parliamentarians in addressing corruption and promoting good governance; and,
- Assisting African countries in their efforts to combat money laundering, including supporting World Bank/IMF efforts to improve coordination in the delivery of

technical assistance to combat money laundering and terrorist financing in African countries.

(lvii) III. Fostering Trade, Investment, Economic Growth and Sustainable Development

Generating economic growth is central to the NEPAD's goal of mobilizing resources for poverty reduction and development. A comprehensive effort is required to stimulate economic activity in all productive sectors while paying particular attention to sustainability and social costs and to the role of the private sector as the engine for economic growth. In this context, the particular importance of infrastructure has been emphasized by our African partners - including as a domain for public-private investment partnerships, and as a key component of regional integration and development. In order to achieve adequate growth rates, Africa must have broader access to markets. The launch of multilateral trade negotiations by World Trade Organization (WTO) members in Doha, which placed the needs and interests of developing countries at the heart of the negotiations, will help create a framework for the integration of African countries into the world trading system and the global economy, thus creating increased opportunities for trade-based growth. We are committed to the Doha development agenda and to implementing fully the WTO work programme, as well as to providing increased trade-related technical assistance to help African countries participate effectively in these negotiations. With these considerations in mind, we commit to:

3.1 Helping Africa attract investment, both from within Africa and from abroad, and implement policies conducive to economic growth - including by:

- Supporting African initiatives aimed at improving the investment climate, including sound economic policies and efforts to improve the security of goods and transactions, consolidate property rights, modernize customs, institute needed legal and judicial reforms, and help mitigate risks for investors;
- Facilitating the financing of private investment through increased use of development finance institutions and export credit and risk-guarantee agencies and by strengthening equivalent institutions in Africa;
- Supporting African initiatives aimed at fostering efficient and sustainable regional financial markets and domestic savings and financing structures, including micro-credit schemes - while giving particular attention to seeing that credit and business support services meet the needs of poor women and men;
- Enhancing international cooperation to promote greater private investment and growth in Africa, including through public-private partnerships; and,
- Supporting the efforts of African governments to obtain sovereign credit ratings and gain access to private capital markets, including on a regional basis.

3.2 Facilitating capacity-building and the transfer of expertise for the development of infrastructure projects, with particular attention to regional initiatives.

3.3 Providing greater market access for African products - including by:

- Reaffirming our commitment to conclude negotiations no later than 1 January 2005 on further trade liberalization in the Doha round of multilateral trade

- negotiations taking full account of the particular circumstances, needs and requirements of developing countries, including in Africa;
- Without prejudging the outcome of the negotiations, applying our Doha commitment to comprehensive negotiations on agriculture aimed at substantial improvements in market access, reductions of all forms of export subsidies with a view to their being phased out, and substantial reductions in trade-distorting domestic support;
- Working toward the objective of duty-free and quota-free access for all products originating from the Least Developed Countries (LDCs), including African LDCs, and, to this end, each examining how to facilitate the fuller and more effective use of existing market access arrangements; and,
- Ensuring that national product standards do not unnecessarily restrict African exports and that African nations can play their full part in the relevant international standard setting systems.

3.4 Increasing the funding and improving the quality of support for trade-related technical assistance and capacity-building in Africa - including by:

- Supporting the establishment and expansion of trade-related technical assistance programmes in Africa;
- Supporting the establishment of sub-regional market and trade information offices to support trade-related technical assistance and capacity-building in Africa;
- Assisting regional organizations in their efforts to integrate trade policy into member country development plans;
- Working to increase African participation in identifying WTO-related technical assistance needs, and providing technical assistance to African countries to implement international agreements, such as the WTO agreement;
- Assisting African producers in meeting product and health standards in export markets; and,
- Providing technical assistance to help African countries engage in international negotiations, and in standard-setting systems.

3.5 Supporting African efforts to advance regional economic integration and intra-African trade - including by:

- Helping African countries develop regional institutions in key sectors affecting regional integration, including infrastructure, water, food security and energy, and sustainable management and conservation of natural resources;
- Working towards enhanced market access, on a WTO-compatible basis, for trade with African free trade areas or customs unions;
- Supporting the efforts of African countries to eliminate tariff and non-tariff barriers within Africa in a WTO-consistent manner; and,
- Supporting efforts by African countries to work towards lowering trade barriers on imports from the rest of the world.

3.6 Improving the effectiveness of Official Development Assistance (ODA), and strengthening ODA commitments for enhanced-partnership countries - including by:

- Ensuring effective implementation of the OECD/DAC recommendations on untying aid to the Least Developed Countries;
- Implementing effectively the OECD agreement to ensure that export credit support to low-income countries is not used for unproductive purposes;
- Supporting efforts within the DAC to reduce aid management burdens on recipient countries and lower the transactions costs of aid;
- Taking all necessary steps to implement the pledges we made at Monterrey, including ODA level increases and aid effectiveness; and,
- Reviewing annually, within the DAC and in coordination with all relevant institutions, our progress towards the achievement in Africa of the Development Goals contained in the United Nations Millennium Declaration.

(lviii) IV. Implementing Debt Relief

4.1 Our aim is to assist countries through the Heavily Indebted Poor Countries (HIPC) Initiative to reduce poverty by enabling them to exit the HIPC process with a sustainable level of debt. The HIPC Initiative will reduce, by US\$19 billion (net present value terms), the debt of some 22 African countries that are following sound economic policies and good governance. Combined with traditional debt relief and additional bilateral debt forgiveness, this represents a reduction of some US\$30 billion - about two-thirds of their total debt burden - that will allow an important shift of resources towards education, health and other social and productive uses.

4.2 Debt relief alone, however, no matter how generous, cannot guarantee long-term debt sustainability. Sound policies, good governance, prudent new borrowing, and sound debt management by HICPs, as well as responsible financing by creditors, will be necessary to ensure debt sustainability. We are committed to seeing that the projected shortfall in the HIPC Trust Fund is fully financed. Moreover, we remain ready, as necessary, to provide additional debt relief - so-called "topping up" - on a case-by-case basis, to countries that have suffered a fundamental change in their economic circumstances due to extraordinary external shocks. In that context these countries must continue to demonstrate a commitment to poverty reduction, sound financial management, and good governance. We will fund our share of the shortfall in the HIPC Initiative, recognizing that this shortfall will be up to US\$1 billion. We call on other creditor countries to join us. Once countries exit the HIPC process, we expect they will not need additional relief under this Initiative. We support an increase in the use of grants for the poorest and debt-vulnerable countries, and look forward to its rapid adoption.

(lix) V. Expanding Knowledge: Improving and Promoting Education and Expanding Digital Opportunities

Investing in education is critical to economic and social development in Africa, and to providing Africans with greater opportunities for personal and collective advancement. Education also holds the key to important goals such as achieving full gender equality for women and girls. Yet most African countries have made poor progress towards the

attainment of the Dakar Education for All (EFA) goals. In addition, the capacity of information and communications technology (ICT) to help Africa exploit digital opportunities, has not yet been realized. ICT has been identified by the NEPAD as a targeted priority for economic and human development in Africa. With this in mind, we commit to:

5.1 Supporting African countries in their efforts to improve the quality of education at all levels - including by:

- Significantly increasing the support provided by our bilateral aid agencies to basic education for countries with a strong policy and financial commitment to the sector, in order to achieve the goals of universal primary education and equal access to education for girls. In that regard we will work vigorously to operationalize the G8 Education Task Force report with a view to helping African countries which have shown through their actions a strong policy and financial commitment to education to achieve these goals; and to encourage other African countries to take the necessary steps so that they, too, can achieve universal primary education by 2015;
- Supporting the development and implementation by African countries of national educational plans that reflect the Dakar goals on Education for All, and encouraging support for those plans - particularly universal primary education - by the international community as an integral part of the national development strategies;
- Giving special emphasis and support to teacher training initiatives, in line with the NEPAD priorities, and the creation of accountability mechanisms and EFA assessment processes;
- Working with IFIs to increase their education-related spending, as a further supplement to bilateral and other efforts;
- Supporting the development of a client-driven "Education for All" Internet portal;
- Supporting programmes to encourage attendance and enhance academic performance, such as school feeding programmes; and,
- Supporting the development of community learning centres to develop the broader educational needs of local communities.

5.2 Supporting efforts to ensure equal access to education by women and girls - including by:

- Providing scholarships and other educational support for women and girls; and,
- Supporting African efforts to break down social, cultural and other barriers to equal access by women and girls to educational opportunities.

5.3 Working with African partners to increase assistance to Africa's research and higher education capacity in enhanced-partnership countries - including by:

- Supporting the development of research centres and the establishment of chairs of excellence in areas integral to the NEPAD in Africa; and,

- Favouring the exchange of visiting academics and encouraging research partnerships between G8/donor and African research institutions.

5.4 Helping Africa create digital opportunities - including by:

- Encouraging the Digital Opportunity Task Force (DOT Force) International e-Development Resources Network to focus on Africa, and supporting other DOT Force initiatives that can help to create digital opportunities, each building wherever possible on African initiatives already underway;
- Working towards the goal of universal access to ICT by working with African countries to improve national, regional and international telecommunications and ICT regulations and policies in order to create ICT-friendly environments;
- Encouraging and supporting the development of public-private partnerships to fast-track the development of ICT infrastructure; and,
- Supporting entrepreneurship and human resource development of Africans within the ICT Sector.

5.5 Helping Africa make more effective use of ICT in the context of promoting sustainable economic, social and political development - including by:

- Supporting African initiatives to make best use of ICT to address education and health issues; and,
- Supporting African countries in increasing access to, and making the best use of, ICT in support of governance, including by supporting the development and implementation of national e-strategies and e-governance initiatives aimed at increased efficiency, effectiveness, transparency and accountability of government.

(Ix) VI. Improving Health and Confronting HIV/AIDS

The persistence of diseases such as malaria and tuberculosis has remained a severe obstacle to Africa's development. To this burden has been added the devastating personal and societal costs resulting from AIDS, the consequences of which stand to undermine all efforts to promote development in Africa. The result has been a dramatic decrease in life expectancy in Africa and a significant new burden on African health systems and economies. Substantial efforts are needed to confront the health challenges that Africa faces, including the need to enhance immunization efforts directed at polio and other preventable diseases. Therefore, recognizing that HIV/AIDS affects all aspects of Africa's future development and should therefore be a factor in all aspects of our support for Africa, we commit to:

6.1 Helping Africa combat the effects of HIV/AIDS - including by:

- Supporting programmes that help mothers and children infected or affected by HIV/AIDS, including children orphaned by AIDS;
- Supporting the strengthening of training facilities for the recruiting and training of health professionals;

- Supporting the development, adoption and implementation of gender-sensitive, multi-sectoral HIV/AIDS programs for prevention, care, and treatment;
- Supporting high level political engagement to increase awareness and reduce the stigma associated with HIV/AIDS;
- Supporting initiatives to improve technical capacity, including disease surveillance;
- Supporting efforts to develop strong partnerships with employers in increasing HIV/AIDS awareness and in providing support to victims and their families;
- Supporting efforts that integrate approaches that address both HIV/AIDS and tuberculosis; and,
- Helping to enhance the capacity of Africa to address the challenges that HIV/AIDS poses to peace and security in Africa.

6.2 Supporting African efforts to build sustainable health systems in order to deliver effective disease interventions - including by:

- Pressing ahead with current work with the international pharmaceutical industry, affected African countries and civil society to promote the availability of an adequate supply of life-saving medicines in an affordable and medically effective manner;
- Supporting African countries in helping to promote more effective, and cost-effective, health interventions to the most vulnerable sectors of society - including reducing maternal and infant mortality and morbidity;
- Continuing support for the Global Fund to Fight AIDS, Tuberculosis and Malaria, and working to ensure that the Fund continues to increase the effectiveness of its operations and learns from its experience;
- Supporting African efforts to increase Africa's access to the Global Fund and helping to enhance Africa's capacity to participate in and benefit from the Fund;
- Providing assistance to strengthen the capacity of the public sector to monitor the quality of health services offered by both public and private providers; and,
- Supporting and encouraging the twinning of hospitals and other health organizations between G8 and African countries.

6.3 Accelerating the elimination and mitigation in Africa of polio, river blindness and other diseases or health deficiencies - including by:

- Providing, on a fair and equitable basis, sufficient resources to eliminate polio by 2005; and,
- Supporting relevant public-private partnerships for the immunization of children and the elimination of micro-nutrient deficiencies in Africa.

6.4 Supporting health research on diseases prevalent in Africa, with a view to narrowing the health research gap, including by expanding health research networks to focus on African health issues, and by making more extensive use of researchers based in Africa.

(lxii) VII. Increasing Agricultural Productivity

The overwhelming majority of Africa's population is rural. Agriculture is therefore the principal economic preoccupation for most of Africa's people. Agriculture is central not only to the quality of life of most Africans, but also to the national economy of nearly all African states. Increased agricultural production, efficiency and diversification are central to the economic growth strategies of these countries. In support of the NEPAD's growth and sustainable development initiatives on agriculture, we commit to:

7.1 Making support for African agriculture a higher international priority in line with the NEPAD's framework and priorities - including by:

- Supporting the reform and financing of international institutions and research organizations that address Africa's agricultural development priority needs;
- Supporting efforts to strengthen agricultural research in Africa as well as research related to issues and aspects that are of particular importance to Africa; and,
- Working with African countries to improve the effectiveness and efficiency of ODA for agriculture, rural development and food security where there are coherent development strategies reflected in government budget priorities.

7.2 Working with African countries to reduce poverty through improved sustainable productivity and competitiveness - including by:

- Supporting the development and the responsible use of tried and tested new technology, including biotechnology, in a safe manner and adapted to the African context, to increase crop production while protecting the environment through decreased usage of fragile land, water and agricultural chemicals;
- Studying, sharing and facilitating the responsible use of biotechnology in addressing development needs;
- Helping to improve farmers' access to key market information through the use of traditional and cutting edge communications technologies, while also building upon ongoing international collaboration that strengthens farmers' entrepreneurial skills;
- Encouraging partnerships in agriculture and water research and extension to develop, adapt and adopt appropriate demand-driven technologies, including for low-income resource-poor farmers, to increase agricultural productivity and improve ability to market agricultural, fish and food products;
- Working with African countries to promote property and resource rights;
- Supporting the main-streaming of gender issues into all agricultural and related policy together with targeted measures to ensure the rights of women for equal access to technology, technical support, land rights and credits;
- Working with African countries to support the development of agricultural infrastructure including production, transportation and markets; and,
- Working with African countries to develop sound agricultural policies that are integrated into Poverty Reduction Strategies.

7.3 Working to improve food security in Africa - including by:

- Working with African countries to integrate food security in poverty reduction efforts and promote a policy and institutional environment that enables poor people to derive better livelihoods from agriculture and rural development;
- Working with appropriate international organizations in responding to the dire food shortages in Southern Africa this year;
- Working with African countries to expand efforts to improve the quality and diversity of diets with micro-nutrients and by improving fortification technologies;
- Supporting African efforts to establish food safety and quality control systems, including helping countries develop legislation, enforcement procedures and appropriate institutional frameworks; and,
- Supporting efforts to improve and better disseminate agricultural technology.

(lxii) VIII. Improving Water Resource Management

Water is essential to life. Its importance spans a wide range of critical uses - from human drinking water, to sanitation, to food security and agriculture, to economic activity, to protecting the natural environment. We have noted the importance of proper water resource management. We note also that water management is sometimes at the centre of threats to regional peace and security. We also appreciate the importance of good water management for achieving sustainable economic growth and development, and therefore we commit to:

8. Supporting African efforts to improve water resource development and management - including by:

- Supporting African efforts to promote the productive and environmentally sustainable development of water resources;
- Supporting efforts to improve sanitation and access to potable water;
- Mobilizing technical assistance to facilitate and accelerate the preparation of potable water and sanitation projects in both rural and urban areas, and to generate greater efficiency in these sectors; and,
- Supporting reforms in the water sector aimed at decentralization, cost-recovery and enhanced user participation.

2003 Evian, France

Chair's Summary

(lxiii) 2. Enhancing Sustainable Development

We focused on the implementation of the internationally agreed **Millennium and Johannesburg Development Goals** in the following areas:

Africa. Our discussions with the Presidents of Algeria, Nigeria, Senegal and South Africa, the Leaders of countries represented on the **NEPAD** Steering Committee, demonstrated our common will to contribute to the development of Africa. We endorsed the report prepared by our Africa Personal Representatives. We agreed to widen our

dialogue to other African Leaders on **NEPAD** and the G8 Africa Action Plan. We invite interested countries and relevant international institutions to appoint senior representatives to join this partnership. We will review progress on our Action Plan no later than 2005 on the basis of a report.

Famine. To alleviate the threat facing millions of people, especially in Africa, we committed to responding to the emergency food aid needs and agreed on ways to improve famine prevention mechanisms and long term food security.

Water. Following on from the Kyoto World Water Forum, we adopted an Action Plan to help meet the Millennium and Johannesburg goals of halving the number of people without access to clean water and sanitation by 2015.

Health. We agreed on measures to:

-
- strengthen the Global Fund to Fight AIDS, Tuberculosis and Malaria, and other bilateral and multilateral efforts, notably through our active participation in the donors' and supporters' conference to be hosted in Paris this July;
-
- improve access to health care, including to drugs and treatments at affordable prices, in poor countries;
-
- encourage research on diseases mostly affecting developing countries;
-
- mobilise the extra funding needed to eradicate polio by 2005; • improve international co-operation against new epidemics such as SARS.

Financing for development. We reaffirmed our commitment to address the challenge of global poverty and our support for the **Millennium Development Goals** and the Monterrey consensus. We noted that achieving these ambitious goals would require considerable efforts from both developed and developing countries, including increased resources. We welcomed the report of our Finance Ministers' discussions on our increased resources and on financing instruments. We invite them to report back to us in September on the issues raised by the financing instruments, including the proposal for a new International Finance Facility.

