

countries, with a track record of economic reform, should be offered early and sufficient reduction on their whole stock of official debt.

48. Heads of Government noted with concern the fact that Official Development Assistance had fallen in real terms and remained substantially below the internationally agreed target of 0.7 per cent of donor GNP. They urged that all efforts should be made to enhance the flow of official resources to the developing countries. While recognising the importance of the historic transformation of economies in Eastern Europe and the former Soviet Union, they stressed that support for those countries should not be at the expense of the traditional developing countries, many of whom were facing even more formidable problems. They also emphasised that the highest priority should be given to the needs of the poorest countries and to poverty reduction.

49. Emphasising the positive role that private resource flows could play in promoting development, Heads of Government welcomed the recent sharp expansion in these flows and urged countries which had not done so to adopt policies that would enable them to attract such flows on a wider scale. They called on the Secretariat to enhance its catalytic role in encouraging private flows to member countries. In that context, they welcomed the recent decision by Commonwealth Finance Ministers to endorse the proposal for the establishment of a Commonwealth Privatisation Fund and looked forward to its early implementation.

Money Laundering

50. Heads of Government identified money laundering as a serious threat to financial systems worldwide and agreed that the Commonwealth should support enhanced international co-operation in combating this financial crime. They commended the 40 recommendations drawn up by the Financial Action Task Force (the international body founded for this purpose in 1989), urged steps for their early implementation and asked Commonwealth Law Ministers, Finance Ministers and the Secretary-General to see how best to carry this forward. They welcomed the formation of the Caribbean Financial Action Task Force. They also agreed to invite Law Ministers and Finance Ministers to examine how Commonwealth countries could best work collectively to combat the laundering of proceeds of all types of serious crime, through appropriate legislation and maintaining regulatory standards.

Food Security

51. Heads of Government were of the view that resolving the related problems of poverty and food security must remain a strategic priority for the Commonwealth if sustainable development were to be achieved in member countries. Recognising that the majority of the poor and the hungry lived in rural areas, they considered it important that the Commonwealth