

# EUROPEAN PARLIAMENT

16 May 2000

B5-0417/2000 }  
B5-0420/2000 }  
B5-0427/2000 }  
B5-0428/2000 }

RC1

## JOINT MOTION FOR A RESOLUTION

pursuant to Rule 42(5) of the Rules of Procedure

by the following Members:

Mantovani and Corrie, on behalf of the PPE-DE Group  
Kinnock, Sauquillo Pérez del Arco and Veltroni, on behalf of the PSE Group  
van den Bos, Mulder and Rutelli on behalf of the ELDR Group  
Miranda, Boudjenah, Morgantini and Eriksson, on behalf of the GUE/NGL Group

replacing motions by:

- the PPE-DE Group (B5-0417/2000)
- the ELDR Group (B5-0420/2000)
- the GUE/NGL Group (B5-0427/2000)
- the PSE Group (B5-0428/2000)

on the external debt of poor countries

*The European Parliament,*

- having regard to the Cairo Declaration and Plan of Action adopted by the Africa-Europe Summit on 3-4 April 2000,
- A. whereas the highly indebted poor countries (HIPC), most of them in Africa, spend on average 40 % of their annual budgets on servicing their external debt, greatly hindering their economic development and their capacity to offer basic social services, such as health and education, to their populations,
- B. whereas Africa's external debt has been growing by about 12 % per annum, from about USD 110 billion in 1980 to about USD 350 billion since then,

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PE 290.492 }  
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- C. whereas this situation has led to the paradox that the development aid provided by the EU and its Member States to the poorest countries of the world is sometimes not even enough to finance the servicing of their external debt,
  - D. whereas highly indebted poor countries have also suffered as a consequence from a fall in investment which has had a negative impact on economic growth, sustainable development and poverty eradication,
  - E. whereas such a situation of extreme poverty creates a new form of slavery for the populations of these countries and generates massive migratory flows that can represent a grave danger to the stability and security of both origin and destination countries,
  - F. whereas respect for human rights, democracy, the rule of law and good governance must be an important basis of EU financial assistance or debt relief to developing countries; whereas this may represent an important incentive for those countries still lacking democratic institutions,
  - G. whereas international campaigns, such as Jubilee 2000, are calling for a substantial reduction, if not outright cancellation, of the international debt of the poorest countries, in order to channel these resources into addressing basic social needs,
  - H. whereas, of 34 eligible HIPC countries, only four (Bolivia, Mauritania, Tanzania and Mozambique) have so far qualified for debt relief, involving a sum of approximately 2.7 million dollars, and whereas even the IMF, at its spring gathering in April, called for the speeding up of the debt relief effort for the HIPC,
1. Calls on the EU and its Member States to take the initiative and promote a more ambitious strategy in the international financial institutions in order to provide faster, deeper and broader debt relief or cancellation, including bilateral debt, to the poorest developing countries, based on respect for democratic principles and good governance and subject to the channelling of these resources into addressing basic social needs;
  2. Calls on the Commission and the Council to ensure that the resources made available from debt relief are effectively invested in poverty eradication strategies and programmes, including the social and infrastructure sectors, taking into account the needs expressed by civil society;
  3. Calls on the governments of the beneficiary countries to implement the necessary economic reform measures, to institute good governance and to commit themselves to channelling savings from debt relief into poverty alleviation, including improvements to the social sectors and the rehabilitation of infrastructure;
  4. Demands that future structural adjustment programmes be ‘inclusive processes’, not just of all relevant branches of the government but also of civil society, involving discussion of development priorities;

5. Notes with deep concern that in spite of the various efforts to address the debt crisis, the external debt of many developing countries has grown at a very high rate over recent years and that it effectively cripples the ability of many countries to develop their economies and to address urgent social needs, such as health and education;
6. Calls on the international financial institutions to consider the fight against poverty, food security and health and educational development as priorities for action, and to consider the debt issue from this point of view;
7. Calls on the Commission, the Council and the international financial institutions to consider the creation of a mechanism to carefully monitor the ethical and correct use of the funds made available from debt relief and to define, on this basis, the granting of any further assistance;
8. Instructs its President to forward this resolution to the Commission, the Council, the ACP-EU Member States, the IMF and the World Bank.