Debt. We reaffirmed our commitment to the Heavily-Indebted Poor Countries (HIPC) initiative, launched at our Cologne Summit. Since Kananaskis, where we pledged to provide our share of the shortfall of up to \$1 billion, progress has continued in the implementation of the HIPC initiative. Twenty-six of the world's poorest countries are now benefiting from debt relief, totalling more than \$60 billion committed in nominal terms. However, in the light of continued implementation challenges and the slow pace of country progress in the initiative, we have identified the following priority areas:

-
- To encourage and assist eligible countries in taking the steps necessary to complete the **HIPC** process, our Finance Ministers asked the **IMF** and the **World Bank**

to identify, by their next Annual Meetings, the specific impediments in each country and the steps that need to be taken to tackle them;

-
- Not all official and commercial creditors have yet agreed to participate in the initiative. We urged the **IMF** and the **World Bank** to intensify their efforts to secure the full participation of all creditors. Further options to deal with the issues of litigation should also be explored;
-
- We welcomed the progress made towards completing our commitment in Kananaskis to fill the estimated financing gap in the **HIPC Trust Fund**, through the pledges of \$850 million made in Paris in October 2002. We will continue to monitor the financing needs of the Trust Fund;
-
- We reaffirmed the objective of ensuring lasting debt sustainability in **HIPC countries** and noted that these countries will remain vulnerable to exogenous shocks, even after reaching completion point. In this context, we have asked our Finance Ministers to review by September mechanisms to encourage good governance and the methodology for calculating the amount of "topping-up" debt relief available to countries at completion point based on updated cost estimates. Market-based mechanisms and other effective instruments to address the impact of commodity price fluctuations on low-income countries should also be explored.

2004 Sea Island, United States

Chair's Summary

The challenges faced by Africa, including armed conflict, HIV/AIDS, famine, and poverty, represent a compelling call for international cooperation to support the continent's efforts to achieve lasting progress. We met with the Presidents of Algeria, Ghana, Nigeria, Senegal, South Africa, and Uganda, and we committed to:

-
- Launch a G-8 Action Plan on Expanding Global Capability for Peace Support Operations;
-
- Adopt a G-8 Action Plan on Applying the Power of Entrepreneurship to the Eradication of Poverty;
-
- Endorse and establish a Global HIV Vaccine Enterprise to accelerate HIV vaccine development. The United States will host later this year a meeting of all interested stakeholders in the Enterprise;
-
- Take all necessary steps to eradicate polio by 2005 and close the funding gap by our next Summit. We have already closed the funding gap for 2004;
-
- Launch a new initiative on Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries; and

-
- Reaffirm our commitment to fully implementing and financing the Heavily Indebted Poor Countries (HIPC) initiative. We issued a separate statement on HIPC.

Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity and Promoting Rural Development in Food Insecure Countries

We support fully the **New Partnership for Africa's Development** (NEPAD) and the principles and goals set out in the **Comprehensive Africa Agriculture Development Programme**. In particular, we applaud the African Union Declaration on Agriculture and Food Security, in which African leaders committed to allocating at least 10% of national budgetary resources for **agriculture and rural development**. Our efforts to fight famine, hunger and food insecurity are a demonstration of our commitment to achieve internationally recognized **development goals**, including the goals of halving by 2015 the number of people who suffer from hunger and from poverty.

Debt Sustainability for the Poorest

The **Heavily Indebted Poor Countries Initiative** (HIPC) has to date provided welcome **debt reduction** to 27 countries pursuing economic reform programs, 23 of them in Africa, and is providing \$31 billion in debt service relief over time. We are committed to fully implementing the HIPC initiative and to supporting debt sustainability in the poorest countries through debt relief and grant financing. To that end, we have asked our Finance Ministers to:

- Work with other donors and the international financial institutions to extend the sunset date of the **HIPC initiative** until December 31, 2006 and to provide the necessary financing for completion of the initiative, including topping up where appropriate.
 - Consider measures that can further help the poorest countries address the **sustainability of their debt**.
 -
- We have asked for a progress report on these efforts by the end of the year. We urge other creditors to fully participate in the **HIPC initiative**.

2005 Gleneagles, United Kingdom

Communiqué: Africa

(lxiv) Historic Opportunity

1. This is a moment of opportunity for Africa. Its leaders have embraced a new vision for the continent's future which recognises their leading role in addressing the continent's challenges and realising its opportunities.
2. There are now just ten years in which to take the action needed for all **developing countries** to meet the Goals agreed at the Millennium Summit in 2000. We should

continue the G8 focus on Africa, which is the only continent not on track to meet any of the Goals of the Millennium Declaration by 2015.

3. Important progress has been made. In the past five years, more than two thirds of sub-Saharan African countries have had democratic elections. Inflation is at levels a decade ago. Growth in sixteen African countries averaged over 4% in the past decade, higher than in any major developed country. 24 African countries have now signed up to have their progress reviewed by their peers. And the promotion of good governance, peace and **security and economic development** is at the heart of the African Union (AU) and its programme, the **New Partnership for Africa's Development** (NEPAD).

4. The G8 has focussed on issues of importance to Africa at every Summit since the late 1990s.

(lxv) Building on Progress: A Renewed Commitment to Africa

5. Further **progress** in Africa depends above all on its own leaders and its own people. We welcome their commitment to **take responsibility for developing their continent**, and to promote good governance and take action against corruption in their countries. We want to help them ensure that reforms in Africa gain momentum: today we renew our own commitment to support countries and people making such efforts.

7. Our commitments today build on Africa's own efforts, set out in the **AU and NEPAD strategies and programme**; and on the G8's past and present commitments. Progress on the Africa Action Plan, agreed at Kananaskis, has been reviewed by our Africa Personal Representatives. We have also noted the conclusions of the recent report of the Commission for Africa. Other countries are willing to share their experience of successful **economic development**, including in Asia, and we recognise that South-South co-operation can make a significant contribution. In some areas we intend to strengthen our support for what is already working; in others a reinforced effort is required.

(lxvi) Peace and Stability

8. Peace is the first condition of **successful development**. We support Africa's efforts to build a peaceful and stable Africa. We will help Africa's fragile states to emerge successfully from crisis and conflict. We support African initiatives to prevent, mediate and resolve conflicts and consolidate peace, in the spirit of the UN Charter. And we back the African Union and the other African institutions which must continue to develop their capacity for promoting lasting peace and stability on the continent. In this regard, we are progressing with our Sea Island commitment to train and, where appropriate equip, some 75,000 troops by 2010 to take part in peace support operations worldwide, with a sustained focus on Africa. We commend and will continue to support the African Union's mission in Sudan (Darfur), just as we are contributing to UNMIS's operation in southern Sudan.

9. We will enhance our support for the **development of Africa's capacity** to resolve conflicts and keep the peace, consistent with our national laws, by:

- (a) Providing co-ordinated technical assistance to the African Standby Force and helping to establish planning elements at the African Union HQ and its regional brigades.
- (b) **Supporting the AU in developing its ability to deploy unarmed military observer missions**, civilian policing operations and gendarmerie/carabinieri-like forces as part of stabilisation and peace support operations.
- (c) **Providing support, including flexible funding, for African peace support operations** including transport, logistics and financial management capacity.
- (d) **Countering terrorism in Africa**, including through co-operation with the AU Anti-Terrorism Centre in Algiers.
- (e) **Supporting efforts from regional and international organisations** to reinforce African capacity to promote peace and stability.

10. We will also **help Africa prevent conflict** and ensure that previous conflicts do not re-emerge, by:

- (a) **Working in partnership with the AU** and sub-regional organisations, including by providing resources to develop their planned Continental Early Warning System and implement the AU Panel of the Wise to address and mediate conflicts before they erupt into violence.
- (b) **Enhancing the capabilities of the AU** and African sub-organisations, building on the existing G8 Action Plan for Expanding Global Capability for Peace Support Operations, as well as commitments from the Evian and Kananaskis Summits. To support this, we will work to promote within our respective governments mechanisms for more effective and flexible crisis response and promote faster, more comprehensive and coordinated partner responses engaging ourselves, the UN, key regional organisations and other partners.
- (c) **Maximising the contribution of local and multinational companies** to peace and stability including through working with the UN Global Compact and developing OECD guidance for companies working in zones of weak governance.
- (d) **Working to implement UN sanctions** regimes more effectively by improved co-ordination of existing monitoring mechanisms and more efficient use of independent expertise.
- (e) Acting effectively in the UN and in other fora to combat the role played by 'conflict resources' such as oil, diamonds and timber, and other scarce natural resources, in starting and fuelling conflicts.
- (f) **Improving the effectiveness of transfer controls** over small arms and light weapons, including at inter alia the review conference of the UN Programme of Action on small

arms and light weapons in 2006, and taking effective action in Africa to collect and destroy illicit small arms. Development of international standards in arms transfers, including a common understanding of governments' responsibilities, would be an important step towards tackling the undesirable proliferation of conventional arms. We agree on the need for further work to build a consensus for action to tackle the undesirable proliferation of conventional arms.

(g) Working in support of the UN Secretary General's proposed new Peace Building Commission.

11. We will give greater attention and resources to reconstruction and reconciliation in post-conflict countries by:

(a) **Providing rapid and flexible multilateral and bilateral debt relief** for post-conflict countries, where appropriate.

(b) **Allocating grant financing** for reconstruction needs, including the disarmament, demobilisation and reintegration (DDR) into civilian society of former combatants.

12. We will work urgently with other partners to improve the timeliness, predictability, effectiveness and availability of humanitarian assistance by:

(a) Helping to fund sufficiently the urgent needs of millions of Africans caught up in the humanitarian emergencies identified by the UN in Africa, especially in the so-called 'forgotten humanitarian crises', so that co-ordinated emergency funding is available in time to save lives at risk.

(b) **Working with the UN** to improve the tracking, reporting, and co-ordination of the resources provided for humanitarian emergencies.

(c) **Supporting the UNSG's work** to strengthen the international humanitarian response system. The G8 members are working with the Secretary General to improve the speed of response, efficiency, responsibility, accountability and transparency of humanitarian assistance operations on the ground, while respecting the principles of humanity, impartiality, neutrality and independence of humanitarian assistance.

(d) **Working with the African Union** to promote the increased engagement of African Governments to ensure that there is safe and unimpeded access to the population for humanitarian personnel, and to support, address and resolve humanitarian crises.

(lxvii) Promoting Good and Responsive Government

13. We welcome African institutions' engagement in promoting and enhancing effective governance, including NEPAD's strong statements in support of democracy and human rights. Well-governed states are critical to peace and security; economic growth and prosperity; ensuring respect for human rights and promotion of gender equality and the delivery of essential services to the citizens of Africa. We will support African countries'

efforts to make their governments more transparent, capable and responsive to the will of their people; improve governance at the regional level and across the continent; and strengthen the African institutions that are essential to this.

14. In response to this African commitment, we will:

(a) **Help strengthen the AU and NEPAD**, including through:

- support, including flexible funding, for the African Union and other pan-African institutions such as the Pan-African Parliament;
-
- **support to the African Peer Review Mechanism (APRM)**, while respecting African ownership, such as through contributions to the APRM Secretariat Trust Fund;
-
- appropriate and co-ordinated support to African countries in the implementation of their good governance national strategies, including their country action plans for implementation of APRM recommendations.

(b) **Support greater transparency** in public financial management, including revenues, budgets and expenditure, licences, procurement and public concessions, including through increased support to capacity building in those African countries that are taking credible action against corruption and increasing transparency and accountability.

(c) **Support African partners** in signing and ratifying the African Union Convention on Preventing and Combating Corruption and provide support towards the implementation of the AU Convention.

(d) As part of our work to combat corruption and promote transparency, **increase support to the Extractive Industries Transparency Initiative** and countries implementing EITI, including through financial and technical measures. We call on African resource-rich countries to implement EITI or similar principles of transparency and on the World Bank, IMF and regional development banks to support them. We support the development of appropriate criteria for validating EITI implementation. Transparency should be extended to other sectors, as the G8 is doing in pilot projects.

(e) Call on African countries to **implement the African Charter on Human and People's Rights** and its protocols in order to encourage respect for the rights of ethnic minorities, women and children.

(f) Work vigorously for early **ratification of the UN Convention Against Corruption** and start discussions on mechanisms to ensure its effective implementation. Work to establish effective mechanisms, consistent with the provisions of UNCAC and previous G8 commitments, within our own administrations for the recovery of assets, including those stolen through corruption, taking into account final disposal of confiscated property where appropriate, and to return assets to their legitimate owners. We encourage all countries to promulgate rules to deny entry and safe haven, when appropriate, to officials

and individuals found guilty of public corruption, those who corrupt them, and their assets.

(g) To further protect the international financial system from illicit corruption proceeds, we encourage all countries to require **enhanced due diligence for financial transactions** involving politically exposed persons. In addition, we urge all countries to comply with UN Security Council resolution 1532 to identify and freeze the assets of designated persons.

(h) **Reduce bribery** by the private sector by rigorously enforcing laws against the bribery of foreign public officials, including prosecuting those engaged in bribery; strengthening anti-bribery requirements for those applying for export credits and credit guarantees, and continuing our support for peer review, in line with the OECD Convention; encouraging companies to adopt anti-bribery compliance programmes and report solicitations of bribery; and by committing to co-operate with African governments to ensure the prosecution of those engaged in bribery and bribe solicitation.

(i) Take concrete steps to **protect financial markets from criminal abuse**, including bribery and corruption, by pressing all financial centres to obtain and implement the highest international standards of transparency and exchange of information. We will continue to support Financial Stability Forums ongoing work to promote and review progress on the implementation of international standards, particularly the new process concerning offshore financial centres that was agreed in March 2005, and the OECD's high standards in favour of transparency and exchange of information in all tax matters.

(lxviii) Investing in People

15. Life expectancy is increasing in every continent except Africa, where it has been falling for the last 20 years. We will **continue to support African strategies to improve health, education and food security**.

16. To unlock the vast human potential of Africa, we will work with Africa to create an environment where its most capable citizens, including teachers and healthcare workers, see a **long-term future on the continent**. We will work with committed national governments to assist in creating that environment.

17. The core aims for education and health are stated in the **UN Millennium Declaration**. We support our African partners' commitment to ensure that by 2015 all children have access to and complete free and compulsory primary education of good quality, and have access to basic health care (free wherever countries choose to provide this) to reduce mortality among those most at risk from dying from preventable causes, particularly women and children; and so that the spread of HIV, malaria and other killer diseases is halted and reversed and people have access to safe water and sanitation.

18. We will work to achieve these aims by:

- (a) **Working with African governments, respecting their ownership, to invest more in better education, extra teachers and new schools.** This is made more crucial by the number of teachers dying from AIDS. As part of this effort, we will work to support the Education for All agenda in Africa, including continuing our support for the Fast Track Initiative (FTI) and our efforts to help FTI-endorsed countries to develop sustainable capacity and identify the resources necessary to pursue their sustainable educational strategies. Our aim is that every FTI-elected country will develop the capacity and have the resources necessary to implement their sustainable education strategies.
- (b) Helping **develop skilled professionals** for Africa's private and public sectors, through supporting networks of excellence between African's and other countries' institutions of higher education and centres of excellence in science and technology institutions. In this respect, we look forward to the outcome of the second phase of the World Summit on the Information Society taking place in November in Tunis.
- (c) **Investing in improved health systems** in partnership with African governments, by helping Africa train and retain doctors, nurses and community health workers. We will ensure our actions strengthen health systems at national and local level and across all sectors since this is vital for long-term improvements in overall health, and we will encourage donors to help build health capacity.
- (d) With the aim of an AIDS-free generation in Africa, significantly **reducing HIV infections** and working with WHO, UNAIDS and other international bodies to develop and implement a package for HIV prevention, treatment and care, with the aim of as close as possible to universal access to treatment for all those who need it by 2010. Limited health systems capacity is a major constraint to achieving this and we will work with our partners in Africa to address this, including supporting the establishment of reliable and accountable supply chain management and reporting systems. We will also work with them to ensure that all children left orphaned or vulnerable by AIDS or other pandemics are given proper support. We will work to meet the financing needs for HIV/AIDS, including through the replenishment this year of the Global Fund to fight AIDS, TB and Malaria; and actively working with local stakeholders to implement the '3 Ones' principles in all countries.
- (e) Building on the valuable **G8 Global HIV/AIDS vaccine enterprise**, increasing direct investment and taking forward work on market incentives, as a complement to basic research, through such mechanisms as Public Private Partnerships and Advance Purchase Commitments to encourage the development of vaccines, microbicides and drugs for AIDS, malaria, tuberculosis and other neglected diseases. We note continuing work to explore establishing an International Centre for Genetic Engineering & Biotechnology centre in Africa to help research into vaccines for the diseases that are afflicting the continent.
- (f) **Supporting the Polio Eradication Initiative** for the post eradication period in 2006-8 through continuing or increasing our own contributions toward the \$829 million target

and mobilising the support of others. We are pleased that the funding gap for 2005 has been met.

(g) Working with African countries to **scale up action against malaria** to reach 85% of the vulnerable populations with the key interventions that will save 600,000 children's lives a year by 2015 and reduce the drag on African economies from this preventable and treatable disease. By contributing to the additional \$1.5bn a year needed annually to help ensure access to anti-malaria insecticide-treated mosquito nets, adequate and sustainable supplies of Combination Therapies including Artemisinin, presumptive treatment for pregnant women and babies, household residual spraying and the capacity in African health services to effectively use them, we can reduce the burden of malaria as a major killer of children in sub-Saharan Africa.

(h) Helping to meet the needs identified by the **Stop TB Partnership**. We also support the call for a high-level conference of Health Ministers for TB in 2006.

(i) Implementing the G8 **water action plan** agreed at Evian, in partnership with the AfDB initiative on rural water and sanitation, including through increasing aid in this sector; maintaining political momentum and commitment on the water issue; and reinforcing co-ordination and monitoring mechanisms.

(j) Reconfirming our Sea Island commitment to help countries that are willing to make a political commitment to develop comprehensive food security and famine prevention programmes.

(lxix) Promoting Growth

19. Private enterprise is a prime engine of growth and development. Enhancing governance and the rule of law will attract more and broader private investment, including FDI, which is the basic condition for inclusive growth. African countries need to build a much stronger investment climate: we will continue to help them do so, including through the **promotion of a stable, efficient and harmonised legal business framework** (noting the work of the OHADA business legal unification process and the improvement of the investment climate through the OECD/NEPAD Investment Initiative) and increased access to finance including strong support for the development of micro-finance in Africa. Partnership between the public and private sectors is crucial.

20. Investment is needed in **sustainable agriculture**, which is the most important economic sector for most Africans. African governments have made a commitment to invest 10% of their budgets in agriculture. We will strengthen our support for their commitment.

