

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.

Safeguarding the Environment

31. We place top priority on both domestic and international action to safeguard the environment. Environmental protection triggers the development and deployment of innovative technologies, which enhance economic efficiency and growth and help create long term employment. In their policies, operations and procurement, G-7 governments must show leadership in improving the environment. This will require the appropriate mix of economic instruments, innovative accountability mechanisms, environmental impact assessment and voluntary measures. Efforts must focus on pollution prevention, the "polluter pays" principle, internalization of environmental costs, and the integration of environmental considerations into policy and decision making in all sectors.