Resolution on debt relief for developing countries

2004/2629(RSP) - 13/01/2005 - Text adopted by Parliament, topical subjects

The European Parliament adopted by 473 votes to 66, with 14 abstentions, a resolution on debt relief for developing countries.

The text adopted in plenary was tabled as a joint resolution by the EPP-ED, PES, ALDE and the UEN groups.

Recalling that the majority of Heavily Indebted Poor Countries (HIPCs) are located in sub-Saharan Africa, and that Africa's debt burden is estimated at about USD 230 billion, the resolution calls on the Commission and the Member States to take the lead, in multilateral and bilateral fora, in phasing out the external debt of developing countries. It also asks that they actively pursue the objective of giving 0.7% of GDP as Overseas Development Assistance in order to attain the Millennium Development Goals.

It also stresses that there should be an agreement to phase out the debt of the developing world, giving least developed countries (LDCs) priority and that debt relief should prioritise LDCs and only be undertaken on the condition that money gained by governments from such relief be channelled towards helping the poorest in their communities.

Parliament considers that the public-debt relief process should be speeded up and extended in countries whose governments respect human rights and the principles of good governance and give priority to poverty eradication. It also calls for additional debt relief focused on reconciliation and infrastructure rehabilitation for these countries, in order to reduce the likelihood of further conflicts.

Parliament considers that any additional funds obtained by governments through debt relief should be allocated to social projects by means of plans agreed with donors and civil society, so as to increase social expenditure in areas such as basic education, primary health care and HIV/AIDS.

Lastly, the Commission and the Member States are called upon to ensure – through effective coordination within the G8 group, the World Bank and the IMF – that no country genuinely committed to poverty reduction, good governance and economic reform is denied the chance to achieve the Millennium Development Goals through lack of finance.