21. An ambitious and balanced **conclusion to the Doha Round** is the best way to make trade work for Africa and increase African countries' integration into the global economy. The Hong Kong Ministerial in December will be a critical step towards a successful outcome of the DDA in 2006. Our separate statement on the DDA gives more details of

the potential benefits. The World Bank estimates that completing these negotiations could lift 140 million people out of poverty.

22. We agree:

- (a) To increase our help to developing countries to build the physical, human and institutional capacity to trade, including trade facilitation measures. We are committed to granting additional support for **trade capacity building to assist LDCs**, particularly in Africa, to take advantage of the new opportunities to trade which will result from a positive conclusion of the DDA. We call on the IFIs to submit proposals to the annual meetings for additional assistance to countries to develop their capacity to trade and ease adjustment in their economies;
- (b) To provide **resources and training** to help African producers meet current and new health and safety standards for food exports and other products. We will encourage our national standard setting and regulatory bodies to work with African exporters and national authorities, and we will support African nations in playing their full part in the relevant international standard setting bodies, in order to facilitate African export to our markets.
- (c) To support African efforts to **increase South-South trade and regional integration**, to improve specialisation and create more jobs and prosperity;
- (d) **To improve the utilisation of our preference schemes** by ensuring that rules (particularly rules of origin) are transparent and simple to follow and do not inadvertently preclude eligible developing countries from taking advantage of those schemes. We support the efforts underway by the World Bank and others to address concerns regarding trade preference erosion. We further agree to report back on progress to future presidencies.

23. Infrastructure and supply-side weaknesses often prevent the poorest countries from exploiting their trading opportunities and need to be addressed. To boost growth, attract new investment and contribute to building Africa's capacity to trade we will:

- (a) Continue our work to **build an international infrastructure consortium** involving the AU, NEPAD, World Bank and African Development Bank (AfDB), recognised by NEPAD as the lead infrastructure agency, to facilitate infrastructure investment, including in cross-border infrastructure, in Africa. This should achieve more effective and larger-scale infrastructure activity to back Africa's priorities, and to identify and overcome project development, financing, and business environment constraints, recognising the comparative advantages of different donors and the private sector.
- (b) **Support investment, enterprise development and innovation**, for example through support to the AU/NEPAD Investment Climate Facility, the Enhanced Private Sector Assistance with the AfDB, and other appropriate institutions, to invest in SMEs and microfinance, and through actions by the relevant International Financial Institutions and

African governments to increase access to financial services through increased partnerships between commercial banks and micro-finance institutions, including through support for diversification of financial services available to the poor and effective use of remittances.

- (c) Support a comprehensive set of actions to **raise agricultural productivity**, strengthen urban-rural linkages and empower the poor, based on national initiatives and in cooperation with the AU/NEPAD Comprehensive Africa Agriculture Development Programme (CAADP) and other African initiatives.
- (d) Encourage best practice in **responsible investment** through African private sector networks, including support to the UN Global Compact.
- (e) Welcome the growing **market for fair-trade goods** and their positive effect in supporting livelihoods and increasing public awareness of the positive role of trade in development.
- (f) **Support youth employment** in Africa for both men and women, including vocational education and training relevant to market demands.

(lxix) Financing for Development

24. Successful development requires sustained and consistent progress across the range of areas we have identified: strengthened peace and security, better governance, improved healthcare and education, enhanced growth, access to markets, and capacity to trade. Implementation will require access to additional resources for Africa and other developing countries. Some of this can and should come from developing countries' domestic resources, FDI and other private flows and increased trade. This will increase as developing country economies grow. The primary responsibility for this lies with developing countries themselves. Additional resources will also come from remittances and donations from private individuals in developed countries, and we welcome our citizens' generous response to appeals for the Tsunami, Sudan and other emergencies. Some of this financing can come from environmental initiatives. Support for peace and security is also relevant to building the foundation for development. We invite the Development Assistance Committee of the OECD to pursue its work on the way different flows to developing countries are taken into account.

25. A substantial **increase in official development assistance**, in addition to other resources, is required in order to achieve the internationally agreed development goals and objectives, including those contained in the Millennium Declaration (the Millennium Goals) by 2015, as we agreed at Monterrey in 2002. Fulfilling this commitment is needed in order to consolidate and build on recent progress in Africa, to stimulate the growth that will increase other resources and to enable African and other poor countries over time to reduce their aid dependency.

26. G8 countries and other donors have made substantial commitments to increase aid, through a variety of means, including traditional development assistance, debt relief and innovative financing mechanisms. Our commitments are set out in Annex II.

27. The commitments of the G8 and other donors will lead to an increase in **official development assistance** to Africa of \$25 billion a year by 2010, more than doubling aid to Africa compared to 2004.

28. As we confront the development challenges in Africa, we recognise there is a global development challenge facing the world as a whole. On the basis of donor commitments and other relevant factors, the OECD estimates that **official development assistance** from the G8 and other donors to all developing countries will now increase by around \$50 billion a year by 2010, compared to 2004.

29. The G8 has agreed a proposal to **cancel 100% of outstanding debts of eligible Heavily Indebted Poor Countries** to the IMF, IDA and African Development Fund, and to provide additional resources to ensure that the financing capacity of the IFIs is not reduced, as set out in the statement of 11 June. We welcome the agreement in principle by the Paris Club aimed at achieving a sustainable exit for Nigeria from its debt problems.

30. These substantial extra resources will be focused on countries where they will make a difference, to accelerate progress towards the achievement of the Millennium Goals, and help us to achieve the objectives set out in this statement. We will focus aid on low income countries, which are committed to growth and poverty reduction, to democratic, accountable and transparent government, and to sound public financial management, although aid is also important to respond to humanitarian crises and countries affected by or at risk of conflict.

31. It is up to developing countries themselves and their governments to take the lead on **development**. They need to decide, plan and sequence their economic policies to fit with their own **development strategies**, for which they should be accountable to all their people.

32. We need to support **sound development strategies** with better aid, to ensure it is used most effectively. We will implement and be monitored on all commitments we made in the Paris Declaration on aid effectiveness, including enhancing efforts to untie aid; disbursing aid in a timely and predictable fashion, through partner country systems where possible; increasing harmonisation and donor co-ordination, including through more programme-based approaches.

(xxi) Partnership and Mutual Accountability: Gleneagles and Beyond

33. We need an effective mechanism to take forward our high-level strategic dialogue with Africa, focussing on the results of our joint efforts. We acknowledge the productive role played by the Africa Personal Representatives and the Africa Partnership Forum. We

agree that the APF should be strengthened. We recommend that the APF meet twice yearly at an appropriately high level, reviewing progress by all the partners involved in this joint undertaking not only by the G8 but also by Africans and other development partners. We encourage the APF to develop a process for monitoring, reporting and reviewing progress against milestones and benchmarks and to enable corrective action to be taken. There should be sufficient support for the APF to enable effective follow up, including by the G8, on implementation between meetings, working with AU/NEPAD, OECD/DAC, ECA and other organisations.

(lxvii) Conclusion: From Gleneagles to New York and Hong Kong

34. Through our agreement today and the previous **G8 commitments we will continue to support the efforts of African countries to build lasting peace and prosperity**. Many of the proposed measures have a wider applicability to the **developing world** as a whole and are consistent with the vision set out in the UN Secretary General's proposals. We call on other world leaders and institutions to work together to achieve a successful UN Summit in September that will take forward this agenda, building on the impetus that we have created today.
35. We also call on other world leaders to join us in ensuring a successful WTO Ministerial in Hong Kong in December, leading to the conclusion in 2006 of the Doha Development Round with an agreement to a trade package that has the potential to help lift millions out of poverty. It is in all our interests that we succeed.

(lxviii) Annex I

The G8 and international response

- Birmingham in 1998 agreed that there was a need to enhance the **heavily indebted poor countries** (HIPC) initiative, launched at the Lyon summit in 1996, to provide more relief to more poor countries.
- Cologne in 1999 launched the **enhanced HIPC initiative**. This has helped to increase social expenditure in 27, mostly African, countries by around \$4bn per year.
- Okinawa in 2000 was the first G8 Summit to invite African leaders to outreach dialogue. It also began the process that led to the establishment of the Global Fund for AIDS, TB and Malaria in Genoa in 2001.
- At Genoa, in 2001, the G8 recognised the need to respond to **NEPAD** through the **Genoa Plan for Action** and appointed Africa Personal Representatives to recommend specific actions.
- At Kananaskis in 2002, the G8 launched the Africa Action Plan inaugurating the new partnership between the G8 and Africa. We said then that this would help to ensure that no country committed to poverty reduction, good governance and economic reform would be denied the chance to achieve the **Millennium Goals** through lack of finance.
- At Evian in 2003, the G8 announced specific measures to take these forward, a Water action plan and a new G8/Africa plan to enhance African capabilities to undertake peace support operations; and created the Africa Partnership Forum for dialogue between Africans and development partners beyond the G8.
- At Sea Island in 2004, the G8 agreed further measures to tackle HIV and polio, to enhance the role of the **private sector in development**, to promote transparency and

fight corruption, to take additional steps to enhance productivity and to expand global peace support operations capabilities.

- And in addition to this, each G8 government has made its own specific commitments in support of Africa. We have collectively doubled our aid to Africa since 2001.

(lxiv) Annex II

Financing commitments (as submitted by individual G8 members)

-
- The EU has pledged to reach 0.7 per cent **ODA/GNI** by 2015 with a new interim collective target of 0.56 per cent **ODA/GNI** by 2010. The EU will nearly **double its ODA** between 2004 and 2010 from 34.5 billion to 67 billion. At least 50% of this increase should go to sub-Saharan Africa.
-
- Germany (supported by innovative instruments) has undertaken to reach 0.51 per cent **ODA/GNI** in 2010 and 0.7 per cent **ODA/GNI** in 2015.
-
- Italy has undertaken to reach 0.51 per cent **ODA/GNI** in 2010 and 0.7% **ODA/GNI** in 2015
-
- France has announced a timetable to reach 0.5 per cent **ODA/GNI** in 2007, of which 2/3 for Africa, - representing at least a **doubling of ODA since 2000** - and 0.7 per cent ODA/GNI in 2012.
-
- The UK has announced a timetable to reach 0.7 per cent **ODA/GNI** by 2013 and will double its bilateralspending in Africa between 2003/04 and 2007/08.
-
- A group of the countries above firmly believe that innovative financing mechanisms can help deliver and bring forward the financing needed to achieve the **Millennium Development Goals**. They will continue to consider the International Financing Facility (IFF), a pilot IFF for Immunisation and a solidarity contribution on plane tickets to **finance development projects**, in particular in the health sector, and to finance the IFF. A working group will consider the implementation of these mechanisms.
-
- The US proposes to **double aid** to Sub-Saharan Africa between 2004 and 2010. It has launched the Millennium Challenge Account, with the aim of providing up to \$5 billion a year, the \$15 billion Emergency Plan for AIDS Relief, an initiative to address Humanitarian Emergencies in Africa of more than \$2 billion in 2005, and a new \$1.2 billion malaria initiative. The US will continue to work to prevent and mitigate conflict, including through the 5-year, \$660 million Global Peace Operations Initiative.
-
- Japan intends to increase its **ODA** volume by \$10 billion in aggregate over the next five years. Japan has committed to double its **ODA to Africa** over the next three years and launched the \$5 billion '**Health and Development Initiative**' over the next

five years. For the "Enhanced Private Sector Assistance (EPSA) for Africa" facility, Japan will provide more than \$1 billion over 5 years in partnership with the AfDB.

-
- Canada will double its **international assistance** from 2001 to 2010, with assistance to Africa doubling from 2003/4 to 2008/9. As well, the 2005 Budget provided an additional C\$342 million to fight diseases that mainly afflict Africa. The C\$200 million Canada Investment Fund for Africa, will provide public-private risk capital for private investments and Canada will provide C\$190 million to support the AU's efforts in Darfur, as well as C\$90 million for humanitarian needs.
-
- Russia has cancelled and committed to cancel \$11.3 billion worth of **debts owed by African countries**, including \$2.2 billion of debt relief to the **HIPC Initiative**. On top of this, Russia is considering writing off the entire stock of **HIPC countries' debts on non-ODA loans**. This will add \$750m to those countries **debt relief**.

Chair's Summary

(lxxv) Africa and Development

We were joined for our discussion on **Africa and development** by the leaders of Algeria, Ethiopia, Ghana, Nigeria, Senegal, South Africa and Tanzania and by the heads of the African Union Commission, International Monetary Fund, United Nations and the World Bank.

We discussed how to accelerate progress towards the **Millennium Goals**, especially in Africa which has the furthest to go to achieve these goals by 2015.

We welcomed the **substantial progress Africa has made** in recent years. More countries have held democratic elections. Economic growth is accelerating. Long running conflicts are being brought to an end.

We agreed that we and our African partners had a common interest in building on that progress to **create a strong, peaceful and prosperous Africa**; we share a strong moral conviction that this should be done, and have agreed the actions that we will take.

The African leaders set out their personal commitment, reaffirmed strongly at this week's **African Union summit**, to drive forward plans to reduce poverty and promote economic growth; deepen transparency and good governance; strengthen democratic institutions and processes; show zero tolerance for corruption; remove all obstacles to intra-African trade; and bring about lasting peace and security across the continent.

The G8 in return agreed a comprehensive plan to support Africa's progress. This is set out in our separate statement today. We agreed:

- to provide **extra resources** for Africa's peacekeeping forces so that they can better deter, prevent and resolve conflicts in Africa
-

- .. to give **enhanced support** for greater democracy, effective governance and transparency, and to help fight corruption and return stolen assets
- .. to **boost investment** in health and education, and to take action to combat HIV/AIDS, malaria, TB and other killer diseases
- .. to **stimulate growth**, to improve the investment climate and to make trade work for Africa, including by helping to build Africa's capacity to trade and working to mobilise the extra investment in infrastructure which is needed for business

The G8 leaders agreed to back this plan with substantial extra resources for countries which have strong national **development plans** and are committed to good governance, democracy and transparency. We agreed that poor countries must decide and lead their own development strategies and economic policies.

We have agreed to **double aid for Africa** by 2010. Aid for all **developing countries** will increase, according to the OECD, by around \$50bn per year by 2010, of which at least \$25bn extra per year for Africa. A group of G8 and other countries will also take forward innovative financing mechanisms including the IFF for immunisation, an air-ticket solidarity levy and the IFF to deliver and bring forward the financing, and a working group will consider the implementation of these mechanisms. We agreed that the **World Bank** should have a leading role in supporting the partnership between the G8, other donors and Africa, helping to ensure that additional assistance is effectively co-ordinated.

The G8 has also agreed that all of the **debts** owed by eligible **heavily indebted poor countries** to **IDA, the International Monetary Fund and the African Development Fund** should be cancelled, as set out in our Finance Ministers agreement on 11 June. We also welcomed the Paris Club decision to write off around \$17 billion of Nigeria's debt.

The G8 and African leaders agreed that if implemented these measures and the others set out in our comprehensive plan could:

- .. double the size of Africa's economy and trade by 2015
- .. deliver increased domestic and foreign investment
- .. lift tens of millions of people out of poverty every year
- .. save millions of lives a year
- .. get all children into primary school
- .. deliver free basic health care and primary education for all
- .. provide as close as possible to universal access to treatment for AIDS by 2010
- .. generate employment and other opportunities for young people
- .. bring about an end to conflict in Africa.

In order to ensure delivery, we agreed to strengthen the **African Partners Forum** and that it should establish a Joint Action Plan.

But we know this is only the beginning. We must build on the progress we have made today. We must take this spirit forward to the **UN Millennium Review** Summit in New York in September, and ensure a successful conclusion to the **Doha Development Agenda**.

2006 St. Petersburg, Russia

Update on Africa

(lxvii) Our commitments

Since the late 1990s, G8 Summits have given Africa a high priority. At Gleneagles last year the G8 agreed to a further set of measures to reduce poverty and **support sustainable development** in Africa. We are continuing to work in partnership with Africa, in particular in support of the **AU and NEPAD**, with a special focus this year on infectious diseases, education and energy security. This report reviews progress on G8 commitments on Africa since the last G8 Summit, while respecting the critical role of African ownership of the **reform process**.

(lxviii) Progress made

Peace and Stability: We have increased our support for African efforts to build a peaceful and stable Africa, including support for setting up the **African Standby Force** and **technical, logistical and financial assistance on policy development to strengthen the overall capacity of African organisations** to deal with conflicts on the continent. We have provided funding, hardware, personnel and technical assistance to the African Union (AU) mission in Darfur, and stand ready to support a UN force to take over from the AU there. We assisted in the development of several international training centres in Africa as well as other parts of the world. We take note of the report by the G8 and other donor partner officials on strengthening African peace-keeping capacity to the G8 Foreign Ministers, including the establishment of the Centre of Excellence for Stability Police Units (COESPU) in Vicenza. We are on track to deliver our Sea Island commitment to train 75,000 peacekeeping troops worldwide by 2010, with a sustained focus on Africa.

At Gleneagles, we noted the importance of **peace as a condition for development** and agreed to help Africa's fragile states to emerge successfully from crisis and conflict. **Progress** in Africa has been significant in this regard. We have taken steps to help countries emerging from conflict and strongly supported the successful establishment in December of the UN Peacebuilding Commission. We have facilitated a faster and better response to humanitarian crises caused by conflict through the launch in March of the UN's Central Emergency Response Fund with pledges of \$264 million from some G8 and other donors; \$92 million has already been disbursed to emergencies in the Horn of Africa, Darfur, the Democratic Republic of the Congo, Chad, Niger, Cote D'Ivoire and Burundi. Donors' efforts over the past year, in partnership with local leaders and the

international community, have helped avert famines in East and Southern Africa, where more than 26 million people had been at risk.

Promoting Good and Responsive Governance: We have, with our international partners, secured the entry into force of the **UN Convention against Corruption** in December 2005: 22 African and 3 G8 countries are among those who have ratified. 25 African countries have signed up to the African Peer Review Mechanism and 3 have completed the process. Good progress has been made in improving transparency and accountability including in the oil and gas industries through the Extractive Industries Transparency Initiative (EITI), in which 15 African countries and 23 companies take part. We have successfully completed work at the OECD to strengthen significantly anti-bribery requirements for those applying for export credits and credit guarantees.

