22. Our partnership with the developing countries, particularly in Sub-Saharan Africa, where problems associated with poverty and marginalization are acute, can deepen and take on an additional, more market-oriented dimension as they implement comprehensive, outward looking and effective economic reform measures to promote financial and fiscal stability, trade and investment liberalization, sustainable development, and growth. We urge the IFIs — in particular the World Bank and the African Development Bank — to reinforce their efforts to support reforming Sub-Saharan African countries in particular to identify priority problems and reinforce steps toward openness, regional integration, and deeper participation in the world economy. Such actions should assist productive foreign investment and domestic capital formation. We call on the IFIs to report on their efforts by the time of the Hong Kong World Bank/IMF meetings. In addition, we welcome an increased focus on microenterprise development strategies in developing countries to broaden participation, and underline the importance of best practices in microfinance through bilateral and multilateral assistance.

Debt Relief for the Poorest Countries

23. We welcome the substantial progress that has been made in implementing the new debt initiative launched in Lyon to help heavily indebted poor countries (the HIPC initiative) implement the bold reforms needed for debt relief to lead to sustainable financial positions and stronger growth. The IMF and World Bank have established specific mechanisms to provide effective multilateral debt reduction for countries qualifying under the HIPC initiative, and have made available initial funds for this purpose. The Paris Club has also shown its readiness to fully participate in the initiative, on the basis of fair burden sharing.

24. We look forward to further implementation of the agreed framework for this initiative in the coming year and expect additional countries to qualify for relief in the months ahead. The IMF, World Bank and Paris Club should fulfill their roles, including the provision of interim relief. They should also continue to coordinate closely with other multilateral institutions to assure their participation, taking into account the particular needs of the African Development Bank. The success of the new initiative relies on a combination of strong debtor reform programs and effective debt relief. We welcome that some countries have already substantially reduced bilateral concessional debt. Other countries should reinforce efforts to reduce or, where possible, extinguish such debt for the poorest reforming countries.

Combating Corruption and Financial Crimes

25. We urge the IMF and the multilateral development banks to strengthen their activities to help countries fight corruption, including measures to ensure the rule of law, improve the efficiency and accountability of the public sector, and increase institutional capacity and efficiency, all of which help remove economic and financial incentives and opportunities for corrupt practices. We support and encourage the IFIs in their efforts to promote good governance in their respective areas of competence and responsibility.

26. In addition to its closer focus on broad governance issues, the World Bank has taken concrete steps against corruption by raising public sector procurement standards worldwide through greater transparency and rigor in the standards it applies to Bank-funded contracts. We urge the regional development banks to collaborate fully in this effort, including by establishing procurement standards that meet the highest standard.

27. We welcome the commitment of the OECD Ministers in May to criminalize bribery of foreign public officials in an effective and coordinated manner. We urge the prompt implementation of their previous recommendation on tax deductibility of such bribes. We are committed to submit criminalization proposals to our legislative bodies by April 1, 1998, and to seek their enactment by the end of 1998. We are also committed to that end, promptly to open