

22. We welcome the progress achieved by many developing countries in overcoming the debt problems and regaining their creditworthiness. Initiatives of previous Summits have contributed to this. Nevertheless, many developing countries are still in a difficult situation.

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.

### **Central and eastern Europe**

24. We welcome the progress of the democracies in central and eastern Europe including the Baltic states (CEECs) towards political and economic reform and integration into the world economy. The reform must be pursued vigorously. Great efforts and even sacrifices are still required from their people. They have our continuing support.

25. We welcome the substantial multilateral and bilateral assistance in support of reform in the CEECs. Financing provided by the EBRD is playing a useful role. Since 1989, total assistance and commitments, in the form of grants, loans and credit guarantees by the Group of 24 and the international financial institutions, amounts to \$52 billion. We call upon the Group of 24 to continue its coordination activity and to adapt it to the requirements of each reforming country. We reaffirm our readiness to make fair contributions.

26. We support the idea of working with Poland to reallocate, on the basis of existing arrangements, funds from the currency stabilisation fund, upon agreement on an IMF programme, towards new uses in support of Poland's market reform effort, in particular by strengthening the competitiveness of Poland's business enterprises.

27. The industrial countries have granted substantial trade concessions to the CEECs in order to ensure that their reform efforts will succeed.

But all countries should open their markets further. The agreements of the EC and EFTA countries aiming at the establishment of free trade areas with these countries are a significant contribution. We shall continue to offer the CEECs technical assistance in enhancing their export capacity.

28. We urge all CEECs to develop their economic relations with each other, with the new independent States of the former Soviet Union as well as more widely on a market-oriented basis and consistent with GATT principles. As a step in this direction we welcome the special cooperation among the CSFR, Poland and Hungary, and hope that free trade among them will soon be possible.

29. Investment from abroad should be welcomed. It is important for the development of the full economic potential of the CEECs. We urge the CEECs to focus their policies on the creation of attractive and reliable investment conditions for private capital. We are providing our bilateral credit insurance and guarantee instruments to promote foreign investment when these conditions, including servicing of debt, are met. We call upon enterprises in the industrial countries to avail themselves of investment opportunities in the CEECs.

### **New independent States of the former Soviet Union**

30. The far-reaching changes in the former Soviet Union offer an historic opportunity to make the world a better place: more secure, more democratic and more prosperous. Under President Yeltsin's leadership the Russian government has embarked on a difficult reform process. We look forward to our meeting with him to discuss our cooperation in support of these reforms. We are prepared to work with the leaders of all new States pursuing reforms. The success is in the interest of the international community.

31. We are aware that the transition will involve painful adjustments. We offer the new States our help for their self-help. Our cooperation will be comprehensive and will be tailored to their reform progress and internationally responsible behaviour, including further reductions in military spending and fulfilment of obligations already undertaken.