Investing in People: Building on the commitments we made at Gleneagles last year, the G8 and other international partners agreed a **Political Declaration at the UN High-Level meeting on HIV/AIDS** in June which commits to pursue all necessary efforts to scale up towards the goal of universal access to comprehensive prevention programmes, treatment, care and support by 2010; and to take measures to ensure that additional resources are made available to tackle AIDS, in view of the UNAIDS estimate that \$20-23 billion is needed annually by 2010. The Global Fund is an important instrument in the battle against HIV/AIDS. We will work with other donors and stakeholders in the effort to secure a funding needed for the 2006-2007 replenishment period and call upon all concerned to participate actively in the development of a four-year strategy, aimed at building a solid foundation for the activities of the Fund in the years ahead. We are working to deliver the Global Plan to Stop TB, launched in January 2006, and the Global Strategic Plan to Roll Back Malaria, launched in November 2005. We have committed \$210 million to fund Polio Eradication in 2006. If the remaining funding gap can be filled, transmission of polio should end in Africa.

We are working with our African partners on their **commitment to provide free primary education for all** African children by 2015. We support an effective implementation of the EFA Fast Track Initiative, as detailed in our Summit paper on Education. We welcome the Plan of Action for Science and Technology agreed by African ministers in September 2005, to help ensure skilled professionals for Africa's private and public sectors.

In the **water** sector, we are supporting **strengthened cooperation among African river basin organisations**, and giving support to the African Ministers' Council on Water, as well as the leading role of the African Development Bank in this key sector. We are contributing to efforts to improve the effectiveness of aid to Africa's water sector.

Promoting Growth: We have sustained our efforts to help Africa trade its way to **sustainable prosperity**. We agreed at the WTO Ministerial in December 2005 to eliminate all forms of export subsidies on cotton in 2006, to end all forms of agricultural export subsidies and to discipline all export measures with equivalent effect by end 2013, to deliver duty and quota free access for at least 97% of products from Least Developed

Countries, subject to successful conclusion of the Doha Round; and to provide support for developing countries' efforts to build trade capacity. We reaffirm that provisions for special and differential treatment are an integral part of WTO agreements.

We are helping Africa construct the road, rail, energy and other networks necessary for growth including through our support to the **Infrastructure Consortium for Africa** inaugurated in October 2005, which has already identified and secured funding decisions on eleven regional projects from NEPAD's Short Term Action Plan (STAP) worth \$740m. We are helping Africa attract the private financing and inward investment which will drive growth including through the NEPAD-OECD Africa Investment Initiative, the Enhanced Private Sector Assistance for Africa and the Investment Climate Facility, launched at the World Economic Summit in June. We continue to provide significant support to the development of agriculture in Africa. Increasingly, the AU/NEPAD Comprehensive Africa Agriculture Development Programme (CAADP) is providing a framework for collective action.

Financing for Development: We are working hard to deliver on our substantial aid commitments which, with those of other donors, will lead to an increase in **Official Development Assistance** (ODA) to Africa of \$25bn a year by 2010, out of an OECD estimated \$50bn worldwide aid. The OECD estimates that **ODA from Development Assistance Committee** members rose 31% to US\$107 billion in 2005, 75% of which was from G8 members. Recognising that private resources dwarf public flows and can have a considerable positive impact on development, we are taking steps to help African countries to mobilize the full range of development finance, as agreed in the Monterrey Consensus.

We have made good progress in lifting the debt burden from the poorest countries. The **IMF** and **IDA** have implemented the G8 proposal to cancel 100% of the debts owed by eligible **Heavily Indebted Poor Countries** and the **African Development Fund** is expected to implement it soon. 15 African countries have already benefited from debt stock cancellation at the **IMF** and **IDA**. Up to 24 more countries will also qualify for MDRI when they complete the **HIPC process**. A deal resolving 100% of Nigeria's \$30 billion in debts to **Paris Club** creditors has also been agreed and delivered.

We are working on the implementation of the March 2005 **Paris Declaration on Aid Effectiveness** to ensure delivery of effective and efficient aid resources to Africa and other developing countries and have started to conduct a survey on monitoring the implementation of the **Paris Declaration**.

Mutual ownership and accountability: We believe in mutual ownership and accountability. African governments have made important commitments including on peace and security, good governance and transparency, which also have to be implemented. We will continue to ensure that progress is monitored, and that donors and African states sustain a high level dialogue on these issues, through the **Africa Partnership Forum** (APF) with the APF Support Unit producing its first progress report in October 2006.

(lxxviii) Continuing work

We have made substantial progress since Gleneagles. Our key steps over the next year include:

- • tackling infectious diseases, strengthening education and enhancing energy security in Africa and the wider world. The details are set out in our separate statements;
-
- continuing, in cooperation with the EU, UN and other partners, to assist the AU and **African sub-regional organisations** in further **developing the African Standby Force** including transportation and logistics support arrangements;
-
- tackling the undesirable illicit proliferation of conventional arms including by strengthening existing mechanisms;
-
- working towards ratifying the **UN Convention Against Corruption** as soon as possible, with successful discussions on monitoring and implementation mechanisms at the Conference of State Parties later this year ;
-
- continuing to support the **African Peer Review Mechanism** whilst respecting African ownership;
-
- encouraging wider implementation of the **EITI** and other resource transparency programmes in resource-rich African countries;
-
- urgently stepping up our efforts to achieve an ambitious and balanced outcome for the **WTO Doha Round** that gives **developing countries** - especially **Least Developed Countries** - improved access to global markets, builds trade capacity and allows developing countries to decide, plan and sequence their own economic policies;
-
- supporting **agriculture development**, in particular under the **AU/NEPAD Comprehensive Africa Agriculture Development Programme (CAADP)**;
-
- further work on **Aid for Trade** to help ensure that African countries are better able to participate in and benefit from the multilateral trading system;
-
- fulfilling our aid promises and continuing to track progress through the APF in particular;
-
- ensuring the full implementation and financing of the **Multilateral Debt Relief Initiative** (MDRI) according to our commitments made at Gleneagles and on a fair burden-share basis, and preserving long-term debt sustainability through the implementation of the **IMF/World Bank** debt sustainability framework for low-income countries; and
-
- implementing our **Paris Agenda** on aid effectiveness and monitoring progress.

We will review progress, and identify the next steps to **support Africa's successful development**, at the 2007 G8 Summit in Germany. Our goal remains a democratic, prosperous and peaceful Africa. We will continue to give our full support to African efforts to secure this.

Annex (health goals for development)

Canada

Canada will contribute C\$450 million between 2006-2016 to support country-led efforts to **strengthen health systems and improve health outcomes** in Africa.

Canada is ready to contribute C\$100 million to support an Advance Market Commitments pilot project to develop a vaccine for pneumococcal disease.

Canada will contribute C\$250 million in 2006 to the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) to support 2006-07 activities. Canada has committed C\$800 million to support efforts to fight HIV/AIDS since 2000. Other recent Canadian initiatives include C\$160 million for the Global Alliance for Vaccines and Immunization (GAVI), C\$62 million to the International AIDS Vaccine Initiative and C\$5 million to the African AIDS Vaccine Programme. Canada has also committed C\$15 million to the International Partnership for Microbicides.

Canada will contribute C\$57 million to support the **international response** to avian influenza, and to prepare for potential future pandemics.

In 2006, Canada will contribute C\$45 million to the Global Polio Eradication Initiative.

European Commission

Since the Creation of the **Global Fund** in 2001 the EC will have contributed €522 million by the end of 2006, with €90 million allocated in 2006 alone.

In 2002-2006, the EC will have spent €420 million on **research targeted at the three main communicable diseases** - HIV/AIDS, malaria and tuberculosis a four-fold increase in comparison to the previous four-year period.

The European Commission pledged €100 million at the Beijing Conference in January 2006 to confront avian influenza and prepare for a possible human pandemic, with additional €111 million pledged by the EU Member States. €20 million of European Commission's pledge is targeted to support of scientific research projects, with a further €80 million devoted to **assistance projects**.

As regards polio eradication, the European Commission has provided €61 million to finance **supplementary immunization activities** in countries with endemic transmission - Nigeria, Niger and Somalia. In Nigeria this support was provided on top of already

existing support of €118 million for immunization and polio eradication. Additional funding of €15 million to support eradication activities needed in Ethiopia.

France

France will spend €1,4 billion for the period 2006-2008 for multilateral actions related to the fight against emerging and transmissible diseases.

Regarding **innovative financing**, France has launched an air ticket solidarity contribution, which so far 17 countries expressed their intention to endorse. At least 90 percent of the proceeds of this contribution (estimated to around €200 million a year), which is effective from 1 July, will finance an international drug purchase facility-UNITAID, aimed at ensuring an uninterrupted supply of pre-qualified products at reduced price for beneficiary countries. The IDPF-UNITAID will be launched at the time of the UN General Assembly in mid-September. France also contributes to the pilot International Finance Facility for Immunization (IFFIm), with the first bond issuance expected to take place in 2006 in order to finance GAVI. With a commitment of \$2 billion over 20 years, France will be the second contributor to this initiative.

France will make an increased contribution to the **Global Fund** (€225 million in 2006 and €300 million in 2007) and will therefore be its second contributor.

For the period 2006-2007, France will spend €290 million through its **bilateral ODA** for the **achievement of health-related MDGs** and for the **strengthening of health systems in developing countries**.

Germany

Germany is actively engaged in prevention and **control of infectious diseases in developing countries**.

The German government annually spends €300 million on prevention and control of HIV/AIDS, malaria and tuberculosis and **health system development**. Germany ranks fifth in the international bilateral donor community on combating polio and has committed €39 million of new bilateral funds.

For efforts to fight Avian Influenza, Germany has committed approximately €40 million for **bilateral programs** in Asia and Africa, for **vaccine development** and for support for a global crises-reaction-mechanism.

With €800 million is the largest donor for **bilateral water projects** which is a very important pillar in fighting infectious diseases.

Germany is also promoting research into treatments that are of special interest to **developing countries**.

Italy

Italy has put forward a market-based mechanism to foster **research and development** of new vaccines against infectious diseases that mostly hit poor countries: Advance Market Commitment (AMC). Together with GAVI and the World Bank, a pilot project has been developed that can be launched in 2006.

Italy is also actively participating in the financing of several **multilateral/ bilateral initiatives** fighting Malaria, Polio, Tuberculosis, Avian flu and other infectious diseases.

Italy will provide 600million USD to the IFFim over 20 years and contribute 460 million euros to **Global Fund** in the period 2004-2007.

These specific contributions are made following a more general approach of **substantial support for the strengthening of national health systems** and of monitoring and prevention capabilities in **developing countries**.

Japan

Japan launched the '**Health and Development**' Initiative in June 2005 aiming to provide up to US\$ 5 billion over five years from 2005 to 2009 to combat infectious diseases and other threats to health in the **developing countries**, out of which more than US\$ 620 million has been disbursed during the fiscal year 2005.

In June 2005, Japan pledged to contribute US\$ 500 million to the **Global Fund** in the coming years, and contributed US\$ 130 million to the Fund in March 2006 as the first step to fulfill this commitment.

To combat avian and human pandemic influenza, Japan pledged US\$ 155 million on the occasion of the International Pledging Conference on Avian and Human Pandemic Influenza held in January 2006 in Beijing, and has disbursed the full amount.

Russia

Russia and the **World Bank** agreed to collaborate in **developing a debt-for-development swap** for channelling \$ 250 million freed-up from **debt service** to high priority **development actions** in Sub-Saharan Africa. In some of these **HIPC** eligible countries, the **World Bank** is **developing important projects and programs** in support of country strategies to fight infectious diseases. Russia will join forces with the **World Bank** in the fight against malaria in Sub-Saharan Africa, and will support the **World Bank**-led malaria booster program that aims to achieve tangible results by 2010. Besides that Russia and the **World Bank** agreed to expand their cooperation in Central Asia to meet the challenge of infectious diseases.

In 2005, Russia has doubled up to \$40 millions its pledge to the **Global Fund**. Russia also intends to reimburse to the **Global Fund** until 2010 nearly US\$270 million, which would be distributed to fund projects in Russian Federation.

Russia has committed to contribute US\$18 millions to the Global Polio Eradication Initiative.

Russia has pledged near \$45 million for efforts to prepare for, detect, and rapidly respond to outbreaks of highly pathogenic avian influenza.

Russia welcomes progress made on Advance Market Commitments (AMCs) on vaccines and looks forward to a successful launch of the AMC pilot project.

United Kingdom

The UK is committed to the achievement of the objectives set at Gleneagles, including universal access to drugs against HIV/AIDS by 2010. The UK is committed to spend £1.5 billion on HIV/AIDS from 2005/06 to 2007/08 and will contribute £360 million to the **Global Fund** between 2002 and 2008. The UK also supports innovative financing mechanisms: it will provide £1.4 billion over 20 years to the IFFIm to tackle preventable diseases, and has announced that it is prepared to make a long-term financial contribution to the IDPF-UNITAID. The UK is prepared to make a long-term financial contribution to pilot AMC. It supports the launch of a Pneumococcus AMC by the end of 2006 and believes that a Malaria AMC should be explored. The UK also funds seven **product development public private partnerships**, which carry out research into new drugs, vaccines and microbicides for tackling communicable diseases. The UK is providing £60 million between 2006 and 2008 towards the cost of eradicating polio.

United States

The United States will provide \$15 billion over 5 years to support international HIV/AIDS programs; will contribute \$90 million in fiscal year 2006 to bilateral tuberculosis programs in over 35 countries; will increase funding for malaria prevention and treatment by more than \$1.2 billion over 5 years; has provided nearly 25 percent of Global Polio Eradication Initiative funding; has pledged \$362 million for countries to prepare for, detect, and rapidly respond to outbreaks of highly pathogenic avian influenza; has contributed over \$1.5 billion over the past 5 years to save the lives of children under age 5 for support for childhood vaccinations and treatment for pneumonia and diarrhea; has awarded nearly \$1 billion in grants to U.S.-based research institutions that collaborate directly with counterparts in developing countries to investigate, develop, and test novel approaches to prevention, control, and treatment of infectious diseases. The United States takes note of the technical work by the World Bank and GAVI on AMCs for vaccines, and supports additional work towards a successful launch of an AMC pilot project by the end of the year.

2007 Heiligendamm, Germany

Growth and Responsibility in the World Economy

(lxxix) The “Heiligendamm Process” with Major Emerging Economies

96. We will initiate a new form of a topic-driven Dialogue in a structured manner based on this new partnership. We agreed to address four issues:

-
- Defining common **responsibilities for development** with special regard to Africa...

Chair’s Summary

(xxx) I. Growth and Responsibility in the World Economy

Heiligendamm Process: We discussed global challenges with the Leaders of Brazil, China, India, Mexico, and South Africa. We acknowledged our respective responsibilities and the need to develop common solutions. We therefore agreed to launch a new topic-driven dialogue on key world economic issues with the aim of reaching concrete results until the G8 Summit in Italy 2009. The topics of this dialogue include issues relating to the freedom of investment and investment conditions, including corporate social responsibility; the promotion and protection of innovation; energy efficiency and technology cooperation; and development policy. The road map of this process is described by a joint declaration of the G8 Presidency and Brazil, China, India, Mexico and South Africa.

Growth and Responsibility in Africa

(lxxxi) A Continent on the Move

1. In the last ten years we have witnessed a developing Africa endeavoring to take advantage of opportunities that are emerging from a rapidly changing world economy.

Driven by political and economic reforms, growth in many African countries is accelerating and thus helping to tackle the pressing challenges the continent still faces. It should, however, be stressed that despite this trend in economic growth, a vigorous impetus seems necessary to ensure that Africa will meet the **Millennium Development Goals** (MDGs) by 2015.

2. Today we underline once again our strong interest in a stable, democratic, and prosperous Africa. Since the late 1990s, the G8 Summits have given Africa a high priority. We are continuing to work in partnership with Africa, and we welcome the critical role of **African leadership in the reform process**. At the same time, we stress our firm resolve to implement the commitments on development made, in particular, in Gleneagles. These include the historic multilateral **debt relief** of up to US\$ 60 billion, the implementation of which is now well underway. They also include increasing, compared to 2004, with other donors, **ODA** to Africa by US\$ 25 billion a year by 2010. The

OECD/DAC estimates the global increase of **ODA** by 2010 at around US\$ 50 billion a year. Our Africa Progress Report provides a regular opportunity to update on G8 support to **Africa's development**, including on meeting our **ODA commitments**.

3. We also affirm the role emerging economies can play in the **development of Africa** and encourage their engagement as responsible stakeholders in the international system.

4. We have agreed on a further set of measures to promote **sustainable development in Africa**. We will focus on promoting growth and investments in order to combat poverty and hunger, to foster peace and security, good governance and the strengthening of health systems, and to assist the fight against infectious diseases. We also recognize that the impacts of climate change in combination with other stresses present increased risks to **sustainable development in Africa**. To tackle these challenges, we are firmly determined to support a vibrant Africa through further strengthening our concerted efforts, as well as respective ones that are partly demonstrated by the African Partnership Forum, 24th Conference of African and French Heads of States in February, the EU-Africa Summit to be held this December, and the 4th Tokyo International Conference on African Development (TICAD) of next spring. All these efforts, involving relevant stakeholders as appropriate, will contribute to a seamless process leading to the G8 Summit of 2008 in Japan.

(lxxxi) Core Principles of Development Policy

16. **G8 countries and other development partners** have made substantial commitments to increase their **aid efforts** through a variety of means, including traditional development assistance, debt relief, and innovative financing mechanisms. Significant progress has been made, but we recognize that further action is needed to meet our previous commitments. Our partnership and dialogue with Africa will be based on a set of core principles:

17. Promoting good governance: In implementing **development assistance** we are committed to promoting universal values of: Respect for human rights, fundamental freedoms, peace, democracy, good governance, gender equality, the rule of law, solidarity and justice as well as sustainable management of natural resources. We will actively assist countries which make efforts to govern justly, invest in their people, favor open and democratic debate on priorities and policies, and create an environment of economic opportunity. However, the diversity of country conditions in Africa requires flexibility in donor resource allocation criteria, types of assistance and results targeted.

18. Improving our response to fragile states: We will improve our response to post-conflict and fragile states, where a third of the world's poor live and will bring more timely and substantial assistance to these countries, with a view to preventing the emergence of failed states. We support the role played by the AU and the RECs. We will strengthen our efforts in conflict prevention and will support governance as well as the building of viable state institutions in order to help them fulfill a range of basic functions and meet the needs of their citizens. Immediate efforts to manage conflict, meet basic human needs, and mitigate environmental degradation, must be accompanied by

significant improvements in governance that build local capacity and enable long-term growth.

19. Fostering economic opportunity: Achieving and sustaining the **Millennium Development Goals**, and moving beyond them, requires an environment that enables economic activity and encourages broad-based private sector-led growth. A robust private sector is vital for achieving **growth**. The broad participation of all stakeholders, including economic and social partners, in countries' development should be acknowledged and encouraged.

20. Following the Partnership Commitments of the Paris Declaration - Ownership, Alignment, Harmonization, Results-based Management and Accountability: We are working to implement the **Paris Declaration on Aid Effectiveness** and recognize that both donors and partner countries have steps to take to **improve the impact of aid**. We must all work to encourage country ownership, assure alignment of aid programs with country priorities, reduce transaction costs of aid and improve donor coordination. We need to continue enhancing efforts to untie aid pursuant to the **2001 OECD Development Assistance Committee** (DAC) recommendation and disbursing aid in a timely and predictable fashion through partner country systems where possible.

21. The activities of emerging donors are broadening the options for **growth and poverty reduction in Africa**. We welcome new partners to join in the consultations and in ongoing efforts in harmonization and coordinated support in the light of the experience made by the **DAC**. Fora like the **African Partnership Forum** (APF) and the **DAC** could provide a good platform for the involvement of new actors. We strongly encourage all donors to improve transparency of their aid and to follow internationally shared principles. To this end, we invite them to adhere to the **Paris Declaration** as donors and to take account of debt sustainability issues in all their lending practices and share fully information on their lending to **low-income countries** (as envisaged by the Charter of Responsible Lending endorsed by the G8 Finance Ministers). We encourage the use of the debt sustainability framework by all borrowers and creditors in their decisions.

22. We need to support **sound development strategies** with appropriately targeted aid, to ensure that it achieves the greatest possible effect, particularly in poverty eradication. We therefore continue to work with African countries to establish clear objectives, result-based implementation plans, benchmarks for measuring and effective monitoring and evaluation systems to ensure transparent and accountable results from development programs.

Joint Statement by the German G8 Presidency and the Heads of State and/or Government of Brazil, China, India, Mexico and South Africa on the Occasion of the G8 Summit in Heiligendamm

Development, particularly in Africa:

We reiterate our commitment to the **Millennium Development Goals** (MDGs), the eradication of poverty and sustainable global development. In view of our responsibility

regarding the challenges of development we shall strengthen cooperation and coordination between us to achieve these goals. We commit to embark on a high-level dialogue on specific challenges as proposed by the G8 (**Heiligendamm Process**) as a follow up to continue our discussion in a more structured manner for a period of two years until the G8 Summit in 2009 where we will review the progress made on the following issues: Promoting cross border investment to our mutual benefit, Promoting Research and Innovation, **Development**, particularly Africa, and Sharing Knowledge for improving Energy Efficiency.

G8 Trade Declaration

We stress the need for achieving an ambitious, balanced and comprehensive agreement on the **Doha Development Agenda** (DDA), which will enhance worldwide trade especially among and between **developed and developing countries** and reinforce multilateral trade rules. We take note of the Ministerial Communiqué of the G-6 Trade Ministers of 12 April 2007 underlining their belief that by intensifying their work convergence can be reached and thus contribute to concluding the Round by the end of 2007. In this spirit, we pledge to work with a high level of ambition in all areas of the **DDA** and call on all WTO members to demonstrate constructive flexibility to bring these negotiations to a prompt successful conclusion. The time has come to translate the continued commitment on political level into tangible results. Therefore we urge Ministers in charge of trade, in particular from leading developed countries and major emerging economies, to provide in the coming weeks a solid platform for a multilateral negotiation leading to an agreement on modalities. In this respect, we expect negotiators to make all necessary efforts in the various negotiating groups in Geneva to achieve a breakthrough in time. We also underscore the need for close cooperation with the WTO Director General, the Chairs of the negotiating groups and amongst the entire WTO membership.

We remain fully committed to the **development dimension of the DDA**, promoting progressive trade liberalisation, helping **developing countries** to better integrate into the multilateral trading system and providing support to the poorest countries in order to enable them to benefit from the significant opportunities of globalisation. In this spirit, we wish to underline the crucial role of **Aid for Trade**, the enhanced Integrated Framework, the role of trade related capacity building overall and the fundamental importance of increased and more effective funding. Building up on the G8 Summits in Gleneagles and St. Petersburg and the recommendations of the WTO task force on Aid for Trade we urge all donors to improve quality and quantity of the means available by 2010 and encourage partner countries to include the Aft agenda in their poverty reduction and **national development strategies**.

2008 Hokkaido-Toyako, Japan

World Economy

(xxxiii) Heiligendamm Process

21. We welcome the progress of the **Heiligendamm Process**, the topic-driven political dialogue on an equal footing between the members of the G8 and major emerging economies to enhance mutual confidence and understanding and to develop a true partnership focusing on investment, innovation, energy efficiency and **development**. We look forward to discussing these issues reflected in the interim report with the leaders of Brazil, China, India, Mexico and South Africa on 9 July. We reiterate our commitment to the Process and look forward to receiving a comprehensive concluding report at the G8 Summit in 2009. We appreciate the OECD for providing organizational and technical support for the dialogue.

(xxxiv) Development

40. At the mid-point to the **Millennium Development Goals** (MDGs), although progress has been made, significant challenges remain. We renew our commitment to these goals by reinvigorating our efforts, and by strengthening our partnerships with, as well as encouraging the efforts of, the developing countries based on mutual accountability. The **OECD/DAC** estimated the global increase of **official development assistance** (ODA) by 2010 at around US\$ 50 billion a year. We are firmly committed to working to fulfill our commitments on **ODA** made at Gleneagles, and reaffirmed at Heiligendamm, including increasing, compared to 2004, with other donors, **ODA** to Africa by US\$ 25 billion a year by 2010. We commend the successful replenishments of the resources of the **International Development Association**, the **African Development Fund** and the **Asian Development Fund** in which G8 countries provided nearly 75% of donor's contributions and we acknowledge that **ODA** from G8 and other donors to Africa should be reassessed and may need to be increased for the period after 2010, beyond our current commitments. We expect that the UN High-level Meeting on **MDGs** in September will provide a timely and important opportunity to demonstrate commitment, to review progress, and to identify remaining challenges and necessary coordinated international and country-led actions to overcome them. We look forward to the UN Secretary-General's MDG Africa Steering Group's recommendations. We also reiterate that our **focus on development cooperation** should be on the promotion of good governance and self-sustained, private sector-led economic growth in **developing countries**.

41. In tackling the **development agenda**, we will take a multi-faceted approach, promoting synergies among **MDG-related development sectors** particularly among health, water and education, in a framework of **sustainable development**. In this regard, our work will be grounded in the set of core principles of development policy that we endorsed at Heiligendamm, including promoting good governance based on transparency and rule of law and broad-based private sector-led growth. We will promote a 'participatory approach', involving all key players and stakeholders. We will work

together, and with other countries, in a complementary manner, to address global health priorities and deliver on existing health commitments. We will also work to improve human security through protection and empowerment of individuals and communities. In addition, we emphasize the importance of education, science and technology as a means **to facilitate development**. We will promote gender equality and women's empowerment as a principle in our **development cooperation** through mainstreaming and specific actions. We will reaffirm during the Third High Level Forum on Aid Effectiveness our commitment to make our **aid more effective** based on the **Paris Declaration** principles. We continue to encourage innovative approaches to leverage private investments in connection with domestic public financing and **official development assistance**.

42. We renew our commitment to support the **development agenda** agreed in the **Monterrey Conference on Financing for Development** which underscored the importance of mobilizing all available **sources for development** including **ODA**, foreign direct investment and other private flows, trade, debt relief, innovative financing, and domestic resources. We will contribute to the success of the Follow-up **Conference on Financing for Development** in Doha thereby giving fresh impetus to the Monterrey Agenda and the global partnership launched there.

43. Peace and security are fundamental to states' ability to meet the needs of their people. Fragile and post-conflict states remain farthest from reaching the **MDGs**. Overcoming fragility and successful recovery requires comprehensive, integrated and sustained international assistance, including peacekeeping and peacebuilding efforts where necessary, tailored to the particular context. Coherent and complementary responses of all relevant countries including the G8, and international organizations can break the cycle of misery and despair and help set countries on the track to **MDG** attainment.

44. We acknowledge the importance of facilitating remittance flows given their **development impacts**. The G8 conference on remittances in Berlin in November 2007 reviewed the actions agreed at the Sea Island Summit in 2004. In this context, we will follow-up the seven recommendations adopted at the Berlin conference on improving data, **development impact, remittance services**, access to finance, innovative channels and on the creation of a Global Remittances Working Group. We appreciate the work done by international financial institutions in this regard and invite the World Bank to facilitate the work of the group and provide for coordination.

(lxxv) Expanded Partnership for Development

55. Better coordination among various partners, particularly with the private sector, along with emerging donors and NGOs, is of vital importance for **more effective aid** in the context of new **sources of assistance**. The G8 will therefore strengthen ties with those partners by deepening aid dialogues. In dialogues with emerging donors, in particular as members of the G8 through the **Heiligendamm Process**, we will properly address such issues as good governance, aid effectiveness in line with the **Paris Declaration**, **aid transparency and debt sustainability**. **Debt cancellation** initiatives by the G8 have extensively relieved many African countries of their **unsustainable debt burdens**. **Developing countries** long-term external **debt sustainability** should be supported by

encouraging lenders and borrowers to pursue sustainable lending practices. Cooperation between **developing countries** and joint efforts bringing together **developing countries**, emerging economies and developed countries into a partnership should also be promoted.

Chair's Summary

(lxxvii) III. Development and Africa

At the midpoint to the **Millennium Development Goals** (MDGs), we renewed our commitment to work with **developing countries** to achieve them as well as the **official development assistance** (ODA) commitments made at Gleneagles. We also stressed the importance of various approaches in achieving these goals, namely, enhancement of human security and promotion of good governance, private sector-led growth and a participatory approach to involve various stakeholders. It was widely recognized that the recent rise in oil and food prices are severely affecting the economies of the least developed countries.

On **MDGs**, we focused our discussion on health, water and education. In further addressing issues on water and sanitation as well as education, reports will be issued by our experts by the next Summit to follow-up our commitments. On health, we welcomed the report submitted by our health experts along with its attached matrices on past commitments. Building on the Saint-Petersburg commitments to fight infectious diseases, the experts' report sets forth the Toyako Framework for Action, which includes the principles for action, and actions to be taken. We also agreed to establish a follow-up mechanism to monitor our progress on meeting our commitments. We agreed to work towards increasing health workforce in Africa with a view to achieving the WHO threshold of 2.3 health workers per 1000 people initially in partnership with the African countries where we are currently engaged and that are experiencing a critical shortage of health workers. We welcomed substantial progress on our previous commitments to fight against HIV/AIDS, tuberculosis, malaria and polio, and agreed to support the control or elimination of neglected tropical diseases (NTDs) to reach at least 75 percent of the people with NTDs. We also discussed the timeframe to provide US\$ 60 billion to fight infectious diseases and strengthen health, and agreed to do so over 5 years, while some countries will provide additional resources for health systems including water. Our discussion on malaria resulted in our agreement to continue to expand access to long-lasting insecticides treated nets, with a view to providing 100 million nets through bilateral and multilateral assistance in partnership with other stakeholders by the end of 2010. On education, we, along with other donors, will continue efforts to meet the estimated US\$ 1 billion shortfall in FTI-endorsed countries.

On Africa, taking into account the views of the African leaders expressed at the outreach session on July 7 and at the Fourth **Tokyo International Conference on African Development** (TICAD IV), we highlighted the importance of key policies, as set out in our declaration, which are critical to generating private sector-led economic growth and achieving the **MDGs**, while reaffirming the principles of ownership and partnership as well as the particular importance of peace and security in Africa. We also had an extensive discussion on the state of governance in Africa with a particular focus on

Zimbabwe, and we shared the view that good governance is of fundamental importance in promoting **sustainable development** based on mutual accountability. We will consider ways how we can better follow-up our discussion with African partners.

On the issue of rising food prices, we shared a serious concern over its consequences, and renewed our commitment to take all possible measures to address this multifaceted and structural crisis. In this respect, we have committed over US\$ 10 billion since January 2008, and called on other donors to participate along with us in making further commitments.

We discussed a wide range of short, medium and long-term responses, and agreed to take a number of actions as specified in our special statement on Global Food Security, including ensuring the compatibility of policies for the sustainable production and use of biofuels with food security. These actions are aimed at assisting those suffering from food insecurity or hunger, strengthening the world market and trade system for agriculture and food, and stimulating world food production and increasing agricultural productivity. Above all, we stressed the importance of reversing the overall decline of **aid and investment** in the agricultural sector, and committed to significantly increasing our support for developing countries initiatives in this field, including working towards doubling production of key food staples in certain African countries within 5-10 years.

2009 L'Aquila, Italy

Responsible Leadership for a Sustainable Future

(lxxxvii) Development and Africa: Promoting Sustainable and Inclusive Globalization: Responsible Leadership for Sustainable Development

94. In an increasingly interdependent world, all countries share common interest and responsibility in addressing the challenges of **growth and sustainable development**. Over recent years we have put these challenges at the forefront of our Summits, launching ambitious initiatives centered around the internationally agreed **development goals**, focusing on the **Millennium Development Goals** (MDGs), and achieving important results.

95. At a time of global economic crisis we are determined to assist **developing countries** in coping with the impact of the crisis, which is having a disproportionate impact on the vulnerable in the **poorest countries**, and to work with them to achieve **sustainable development**, food security, good governance, peace and security, in order to promote access to **economic and social opportunities** for all and improve human security.

96. Economic development and environmental protection are mutually reinforcing. Lasting progress in eradicating poverty can only be achieved if economic growth and climate change, through an ambitious agreement at Copenhagen, are addressed jointly. We are committed to enhancing our collaboration with partner countries in integrating low-carbon growth strategies and effective adaptation measures into their **national development plans**.

97. We are determined to exercise and share leadership to **promote development** through an inclusive approach to globalization. We call upon major economies, **developing countries**, international institutions and other global actors to work together with us to identify and implement collective and individual responses and produce concrete results in the fight against poverty.

98. To improve transparency and effectiveness we decide to strengthen our accountability with respect to G8 individual and collective commitments with regard to **development and development-related goals**. We have asked our experts to provide a preliminary report, attached as an annex, reviewing our achievements up to now. Furthermore, we have tasked a senior level working group to devise, in cooperation with relevant international organizations, a broader, comprehensive and consistent methodology for reporting with a focus on our activities in **development and development-related areas** and with attention to results. A report will be delivered in 2010 at the Muskoka Summit in Canada. We also ask for an international assessment, in 2010, on what is needed in order to achieve the **MDGs**.

(lxxxviii) A Renewed Commitment to Development: Assisting Developing Countries in Coping with the Crisis

99. Growth and employment in **developing countries** are seriously threatened, jeopardizing progress achieved towards internationally agreed **development goals**, including the **MDGs**. The global economic slowdown has significantly reduced export revenues, private capital flows and **remittances to developing countries**. Declining government revenues and lower availability of external financing have also forced many governments in **developing countries** to consider cuts in vital investments and social safety net spending. This combination of external and fiscal pressure could generate macroeconomic and social instability with lasting effects on present and future generations. We must act now to prevent the economic crisis from turning into a deeper social crisis. We note the potential of an effective UN Global Impact and Vulnerability Alert System (GIVAS). We have therefore resolved to act with **major emerging economies**, **developing countries** and other relevant players to create the conditions for bolstering world trade and investment, placing world growth on a more solid path and minimizing the impact of the crisis on **vulnerable populations**.

100. We reconfirm our resolve to implement the **Monterrey Consensus** and the **Doha Declaration on Financing for Development**. In particular, despite the severe impact of the crisis on our economies, we reiterate the importance of fulfilling our commitments to increase **aid** made at Gleneagles, and reaffirmed at Heiligendamm and Toyako. For Africa, this will include increasing, together with other donors **ODA** by US\$ 25 billion a year by 2010, compared to 2004. The **OECD-DAC** estimated that the combined commitments of G8 and other donors would increase overall **ODA** by around \$50 billion a year by 2010 compared to 2004. We will continue to provide **debt relief** according to the **Enhanced HIPC initiative**, the **Multilateral Debt Relief Initiative** and the **Paris Club's** Evian Approach.

101. At the London Summit we have agreed a substantial increase of resources available through the International Financial Institutions (IFIs) for **crisis support and sustaining growth**. As G8 we remain firmly committed to the London decisions and their thorough and timely implementation. In addition, we will consider ways to improve **developing country governments** and private sectors' access to credit, explore enhanced approaches to sovereign **debt restructuring** based on existing frameworks and principles and encourage lenders and borrowers to pursue sustainable lending practices. We encourage non-DAC countries with high foreign exchange reserves to enhance development-friendly investment. We ask the International Financial Institutions to work with partner countries to strengthen capacities for debt management and improve monitoring instruments for promoting **long-term debt sustainability**.

102. The financial crisis makes it doubly important that we improve the effectiveness of our **aid**. We are firmly committed to implement the **Paris Declaration** and the Accra Agenda for Action (AAA), to ensure development effectiveness. Building on the results of the 2008 OECD Survey, we will accelerate implementation of our **aid effectiveness** commitments, with a strong focus on in-country implementation, to be reviewed at the 2011 Fourth High Level Forum on Aid Effectiveness. We stand ready to work with partner countries, non-DAC donors and providers of South-South cooperation to **improve development results**.

103. We encourage **developing countries** to continue implementing strategies that support inclusive and equitable growth and to further their efforts to provide regulatory frameworks which favour the development of sound and inclusive financial markets, private sector investment and employment. We encourage and support social protection mechanisms and safety nets to address the vulnerability of those who are hardest hit by the crisis. Where appropriate, we may use a counter-cyclical approach that allows for giving short term support to the **most vulnerable people**. We will also consider whether it is necessary to review priorities in our **country aid programs**, in the light of the current crisis.

104. We commend the IFIs swift response to the crisis and urge them to continue to coordinate their actions and expand financial support for **developing countries**, also considering accelerated disbursement of already approved funds and review of existing instruments. Therefore, we welcome the **World Bank's** establishment of the **Vulnerability Framework**.

105. We welcome the report of our Africa Personal Representatives on measures to strengthen the G8-Africa partnership and support the **reform process** of the Africa Partnership Forum.

106. We welcome the productive work of the **Heiligendamm Process Working Group on Development and Africa**, which has contributed to build a common understanding of **development principles** and we look forward to further explore and implement common effective approaches that will best benefit the needs of **developing countries**.

(xxxix) Building on Monterrey and Doha: A ‘Whole of Country’ Approach to Development

107. National governments have the primary responsibility for ensuring **development**, by engaging with their parliaments, local authorities, civil society organizations and citizens in shaping appropriate policies, mobilizing domestic resources and promoting their efficient and sustainable use. Yet a renewed commitment to fight poverty requires increasing efforts by public and private actors, from developed countries, emerging economies and developing countries. We will continue to support partner countries' efforts to increase domestic revenues through modernized tax and customs regulations, improved revenue collection capacities and effective fight against tax evasion, illegal financial flows and corruption. We will enhance cooperation on financial transparency and tax information exchange.

108. Building on the **Monterrey Consensus**, as reaffirmed in the **Doha Conference on Financing for Development**, we will promote a comprehensive, “**whole of country**” **approach to development**. We will ensure stronger synergies across all relevant policies and foster the conditions for all actors in our country system – central and local governments, private sector, philanthropy and civil society – to contribute effectively to **partner countries’ development**. We will work with partner countries to maximize the impact of investment, trade, **debt relief** and sustainable debt financing, microfinance, remittances, domestic resources of partner countries, as well as **development assistance**, with a view to diversifying the mix of available financial resources and gradually **reducing aid-dependency**. We call on the international community to consider, where appropriate, broadening innovative financing initiatives on a voluntary basis and note the work of the **Leading Group on Innovative Financing for Development**. We will also explore the potential of new innovative financing mechanisms, including new forms of voluntary contributions by citizens and corporations.

109. Building on this “**whole of country**” **approach**, we will explore the feasibility and the relevance of a new assessment tool designed to fully comprehend the various contributions to the **sustainable development** of partner countries. Such a tool, taking into account a wide range of factors such as government aid and non-aid policies, private sector and civil society efforts, could also provide operational guidance on how to foster the contributions of our country systems to development and maximize their impact. In this respect, it could also constitute the basis for enhanced dialogue between G8 and partner countries on how to improve respective policies. We ask the **OECD** to elaborate further on this issue and report to our next Summit in 2010.

(xc) Strengthening G8 and Global Initiatives to Achieve the MDGs

110. We are aware of our responsibility in pushing forward the achievement of the **MDGs**, particularly in Africa. The interrelated nature of these Goals calls for comprehensive, coordinated and complementary **development policies**. These policies will be inspired by the principles of sustainability, inclusiveness and gender equality as well as by the five pillars of the **Paris Declaration**: ownership, alignment, harmonization, results-based management and accountability. We will promote gender equality as a key issue for **aid effectiveness** and to reduce poverty. We will frame our

initiatives within partnerships involving all relevant stakeholders at global, regional and national level. In line with the AAA, where possible we will build upon existing partnerships and ensure that these are effective and inclusive, promote better coordination and division of labour, reduce fragmentation of aid, be aligned to partner countries' priorities and strengthen these countries' systems, with particular attention to specific objectives and instruments for fragile and post-conflict environments.

Joint Statement (G8 and G5): Promoting the Global Agenda

(xci) Responsible Policies for an Inclusive and Sustainable Development

10. We are alarmed about the serious implications of the global crisis for growth and for poverty eradication in **developing countries**. We reaffirm our shared commitment to contribute to achieving the **MDGs** through economic growth and support to peace and security, especially in Africa. We received with great concern the estimates of the **World Bank** and other **development institutions** regarding the number of people, in particular children, who may perish or fall into poverty as a result. We underscore that climate change severely affects **developing countries** and is becoming a major threat to their ability to achieve internationally agreed development goals including the **MDGs**. We are committed to mobilising all **resources for development**, as we keep engaged to ensure the proper follow-up and implementation of the Monterrey Consensus and the **Doha Declaration on Financing for Development**. We recognize that mobilising **financial resources for development** and the effective use of all those resources are central to the global partnership for **sustainable development**. As part of these overall efforts, the G8 countries are committed to meet their **ODA commitments**, especially to sub-Saharan Africa, including those on **Aid for Trade and debt relief**.

11. We are committed to strengthening our dialogue and partnership with low income countries on the basis of a set of **core development principles**:

- Promoting effective and responsible policies for **sustainable development**: We are determined to engage responsibly with **low-income countries**, especially those in situations of fragility. We respect and support the ownership and leadership of developing country partners in identifying and implementing priorities for their development and we will enhance coordination among development partners. We are fully committed to enhancing our coordination and implementing the Accra Agenda for Action, to improve the quality, predictability and effectiveness of **development policies** with the aim of maximising their impact. We will continue to promote **debt sustainability** and transparency principles which we have agreed in other fora. We will make sure that climate related measures are integrated in a **comprehensive development approach**.
- Promoting good governance, accountability and transparency: we reaffirm the importance of promoting good governance and the rule of law, which requires responsible and transparent use of public resources as well as appropriate policy frameworks and decision-making processes conducive to **sustainable development**. We

will strengthen mutual accountability and assess **progress of development initiatives**, making information on these initiatives available.

- - Promoting partnership, dialogue and capacity development: we acknowledge the key role of engaging all **agents of development** — central and local governments, civil society and private sector — to achieve internationally agreed **development goals** including the **MDGs**. We are committed to supporting partner countries' efforts to build capable and effective governments, strong and transparent institutions, and healthy and engaged societies. We also underscore the value of triangular cooperation in providing an important link that can enhance synergies between South-South and **North-South** cooperation. We agree to pursue effective triangular cooperation on a case by case basis and according to our respective national capacities.
 - Strengthening multilateral and regional institutions that play an increasingly prominent role in **development**, including by fostering income and job generation, economic integration, regional trade and cooperation and contributing to promote peace and security.

Annex I(to the Joint Statement): Concluding Report of the Heiligendamm Process

(xcii) I. Development

4. The Dialogue Partners have pursued a constructive **dialogue on development**, convinced of their shared responsibility for poverty eradication globally. This demands a concerted and effective response in the **poorest and most vulnerable countries**, especially in Africa. They engaged in a dialogue on objectives, principles and instruments of **development policy** and cooperation in the belief that enhancing common understanding should strengthen the impact of their efforts in eradicating poverty. The Dialogue Partners support sound country-led development strategies, with appropriately targeted aid and other external financing to complement local resources so as to contribute to achieving the **Millennium Development Goals** (MDGs) and other **development goals**. Building on their different experiences with **development policy and cooperation**, and recognising their different socio-economic environments, the time is ripe to develop the synergies that can strengthen these efforts.

5. Dialogue Partners reaffirm their shared commitment to contribute to achieving the **MDGs** and poverty eradication through support for **sustainable economic growth and development**. Partners identified key challenges of development and are fully aware of the serious implications of the global crisis on financial flows to **developing countries**, growth, and poverty eradication. Despite the increase in **official development assistance** (ODA) volumes in 2008, the global crisis reinforces the imperative of maintaining **ODA commitments**, beginning with the predictability of aid flows. They agree on the need to continue improving the quality and effectiveness of development cooperation, including both **North-South** and South-South cooperation. To this end, partners are fully committed to implementing the **Accra Agenda for Action** (AAA) which constitutes a common and solid basis for building the future of **development cooperation**, appreciating the diversity of approaches as well as the common goal and principles of aid

effectiveness. They also share the vision to move beyond aid effectiveness to **development effectiveness.** Partners recognise the need to mobilise all potential resources for development, including by strengthening **developing countries'** own capacities for effective domestic resource mobilisation, in line with the **Monterrey Consensus** and the **Doha Declaration on Financing for Development.** As part of these overall efforts, the G8 countries are firmly committed to work to fulfil their **ODA commitments**, including those made at Gleneagles and other fora.

6. All partners appreciate the unique opportunity provided by the **Heiligendamm Dialogue Process** to share information on their respective policies and practices of international development cooperation on a transparent and equal footing basis. The discussions showed that Dialogue Partners share key objectives such as peace and security, sustainable economic growth, **development and the achievement of MDGs**, and that there are commonalities in their **instruments for development cooperation.**

7. To achieve these objectives, the Dialogue Partners agree on the need to effectively promote and strengthen collaboration on **capacity development** and good governance. Acknowledging that there are various country-specific approaches to good governance, Dialogue Partners agree that it requires appropriate policy frameworks and decision-making processes that are conducive to **sustainable social, environmental and economic development.** They also agree that it requires the responsible and transparent use of political power and public resources by the state. The Dialogue Partners understand capacity development as the process of creating, strengthening, and maintaining capacity over time. They acknowledge, in line with the AAA, that capacity development interventions have lasting impacts when they respond to the needs of **developing country** partners, reinforce home-grown processes and do not place an additional burden on the existing capacities of the developing partners' administrative structures.

8. Dialogue Partners discussed the policies and instruments for South-South cooperation and **North-South** cooperation, and acknowledge their respective roles, strengths, and differences. Partners are determined to work to strengthen complementarity between them, building on their common objectives and learning from each other.

9. Dialogue Partners agree on the value of triangular cooperation in providing an important link that can enhance synergies between South-South and **North-South** cooperation. Triangular cooperation offers an opportunity for enhanced national and regional ownership as well as an increase in the support, harmonisation and coordination of peace, security and **development efforts of the international community.** In this spirit, Dialogue Partners agree to pursue effective triangular cooperation on a case by case basis and according to their respective capacities. Through the dialogue, together with African institutions, and on the basis of their own experiences, partners identified working principles that could be used as a point of reference to guide effective triangular cooperation. They agree that due respect shall be paid to the aspirations and willingness of **developing country** partners to engage in triangular cooperation.

10. Dialogue Partners agree that their **contribution to development efforts** will only be relevant if it responds to the priorities of developing country partners and is well coordinated under their leadership. In this spirit, with the aim of maximising the impact of their common efforts, Dialogue Partners are committed to implement the principles of ownership and alignment. They further agree on the need to reduce the administrative burden on developing country partners in terms of time, cost and effort. They also acknowledge that better country-led coordination, based on stronger information sharing, contributes to strengthening developing countries' capacities for planning their budget, **programmes for development**, and domestic and mutual accountability for results.

11. Dialogue Partners firmly believe that peace and security are essential for economic growth, **sustainable development** and poverty eradication. They appreciate the opportunity to enhance common understanding in this area. Dialogue Partners shared experiences and identified lessons learned for effective cooperation with states in fragile situations. They highly appreciate the contributions made by regional and sub-regional organisations including the African Union (AU) and agree to build their cooperation on the basis of the priorities and needs of developing country partners, such as through assisting Africa's efforts to build its peace and security architecture; to consolidate state institutions and capacities in key functions such as security, justice, governance and **development**; to promote whole-of-government approaches; and to enhance coordination and information-sharing among all relevant stakeholders. Dialogue Partners strongly believe that applying these lessons will contribute to their efforts to have a greater impact on peace-building and **development**.

12. Dialogue Partners are committed to **global development**, and agree on the need to minimise the impact of the economic and financial crisis on the most vulnerable countries. In this context, Dialogue Partners recognise the importance of maintaining open markets. They recognise the risk of further deterioration in poverty and food security. In this regard, Dialogue Partners emphasised the need for enhanced efforts, better coordination, and increased effectiveness. For this purpose, Dialogue Partners acknowledge the value of multi-stakeholder international platforms and take note of the Global Partnership for Agriculture and Food Security (GPAFS) which is being developed now under the UN auspices. In this respect, Dialogue Partners recognise the special needs of Africa. They underline the high priority that the African Union (AU) has put on **infrastructure and agriculture development** in view of their important role in regional and continent-wide growth prospects. Dialogue Partners note with interest the significant step taken by African leaders through the **Programme for Infrastructure Development in Africa** (PIDA) that was endorsed at the 2009 AU Summit, and the **Comprehensive African Agriculture Development Programme** (CAADP) adopted in the 2003 AU Summit. Dialogue Partners recognise the potential contribution of these initiatives in offsetting the effects of the economic crisis and in promoting food and energy security.

(xciii) Development and Africa

Leaders focussed their discussion on the effects of the crisis on the **most vulnerable**. They decided to act resolutely to implement decisions to eradicate poverty and hunger. Acknowledging that the crisis is jeopardising progress towards the **MDGs**, they asked for an international assessment in 2010 on what is needed to achieve these Goals. They reiterated their commitment to promote global health and expressed their solidarity for **all vulnerable people** and countries in the face of the global H1N1 threat and the importance of supporting **developing countries** with respect to anti-viral medicines, vaccines, and other preventive measures.

They decided to implement a set of measures to help the most vulnerable to withstand the crisis: fulfil their **ODA commitments**, including on **aid for trade**; keep markets open to re-launch economic growth to the benefit of the poor; enhance transparency and competition among intermediaries to halve transaction cost of **migrants' remittances**; strengthen partnership with Africa to improve access to water and sanitation; support innovative financing instruments for health; put agriculture and food security at the top of the agenda, by increasing multilateral financing to support comprehensive country strategies and improving coordination of existing mechanisms.

Leaders recognized that **increasing aid** without ensuring its quality will not have a real **impact on development** in the long run. They reaffirmed their determination to implement the **Accra Agenda for Action**. Moreover, building on the Monterrey Consensus, they agreed to promote a comprehensive, "whole of country" approach, to ensure stronger policy coherence, and the mobilization of all actors, policies and financial resources.

In reaffirming their **development commitments**, they published a preliminary accountability report and decided to develop a fully-fledged accountability mechanism to monitor progress and strengthen the effectiveness of their actions. A first accountability Report will be submitted at the Muskoka G8 Summit (Canada 2010).

(xciv) G8 and Africa

On 10 July, the G8 met with Algeria, Angola, Egypt, Ethiopia, Libya, Nigeria, Senegal, South Africa, the African Union Commission and relevant International Organisations. Leaders resolved to act swiftly to limit the impact of the crisis on the achievement of the **Millennium Development Goals** in Africa. They confirmed respective commitments for **sustainable development**, including with respect to **ODA**, climate change and peace and security. For the first time, Leaders issued a joint G8-Africa statement, expressing their determination to build a stronger partnership to increase access to water and sanitation.

2010 Muskoka, Canada

Muskoka Declaration: Recovery and New Beginnings

2.At Muskoka in 2010, we are focussing on an effective agenda to address key challenges in **development**, international peace and security, and environmental protection.

3. This economic crisis exposed and exacerbated vulnerabilities already embedded in integrated global economies, **development efforts**, and collective security. Progress is being made, through the work of the G20, towards the sustainable recovery of our global economic and financial system. For development, a decade of policy commitments and joint efforts with our partners has brought significant progress towards the **Millennium Development Goals (MDGs)**, but both developed and developing countries must do more; meanwhile, the crisis has jeopardized advancement toward meeting some of the 2015 targets. Renewed mutual commitments are required....

4. Moreover, and beginning at the 2008 Hokkaido Toyako Summit, we have recognized the importance of demonstrating that the G8 is committed to reporting transparently and consistently on the implementation of its commitments. In 2009 at the L'Aquila Summit, we tasked senior officials to report on the implementation of our development and development-related commitments with a focus on results. We welcome the **Muskoka Accountability Report: Assessing action and results against development-related commitments** and will ensure follow up on its conclusions and recommendations. It shows that important progress has been made in many areas, but more needs to be done. We emphasize the importance of regular reports on the progress made in implementing our commitments and in this regard will focus the Accountability reporting in 2011 on health and food security.

(xcv) Development

6. Support for **development**, based on mutual responsibility, and a strong partnership with developing countries, particularly in Africa, remains a cornerstone of the G8's approach. We will pursue our **comprehensive approach to development** aiming at sustainable outcomes. We reaffirm our commitments, including on ODA and enhancing aid effectiveness. We call on developing country governments to meet their primary responsibilities for **social and economic development** and good governance, in the interests of their citizens. Since the most vulnerable states have made the least progress towards the **MDGs**, we will place special emphasis on helping them build the foundations for peace, security and sustainable development.

7. The global community is now at the two-thirds point between adoption of the **Millennium Development Goals (MDGs)** and the target date of 2015. To achieve the **MDGs** the effort needs to be truly global, encompassing a comprehensive, whole-of-country approach, including actions not only from all governments, but also from the private sector, foundations, non-governmental organizations and civil society, as well as international organizations, focussing more on the protection and empowerment of individuals and communities to improve human security. In this regard, we welcome the UN Secretary General's report "**Keeping the Promise**" and the UNDP International Assessment on meeting the **MDGs**. The G8 supports the priorities outlined in the Assessment, and reaffirms the view that progress must be driven by domestic strategies, policies and interventions and national ownership. We call on all development partners, at the September 2010 UN High-Level Plenary Meeting on the **MDGs**, to strengthen the

collective resolve to accelerate progress towards these targets and call for an action-oriented outcome. Consequently, all public and private financial resources should be mobilized efficiently, and enabling conditions created for private and financial sector development and investment and resource flows.

8. Progress towards **MDG 5**, improving maternal health, has been unacceptably slow. Although recent data suggests maternal mortality has been declining, hundreds of thousands of women still lose their lives every year, or suffer injury, from causes related to pregnancy and childbirth. Much of this could be prevented with better access to strengthened health systems, and sexual and reproductive health care and services, including voluntary family planning. Progress on **MDG 4**, reducing child mortality, is also too slow. Nearly 9 million children die each year before their fifth birthday. These deaths profoundly concern us and underscore the need for urgent collective action. We reaffirm our strong support to significantly reduce the number of maternal, newborn and under five child deaths as a matter of immediate humanitarian and development concern. Action is required on all factors that affect the health of women and children. This includes addressing gender inequality, ensuring women's and children's rights and improving education for women and girls.

9. G8 members already contribute over US\$4.1 billion annually in **international development assistance** for maternal, newborn and under-five child health (MNCH). Today, we, the Leaders of the G8, working with other Governments, several Foundations and other entities engaged in promoting maternal and child health internationally[1] endorse and launch the **Muskoka Initiative**, a comprehensive and integrated approach to accelerate progress towards **MDGs 4 and 5** that will significantly reduce the number of maternal, newborn and under five child deaths in developing countries. The scope of the **Muskoka Initiative** is specified in Annex I. Our collective undertaking will support strengthened country-led national health systems in developing countries, in order to enable delivery on key interventions along the continuum of care, i.e., pre-pregnancy, pregnancy, childbirth, infancy and early childhood.

10. To this end, the G8 undertake to mobilize as of today \$5.0 billion of additional funding for disbursement over the next five years[2]. Support from the G8 is catalytic. We make our commitments with the objective of generating a greater collective effort by bilateral and multilateral donors, developing countries and other stakeholders to accelerate progress on **MDGs 4 and 5**. We therefore welcome the decisions by other governments and foundations to join the **Muskoka Initiative**. The Governments of the Netherlands, New Zealand, Norway, Republic of Korea, Spain and Switzerland, subject to their respective budgetary processes, and the Bill and Melinda Gates and UN Foundations have now or have recently committed to additional funding of \$2.3 billion to be disbursed over the same period.

11. We fully anticipate that, over the period 2010-2015, subject to our respective budgetary processes, the **Muskoka Initiative** will mobilize significantly greater than \$10 billion.

12. As a consequence of the commitments made today towards the **Muskoka Initiative**, this support, according to World Health Organization and World Bank estimates, will assist developing countries to: i) prevent 1.3 million deaths of children under five years of age; ii) prevent 64,000 maternal deaths; and iii) enable access to modern methods of family planning by an additional 12 million couples. These results will be achieved

cumulatively between 2010-2015. We will track progress on delivering commitments through our accountability reporting, which, in 2011, will focus on health and food security. In line with the principle of mutual accountability, we expect these joint commitments will encourage developing countries to intensify their own efforts with regard to maternal and child health, leading to the saving of many more millions of lives of women, newborn and young children.

13. It is possible to build a broad coalition of the committed. We the partners to the **Muskoka Initiative** trust today's launch will give added momentum to the UN-led process to develop a Joint Action Plan to Improve the Health of Women and Children, and make a key contribution towards the September 2010 UN High-Level Plenary Meeting on the **MDGs**. Given the interconnected nature of the **Goals**, we expect that our commitments will have positive impacts on the other **MDGs**

17. Reflecting the key connection between cross-border investment and **development** and the fact that **official development assistance** alone is not sufficient to achieve global food security, we stress the importance of enhancing international investment in developing countries in a responsible and sustainable way. In this context, we support continued efforts to develop principles for investment in the agricultural sector undertaken by the World Bank, regional development banks, FAO, UNCTAD, and IFAD.

(xcvi) Africa

19. G8 Leaders met in Muskoka with the Heads of State or Government of Algeria, Egypt, Ethiopia (as Chair of the NEPAD Heads of State and Government Orientation Committee), Malawi (as Chair of the African Union), Nigeria, Senegal and South Africa. G8 Leaders welcome the increased ownership that Africa has over its **development process** and, with African Leaders, noted the high economic growth rates that had been attained in Africa immediately prior to the onset of the global economic and financial crisis. Leaders reaffirmed their shared commitment to continued collaboration between G8 and African partners in support of African-led efforts to build a more stable, democratic and prosperous Africa, to advance **economic and social development**, and to promote the rule of law.

20. G8 and African Leaders recognize that the attainment of the **MDGs** is a shared responsibility and that strategies based on mutual accountability are essential going forward. They noted that, while significant progress has been made in some areas, greater efforts are required by all actors in order to achieve the **MDGs** in Africa. In this regard, African Leaders expressed support for the Maternal, Newborn and Child Health Muskoka Initiative. Mindful of the central importance that maternal and child health has to development and Africa's ability to achieve the **MDGs** and of the consequent need for urgent action, Leaders undertook to explore how to accelerate progress in the implementation of their respective commitments in Africa. African partners also welcomed the G8's continued efforts to help strengthen the African Peace and Security Architecture (APSA), including institutional capacity, to prevent and manage conflict through, *inter alia*, peacekeeping training centres in Africa. G8 Leaders acknowledged the important contribution of African Leaders to the L'Aquila Food Security Initiative.

(xcvii) Trade and Investment

26. As a means of sustaining recovery from the global economic crisis, the G8 affirms its longstanding commitment to free and open markets. G8 members of the WTO renew their commitment to the successful conclusion of the **Doha Development Agenda**, building on the progress already made. We direct our representatives to engage in the spirit of give and take through all negotiating avenues with the goal of achieving the increased level of ambition necessary to facilitate an agreement, recognizing the changes in the global economy since the launch of the Agenda. We will continue to resist protectionist pressures, and to promote liberalization of trade and investment under the WTO, through the national reduction of barriers, as well as through bilateral and regional negotiations.

(xcviii) Annex I: The G8 Muskoka Initiative: Maternal, Newborn and Under-Five Child Health

2. Scope: The Initiative is related to **MDGs 4 and 5**, as well as elements of **MDGs 1** (nutrition) **and 6** (HIV/AIDS, malaria). The Initiative is focused on achieving significant progress on health system strengthening in developing countries facing high burdens of maternal and under-five child mortality and an unmet need for family planning. Improving maternal and under-five child health requires comprehensive, high impact and integrated interventions at the community level, across the continuum of care, i.e., pre-pregnancy, pregnancy, childbirth, infancy, and early childhood.

8. Global Targets:

a) Between 2010 and 2015, the G8 will work with multiple partners throughout the global community with the objective of achieving the targets set in 2001 for **Millennium Development Goals 4 and 5**:

- i) reduce by two-thirds between 1990 and 2015, the under-five mortality rate;
- ii) reduce by three-quarters, also between 1990 and 2015, the maternal mortality ratio; and
- iii) achieve, by 2015, universal access to reproductive health.

2011 Deauville, France

G8: Renewed Commitment for Freedom and Democracy

Preamble

2. In light of the recent developments in the Middle East and North Africa, and in Sub-Saharan Africa, we renewed our commitment to support democratic reform around the world and to respond to the aspirations for freedom, including freedom of religion, and empowerment, particularly for women and youth. Democracy lays the best path to peace, stability, prosperity, shared growth and **development**...

3. In Deauville, we have renewed a strong partnership with Africa, building on commitments made for over a decade. We have emphasized our mutual responsibilities and decided to be even more accountable regarding our respective commitments to **development**, peace and security. We reaffirmed our commitment to transparency and governance -- critical drivers of progress. We welcomed the new dynamism of our African partners and the spread of democracy, and committed to stand even more strongly side-by-side with the people of the African continent. We welcomed the democratically elected Presidents of Côte-d'Ivoire, Guinea and Niger. For the first time, we have adopted a joint declaration together with African Leaders.

Internet

11. The Internet has become the public arena for our time, a lever of **economic development** and an instrument for political liberty and emancipation. Freedom of opinion, expression, information, assembly and association must be safeguarded on the Internet as elsewhere...

19. We recognize the importance of enhanced access to the Internet for **developing countries**. Important progress has been achieved since the Okinawa Summit and we pay tribute to the efforts made by **developing countries** in this regard as well as the various stakeholders, governments, the private sector and NGOs, which provide resources, expertise and innovation. We encourage initiatives, in partnership with the private sector, on the use of the Internet with a **development purpose**, particularly for education and healthcare.

Global Economy

Europe has adopted a broad package of measures to deal with the **sovereign debt crisis** faced by a few countries, and it will continue to address the situation with determination and to pursue rigorous fiscal consolidation alongside structural reforms to support growth.

Trade

25. As part of its continued efforts to support the recovery of the global economy, the G8 reaffirms its longstanding commitment to free and open markets...In this regard, G8 members of the WTO note with great concern the unsatisfactory progress in the **Doha Development Agenda** negotiations. We reiterate our commitment to advance the process of trade liberalization and rule-making to strengthen the multilateral system, and are ready to explore all negotiating options to bring the Doha round to a conclusion including with regard to the priorities of **least developed countries (LDCs)** in line with the Doha mandate...

Innovation and Knowledge Economy

26. Innovation is crucial for growth, prosperity and jobs in the knowledge economy and plays a central role in addressing many of the key global challenges of our times, ranging from climate change, **poverty eradication** and public health, to demographic changes and recovery from the recent global economic and financial crisis through employment-generation.

Climate Change and Biodiversity

49. Tackling climate change is a global priority. We, members of the G8, have undertaken ambitious measures, and are committed to long-term efforts, with a view to doing our part to limit effectively the increase in global temperatures below 2 degrees Celsius above pre-industrial levels, consistent with science. We express our determination to act as part of a larger global effort to address this threat as well as our solidarity with **developing countries**, particularly the **poorest and most vulnerable**.

54. As with climate change, we recognize that the current rate of loss of biological diversity is unacceptable, since biologically diverse and resilient ecosystems are critical to human wellbeing, **sustainable development** and **poverty eradication** as well as food security.

Accountability on Development

56. **Development** is a common challenge. While leadership by **developing countries** is a key condition for **development**, the responsibility for **aid** effectiveness is shared between donor and partner country. We fully support mutual accountability, with a strong focus on results. There is a need for a more comprehensive and coordinated approach to **aid** effectiveness among all donors and stakeholders, including new donors, under the leadership of State and local authorities, in close partnership with civil society, and based on political will, evidence-based assessment and transparency. We welcome the accountability process undertaken by African partners.

58. We welcome the outcome document on the **Millennium Development Goals (MDGs)** "Keeping the Promise" and we reaffirm the commitments that we have made during the High-level Plenary Meeting on the **MDGs**, stressing the importance of democratic governance as a central element for achieving these goals. While we recognise the magnitude of the challenges, the actions of both **developing countries** and donor partners have already contributed to positive results. We will continue to support **developing countries** to work towards achieving and sustaining the **MDGs** by 2015 and encourage all stakeholders to do the same, focusing on the protection and empowerment of individuals and communities to improve human security. In this context, we welcome the **MDGs** follow-up meeting to be held at ministerial level in Tokyo in June of this year as an opportunity to maintain political momentum towards the **MDGs**. We will redouble our efforts to promote transparency and accountability.

59. In 2005, the OECD estimated that **official development assistance (ODA)** from the

G8 and other donors to **developing countries** would increase by around USD 50 billion by 2010 compared to 2004. There is a gap of USD 19 billion in constant dollars or USD 1.27 billion in current dollars, relative to OECD estimates for 2010. . Despite the worldwide economic crisis, the G8's **ODA** increased from USD 82.55 to 89.25 billion in current dollars between 2009 and 2010. This represents 70% of global **ODA**, which reached USD 128.73 billion in 2010, representing a 7.27% increase in current dollars compared to 2009. While all commitments have not been met in full, we will strive to maintain our efforts, together with other donors. **ODA** is a significant element of financing for **development**, among other resources, particularly domestic resources, innovative financing, remittances, market instruments used by **development banks** and private sector flows.

60. The G8 has catalysed significant action on health and food security and we are ready to further work with other stakeholders. In this regard:

- a. We will continue to support the Global Fund to Fight AIDS, Tuberculosis and Malaria. We welcome the commitment of the Global Fund Board to implement a reform agenda to improve oversight, accountability and effectiveness in using its resources. Based on these reforms, traditional donors will be enabled to meet their respective pledges to the Global Fund. We encourage non-traditional donors and the private sector to provide resources to the Global Fund.
- b. We reaffirm our commitment to improving maternal health and reducing child mortality, most notably through the Muskoka Initiative for Maternal, Newborn and Child Health launched in 2010. We are delivering our Muskoka commitments. We will continue to monitor their implementation in coordination with all partners, including stakeholders in the Global Strategy for Women's and Children's Health. We support the recommendations of the Commission on Information and Accountability for Women's and Children's Health established by the WHO at the request of the UN Secretary General. We will implement them, and urge others to do so.
- c. We recognise the impact of the GAVI Alliance and strongly welcome its efforts to expand access to new and under-used life-saving vaccines in the **poorest countries** including through tiered pricing and innovative mechanisms such as the International Finance Facility for Immunisation. We call for a successful completion of the first pledging conference of GAVI in June in London, involving all relevant actors. We also welcome the development of the Advanced Market Commitments and notably the pilot project on pneumococcal vaccines.
- d. We stress our continuing commitment to the eradication of polio which is a reachable objective. Our past support has contributed to the 99% decrease of polio cases in the **developing countries**. We flag the need for a special focus on this issue and renewed momentum. To this end, we will continue to support the Global Polio Eradication Initiative.
- e. We will work, together with major bilateral donors, global health programmes and

country coordination initiatives, to improve these funds' implementation of **aid** effectiveness.

f. We welcome the Patent Pool Initiative launched by UNITAID in order to facilitate the production of affordable generic medicines well-adapted for use in resource-poor settings, and we encourage the voluntary participation of patent owners, private and public, in the project.

g. We encourage a strong and comprehensive multilateral and bilateral response to improve food security. Launched in 2009, the L'Aquila Food Security Initiative (AFSI) brings together a diverse group of stakeholders to address the challenges of food insecurity... We reaffirm our support to country-led and regional processes and stress the need to improve coordination among **development partners**, ensuring a strong focus on results and impact, as well as bilateral support based on the value-chain approach to improve food security. We will intensify our efforts to foster sustainable agricultural production and productivity with an emphasis on smallholder's farmers, including through public-private partnerships, and research and innovation.

61. In the perspective of the **Fourth High Level Forum on Aid Effectiveness** to be held in Busan, South Korea later this year, we welcome progress made in **aid** delivery since the endorsement of the Rome and Paris Declarations and the Accra Agenda for Action. We call for a review of the **Aid Effectiveness Agenda** in Busan which recognises the shift towards broader issues of **development** outcomes and impacts.

62. We will improve transparency of our **aid** information.

Peace and Security

65. We are committed to supporting a political transition that reflects the will of the Libyan people... We stress the central role of the Secretary-General's Envoy to Libya, Mr Al-Khatib, in facilitating an inclusive and lasting political solution, based on the legitimate demands of the Libyan people and taking into account the role of regional organisations, the League of Arab States and the **African Union**...

67. We are convinced that the historic changes throughout the region make the solution of the Israeli-Palestinian conflict through negotiations more important, not less... The time to resume the Peace Process is now.

b. We appreciate the efforts and the progress made by the Palestinian Authority and the leadership of President Abbas and Prime Minister Fayyad as they are building a viable State as recently commended by the **IMF**, the **World Bank** and the ad hoc liaison Committee.

79. While proliferation must be fought, we ask our experts to explore ways of ensuring fair and responsible access to the benefits of the peaceful uses of technologies and to

report back by the next Summit. We support the exchange, in conformity with the obligations of the NPT, of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy, in particular for **developing countries**...

82. We emphasize a continued need to pay attention to global efforts to counter the phenomenon of radicalisation leading to violence and violent extremism in all of its manifestations...We reaffirm that an effective counter-terrorism strategy must be based both on a comprehensive approach that includes security and **development-oriented initiatives** and on full respect for human rights, including the right to practice religious faith in safety and security, without fear of violence and repression, fundamental freedoms and the rule of law...

85. We reaffirm our commitment to a stable, peaceful and sovereign Afghanistan, free of terrorism, extremist violence, and illicit drug production and trafficking, with full ownership of its own security, **governance and development**, based on the principle of non-intervention in Afghanistan internal affairs and mutual non-interference...

90. We are committed to supporting Pakistan and re-emphasize the importance of Pakistan itself tackling its political, economic and social challenges by undertaking the urgently needed reforms supported by the international community. We acknowledge the crucial importance of education for the economic and **social development** of Pakistan. Our cooperation programmes will make getting more children into better schools a priority.

Declaration of the G8 on the Arab Springs

Supporting Sustainable and Inclusive Growth

6) The Deauville Partnership will develop an economic agenda that will enable reforming governments to meet their populations' aspiration for strong, comprehensive growth and help facilitate a free and democratic outcome to the political processes under way. It will be tailored to support each country's objectives and in line with their progress in the following areas:

- We call on **multilateral development banks** to deliver enhanced, frontloaded and coordinated support to Partnership Countries based on strong economic programs to strengthen governance and bolster the business climate. Such support will help to address the disruptions to private financial flows and to restore market access;

7) In the short term, our collective aim is to ensure that instability does not undermine the process of political reform, and that social cohesion and macroeconomic stability are both sustained. In this regard:

- We welcome the **IMF** assessments and look forward to its continued engagement with

the region and the building of robust macroeconomic frameworks in the Partnership Countries. We call on the **IMF** to respond with the necessary support to help meet the external financing needs of the countries of the region committed to economic stability;

8) Over the medium and long term, we commit to support Partnership Countries in addressing underlying economic challenges. Our aim is to achieve sustainable transition alongside democratization and a broadening of economic opportunity, based on the priorities identified and endorsed by national governments through broad consultations with relevant stakeholders. This requires a strategic shift in the approach and actions of the international community in the region. To this end, we should (i) rely on repositioned and coordinated **multilateral development banks'** actions, (ii) leverage the experience of **EBRD** in accompanying economic transition and (iii) change the scale of trade and investment integration.

9) We will work closely with the **multilateral development banks** to review and enhance their programs in the Partnership countries, revise their priorities accordingly and strengthen their coordination:

- We look forward to timely completion of the joint Action Plan by the **World Bank**, the **African Development Bank**, the **European Investment Bank / FEMIP**, the **European Bank for Reconstruction and Development (EBRD)** and the **Islamic Development Bank**, to be adapted in each Partnership Country consistent with each bank's geographic mandate. We call upon the **IMF** to ensure that these plans can be accommodated with sustainable medium-term macroeconomic frameworks. We encourage bilateral donors to embrace this same approach and to ensure their actions are adapted and more effectively coordinated;

- We will fulfil our international commitments to secure the return of stolen assets and will, by taking appropriate bilateral action and promoting the **World Bank / United Nations Stolen Asset Recovery Initiative**, support Egypt and Tunisia in the recovery of assets;

To fast-start **EBRD** support to and leverage its experience in private sector development and job creation in the region until the ratification of the extension is completed, we will work with the **EBRD** towards the creation of a dedicated transitional facility, to allow the bank's operations to start as early as possible to the benefit of prospective recipient countries, with governance associating them and open to contributions from major international and **regional development partners**. We task our finance ministers to review this proposal at their next meeting.

12) We welcome the work done by Egypt and Tunisia in presenting to the international community of donors their program of actions towards economic and financial stability and preparing for more inclusive growth, and stand ready to support them. We welcome the Egyptian authorities' decision to request **IMF** and **multilateral development banks'** assistance and Tunisia's request for a joint and **coordinated development policy loan**.

In this context, **multilateral development banks** could provide over \$20bn, including €3.5bn from the EIB, for Egypt and Tunisia for 2011-2013 in support of suitable reform efforts. G8 members are already in a position to mobilise substantial bilateral support to scale-up this effort. We welcome support from other bilateral partners, including from the region.

Follow-up and monitoring of the Deauville Partnership

15) We will review with Partnership Countries their transition strategy, set out in **social and economic development programs** presented by Partnership Countries, starting with Egypt and Tunisia. We will ensure that reform is matched by the response of the international community, including through country-specific Joint Action plans.

G8/Africa Joint Declaration: Shared Values, Shared Responsibilities

1. The G8 and Algeria, Egypt, Ethiopia, Nigeria, Senegal, and South Africa, and the African Union Commission, highlight the importance of an enhanced partnership between the G8 and Africa. Africa is on the move, and is becoming a new pole for global growth, even if challenges to be addressed remain, particularly in the **least developed countries**. The G8 and Africa stand side-by-side during this key time of change.

2. To reach our objectives, we are determined to further promote together shared values, notably peace and human rights, democratic governance and **sustainable development**, and we will continue to endorse our respective and shared responsibilities in this regard, in a spirit of mutual accountability.

Peace, Security and Governance

3. We welcome the overall progress that has been made towards stability and democracy on the continent. Several long-lasting armed conflicts have come to an end and democratic processes are becoming the norm and no longer the exception. However, we need to address remaining challenges, notably respect for free and fair election results and for the rule of law, people's aspirations for increased democratic openness, and resolution of the persisting conflicts. Current global threats such as terrorism, trafficking in human beings, arms and drugs, organized crime and piracy likewise, require strengthening national and regional initiatives in Africa with the support of the international community and increased global cooperation.

4. We commend the steadfast support of the Economic Community of West African States (ECOWAS), the African Union and the United Nations for the free and sovereign will of the Ivorian people. We express our deep concern over the grave humanitarian and socio-economic situation in Côte d'Ivoire. In this regard, we call on the International Community as a whole to extend the necessary support to alleviate the plight of the refugees and internally displaced persons as a matter of urgency and to lend support to President Alassane Ouattara and his government to enable them to restore lasting peace,

security stability and economic recovery throughout the country. We also encourage the Ivoirian authorities to spare no efforts to take the necessary steps to address the issues of justice, peace and reconciliation among all Ivoirian people, and to implement the pending issues of the Ouagadougou Political Agreements, including those relating to Disarmament, Demobilization and Reintegration of ex-combatants.

5. We commend the African Union High Level Implementation Panel for Sudan for its work with the Sudanese parties. While congratulating the parties to the Comprehensive Peace Agreement (CPA) and the people of Sudan for the successful conclusion of the 2011 referendum, we condemn the recent escalation of violence in Abyei. We call on all parties to withdraw all unauthorized forces from the area, to uphold their previous commitments, and we call on the parties to reach agreements on all outstanding issues of the CPA, particularly the status of Abyei, oil issues and debt. We also urge the parties to reach a speedy conclusion to the negotiations on post-referendum arrangements between Sudan and an independent South Sudan, within the framework of good neighbourhood and the mutual economic viability of the two states. We express concern about the persistent violence and insecurity in Darfur and call on all parties to engage with a view to reaching a speedy solution in the context of the Doha Process mediated by the Joint Chief Mediator and the Government of Qatar. We encourage G8 and African countries' continued cooperation and mutual efforts to these ends, including through the Sudan Consultative Forum.

6. We urge the Somalia's Transitional Federal Government (TFG) to broaden and consolidate the reconciliation process and to work with the international community with a view to agreeing on the way forward notably on how to end the transition and on the key tasks ahead such as the constitutional process after the Transitional Federal Institutions' mandate expires in August 2011. We call on all actors to support an inclusive, Somali-led process as the means to resolve the conflict. We commend the action undertaken by the African Union and its mission, AMISOM, and express our full support for the mission and the effort of the UN Secretary General's Special Representative for Somalia. We commit to remain constructively engaged on Somalia and to support international efforts for the establishment of a peaceful and secure environment in which human rights and democratic institutions can develop at all levels.

7. We welcome the Political Declaration and Action Plan adopted at the G8 Ministerial Meeting on Transatlantic Cocaine Trafficking on May 10 and aimed at strengthening the international and regional cooperation in the fight against drug trafficking on both sides of the Atlantic.

8. We reaffirm our commitment to fight against all forms of terrorism and address the conditions conducive to terrorism in full compliance with international law, in particular the relevant UN Security Council resolutions and international conventions. We encourage the creation of regional strategies to take into account all the dimensions of this transnational threat. We stand ready to assist the countries affected by this scourge in building their own capacities to fight terrorism and terrorist groups.

9. We express our continued concern regarding the serious threat of piracy, in particular emanating from Somalia. We underline our determination to continue to respond resolutely to this threat, through a coordinated response at sea and by tackling longer-term regional capability **development** needs, including through the Contact Group on Piracy off the Coast of Somalia, as well as the comprehensive strategy that would address the root causes of piracy and reinforce the Somali capacity. In parallel, we agree that effective prosecution including execution of sentences need increased support. We welcome the adoption of UN Security Council Resolution 1976, which represents a significant step forward in the fight against piracy off the coast of Somalia.

10. We welcome efforts made by the African Union and the regional economic communities to build up the African Peace and Security Architecture (APSA), including the African Standby Force, as well as the successful implementation of the G8 Action Plan, adopted at the Sea Island Summit in 2004, to reinforce African peacekeeping capabilities. We stress the need to further enhance the APSA in a spirit of mutual accountability, and we recognize the progress made with the recent APSA assessment and the adoption of the indicative elements for the APSA Roadmap. We emphasize the importance of improving coordination between all stakeholders in providing assistance and of promoting African ownership, in order to ensure maximum impact and sustainability of peace and security initiatives on the African continent.

11. Respect for human rights, the rule of law and democratic governance, as well as gender equality, are of key importance to sustaining **development**, stability and democracy. We welcome the African Union decision on speeding up the ratification of African governance and human rights instruments, in particular the African Charter on Democracy, Elections and Governance. We recall our support to the African Governance Architecture, in particular the African Peer Review Mechanism (APRM), and we encourage further implementation of the APRM National Programmes of Action's recommendations. We also encourage ratification and full implementation of the African Charter on Human and People's Rights and its Protocol on the Rights of Women in Africa.

12. We fully support the action taken by the African Union and African regional organizations to fight unconstitutional regime changes. We encourage further efforts to ensure the rule of law and the respect of human rights and to tackle impunity. We strongly welcome the initiatives taken by several African countries to set up transitional justice mechanisms to address human rights violations. These actions need to be further **developed**.

Economic **Development** and Environment

13. Africa is increasingly a destination for foreign investment and private sector development. The challenge today is to build on the current and positive dynamic of the African economy to achieve a more inclusive, shared and sustainable growth that creates jobs, ensures human security and empowers individuals, especially the younger generation. We need to intensify our efforts on drivers for economic growth, including

human capital **development**, regional and global trade integration, business environment, domestic resources mobilization, and scaling up access to infrastructures and related services, including for energy, transport, information and communication technologies. In this regard, we welcome the conclusions of the 16th meeting of the Africa Partnership Forum (APF) on 21 April 2011 in Paris.

14. Beyond traditional **official development assistance (ODA)**, African countries need to attract additional domestic and foreign direct investment to finance economic growth, while preserving debt sustainability. Mutual efforts to improve the regulatory framework and the business environment, and to fight corruption, need to be strengthened. To this end, we will establish a dialogue within the APF, involving business, to increase momentum and help remove obstacles to business environment reform. We encourage responsible investment by all stakeholders and call on companies to improve their corporate and social responsibility.

15. Regional integration is essential to increase growth and stability in Africa. Ambitious strategies have been adopted but progress in implementing those remains slow and uneven. African economies are also not sufficiently integrated into global supply chains. We support an ambitious vision for regional integration initiatives and free trade areas in Africa, as building blocks to deeper integration at a later stage. We welcome the proposed focus of the January 2012 African Union Summit on boosting intra-African trade for the means of fostering a better regional and continental integration on this issue. We will continue to support the African Union and regional economic communities to fully implement their action plans, including the Minimum Integration Programme of the African Union. We encourage increased coordination between them and with the African Union. We will support actions to improve the efficiency of key trade corridors, especially those that are important for accelerating trade in Africa's landlocked countries, notably the implementation of the corridor action plans developed by the regional economic communities. We also call for policy reforms required for increasing regional trade and improving infrastructure. Taking into consideration the specific challenge the continent is facing, we call for concerted action by the international community, and notably through the **Multilateral Development Banks**, to prioritise Africa in financing infrastructure projects.

16. Regional integration in Africa is also crucial to ensure the effective integration of the continent in the global markets. We reiterate our commitment to advance the process of trade liberalization and rule-making to strengthen the multilateral system, and are ready to explore all negotiating options to bring the Doha round to a conclusion including with regard to the priorities of **least developed countries (LDCs)** in line with the Doha mandate.

17. Improved domestic resources mobilisation is crucial to sustain **development**, strengthen growth resilience and reduce aid dependency. Improving taxation administration systems and policies in **developing countries** will help build a sustainable revenue base to fund nationally owned **development** plans.

18. Transparency in payments and revenue collection linked to extractive resources and sound financial governance on the management of these revenues are essential to taking full advantage of domestic resources and ensuring delivery of public goods and services for citizens. More broadly, transparent, fair and functioning public financial systems are very important requirements for poverty reduction as well as sustainable and self-determined **development**. Good financial governance on both the revenue and spending sides is a key prerequisite to reach this. Therefore, we emphasize the importance of further fostering the 2007 G8 Action Plan on Good Financial Governance in Africa and welcome the ongoing **African-led development** efforts for Good Financial Governance.
19. We will all continue to support transparency in other areas including through the full implementation of the Extractive Industry Transparency Initiative (EITI). We call on all countries, notably resource-rich countries, and extractive companies to join or support this initiative. We also welcome the complementary efforts to increase revenue transparency, and commit to setting in place transparency laws and regulations or to promoting voluntary standards that require or encourage oil, gas, and mining companies to disclose the payments they make to governments. We encourage full implementation of international and regional initiatives to tackle illegal exploitation of and trade in natural resources in Africa, such as the International Conference of the Great Lakes Region Action Plan adopted in Lusaka in December 2010. A comprehensive and global approach is needed to address the illegal exploitation of and trade in mineral resources and promote sound natural resources management, including the protection of forests.
20. The G8 will continue to support capacity building and technical cooperation on macro-economic governance, domestic taxation, public financial management, and negotiations of concessions and contracts.
21. Limited access to energy along both dimensions – electricity and cooking fuels – remains a major concern. It is a key bottleneck for **economic development and poverty reduction**, and the widespread use of traditional cooking fuels is at the origin of severe negative health and environmental impacts. We therefore emphasize the need to ensure access to sustainable energy services, with a particular focus on renewable energy sources. The G8 will continue to support projects for access to energy, both decentralised and centralised, notably those with a regional dimension and a sustainable **development** perspective, as well as cross-border trade and capacity-building initiatives on energy. **The African Union-NEPAD Action Plan and the Programme for Infrastructure Development in Africa (PIDA)** constitute appropriate frameworks to mobilise foreign direct investment. We stress the need for institutional and regulatory reforms to attract increased investment, notably from the private sector.
22. We deem of the utmost importance that the use of large river water resources should have in due consideration the interests of both upstream and downstream countries in order to reach agreements aiming at **common development**.
23. Agriculture in Africa can serve as an important driver of broad-based sustainable **economic growth and development**. Sustainable increases in agricultural productivity

and production offers ample opportunities to attract private-sector investment and leverage private sources of capital, create jobs, raise income of farmers and stimulate inclusive growth in rural Africa. They contribute to better food security and are key factors in counteracting price volatility. We commit to improving food security in Africa by enhancing cooperation among the G8 and Africa through the **L'Aquila Food Security Initiative and the Comprehensive Africa Agriculture Development Programme (CAADP)**.

Mutual accountability

24. In a spirit of mutual accountability, we are fully committed to meeting our commitments and to monitoring their implementation, with a view to achieving the **Millenium Development Goals** by 2015, strengthening economic growth and job creation, and addressing global challenges.
25. We welcome the mutual accountability process, and the 2011 G8 Accountability Report on health and food security and the first **African Union** and NEPAD Accountability Report on the G8/Africa Partnership. We recognise the need to continue our efforts to improve the mutual accountability process.
26. We encourage mutual accountability and transparency in the use of domestic and external resources for **development** and we encourage civil society and private sector stakeholders to foster accountability at all levels. Accountability mechanisms should monitor performance and provide for adequate incentives for compliance. We call on all donors and African partners to provide transparent and comprehensive information on aid flows and participate in multilateral accountability efforts. We welcome the determination of Japan to hold the TICAD Ministerial Meeting held in Dakar on 1 and 2 May despite the challenges caused by the recent disaster.
27. Ahead of the Fourth High Level Forum on Aid Effectiveness to be held later this year in Busan, Korea, we welcome efforts to implement the Paris Declaration and the Accra Agenda for Action. Major challenges remain such as involving new stakeholders in the **development agenda**, including new donors and the private sector, enhancing the impact of aid, limiting aid fragmentation through a better division of labor, strengthening institutional capacities, and increasing accountability and transparency. We call for a reinforced focus on the impact and outcomes of aid and **development policies**.
28. Considering the remaining challenges, we stress the urgent need to mobilise a wide range of resources for development and global public goods. **ODA** is a key element for **African developing countries**, in particular **least developed countries** and fragile states. We reaffirm our commitments, including on **ODA** and enhancing aid effectiveness. In synergy with other sources of funding, **ODA** also serves as a catalyst for key **development policies** and to leverage for private investment for economic growth. We stress the need to go beyond aid and mobilize other resources as stated in the Monterrey consensus, including domestic resources, innovative financing, migrant remittances, market instruments used by development banks and private sector flows.

29. The challenges lying ahead are considerable. But so is our shared commitment to overcome them. We will act in the spirit of partnership aimed at liberating **development potential** of one billion Africans.

The Deauville Partnership: Helping the Arab Countries in Their Transition to Free and Democratic Societies

Tunisia and Egypt are the first countries to commit to this transition and to join the Deauville Partnership. The **multilateral development banks** are prepared to raise more than USD 20 billion, of which EUR 3.5 billion will come from the **EIB**, to benefit Egypt and Tunisia by 2013.

The G8 members will also stand alongside Tunisia and Egypt. France's action will have two channels: that of the European institutions which will raise, in addition to the action of the **EIB**, more than EUR 1 billion for their benefit by 2013; and that of the **French Development Agency**, which will contribute almost EUR 1.1 billion in loans on advantageous terms for the same period to support the transition to democracy of these two countries.

Today, the **French Development Agency** approved a budgetary support loan of EUR 185 million to support economic stability in Tunisia.

2012 Camp David, USA

Camp David Declaration

(xcix) Food Security and Nutrition

16. For over a decade, the G8 has engaged with African partners to address the challenges and opportunities afforded by Africa's quest for **inclusive and sustainable development**. Our progress has been measurable, and together we have changed the lives of hundreds of millions of people. **International assistance** alone, however, cannot fulfill our shared objectives. As we move forward, and even as we recommit to working together to reduce poverty, we recognize that our task is also to foster the change that can end it, by investing in Africa's growth, its expanding role in the global economy, and its success. As part of that effort, we commit to fulfill outstanding L'Aquila financial pledges, seek to maintain strong support to address current and future global food security challenges, including through bilateral and multilateral assistance, and agree to take new steps to accelerate progress towards food security and nutrition in Africa and globally, on a complementary basis.

19. The G8 reaffirms its commitment to the world's poorest and most vulnerable people, and recognizes the vital role of **official development assistance** in poverty alleviation and achieving the Millennium Development Goals. As such, we welcome and endorse the **Camp David Accountability Report** which records the important progress that the G8 has made on food security consistent with commitments made at the L'Aquila Summit, and in meeting our commitments on global health, including the Muskoka initiative on maternal, newborn and child

health. We remain strongly committed to reporting transparently and consistently on the implementation of these commitments. We look forward to a comprehensive report under the UK Presidency in 2013.

(c) Afghanistan's Economic Transition

20. We reaffirm our commitment to a sovereign, peaceful, and stable Afghanistan, with full ownership of its own security, governance and **development** and free of terrorism, extremist violence, and illicit drug production and trafficking. We will continue to support the transition process with close coordination of our security, political and economic strategies.

(ci) The Transitions in the Middle East and North Africa

27. We note in particular the steps being taken to expand the mandate of the **European Bank for Reconstruction and Development** to bring its expertise in **transition economies** and financing support for private sector growth to this region; the platform established by **international financial institutions** to enhance coordination and identify opportunities to work together to support the transition country reform efforts; progress in conjunction with regional partners toward establishing a new transition fund to support country-owned policy reforms complementary to existing mechanisms; increased financial commitments to reforming countries from international and regional financial institutions, the G8 and regional partners; strategies to increase access to capital markets to help boost private investment; and commitments from our countries and others to support small and medium-sized enterprises, provide needed training and technical assistance and facilitate international exchanges and training programs for key constituencies in transition countries.³³ We recognize that according women full and equal rights and opportunities is crucial for all countries' political stability, democratic governance, and economic growth. We reaffirm our commitment to advance human rights of and opportunities for women, leading to more **development**, poverty reduction, conflict prevention and resolution, and improved maternal health and reduced child mortality....

34. We pay tribute to the remarkable efforts of President Thein Sein, Daw Aung San Suu Kyi, and many other citizens of Burma/Myanmar to deliver democratic reform in their country over the past year. We recognize the need to secure lasting and irreversible reform, and pledge our support to existing initiatives, particularly those which focus on peace in ethnic area, national reconciliation, and entrenching democracy. We also stress the need to cooperate to further enhance aid coordination among **international development partners** of Burma/Myanmar and conduct investment in a manner beneficial to the people of Burma/Myanmar.