



INTER-PARLIAMENTARY UNION

**Resolution adopted unanimously by the 112th IPU Assembly
(Manila, 8 April 2005)**

THE ROLE OF PARLIAMENTS IN ESTABLISHING INNOVATIVE INTERNATIONAL
FINANCING AND TRADING MECHANISMS TO ADDRESS THE PROBLEM OF DEBT
AND ACHIEVE THE MILLENNIUM DEVELOPMENT GOALS

The 112th Assembly of the Inter-Parliamentary Union,

Recalling the Declaration adopted on 1 September 2000 by the Presiding Officers of National Parliaments entitled The Parliamentary Vision of International Cooperation on the Eve of the Third Millennium,

Recalling also the Millennium Declaration of 8 September 2000, which sets out eight time-bound and measurable goals collectively known as the Millennium Development Goals, as criteria established jointly by the international community for the elimination of poverty, and also the Human Development Reports drawn up by the United Nations Development Programme (UNDP),

Recalling the final declarations of specialised United Nations conferences, in particular the International Conference on Financing for Development, held in Monterrey, Mexico in 2002, the World Summit on Sustainable Development, held in Johannesburg, South Africa in 2002, and the Third United Nations Conference on the Least Developed Countries, held in Brussels, Belgium in 2001,

Recalling the Declaration adopted in New York on 20 September 2004 by 120 countries at the end of the Summit for Action against Hunger and Poverty, the September 2004 report by the Technical Group on Innovative Financing Mechanisms and the final reports of the UN Millennium Project, delivered on 17 January 2005,

Recalling the resolutions of the Inter-Parliamentary Union, particularly those adopted by the 73rd Inter-Parliamentary Conference (Lomé, 1985) on the role of parliaments and their contribution towards the elimination of poverty by eliminating the burden of international debt; the 74th Inter-Parliamentary Conference (Ottawa, 1985) on the contribution of parliaments to the search for measures and actions aimed at removing the burden of foreign debt that weighs on the developing countries; the 88th Inter-Parliamentary Conference (Stockholm, 1992) on the need for

a radical solution to the problem of debt in the developing world; and the 102nd Inter-Parliamentary Conference (Berlin, 1999) on the need to revise the current global financial and economic model, as well as the Final Document of the Inter-Parliamentary Conference "North-South Dialogue for Global Prosperity" organised by the IPU in Ottawa in 1993, and the resolutions adopted by the 107th Conference (Marrakech, 2002) on the role of parliaments in developing public policy in an era of globalisation, multilateral institutions and international trade agreements, and also by the Parliamentary Meeting on the occasion of the World Summit on Sustainable Development (Johannesburg, 2002), by the 108th Inter-Parliamentary Conference (Santiago, 2003) on parliament's role in strengthening democratic institutions and human development in a fragmented world, and by the 109th Inter-Parliamentary Assembly (Geneva, 2003) on global public goods: a new challenge for parliaments,

Greatly concerned by the fact that 1.2 billion people – or one in five persons in the world – survive on less than a US dollar a day in purchasing power parity per capita, below the international poverty rate set at a dollar a day, and that in the 1990s, poverty worsened in 54 countries, including 35 African countries, leaving them poorer at the end of the decade than in 1990,

Concerned by the fact that even if the proportion of people in extreme poverty were to be halved by 2015 in comparison with 1990, it is clear that hundreds of millions of people in the developing world would continue to live in complete destitution,

Recognising that the role of parliaments in championing the eight Millennium Development Goals (MDGs) is crucial, and that the adoption of the corresponding legislation and appropriate budgetary allocations is indispensable,

Stressing the need for assistance and support to improve the institutional capacity of parliaments in developing countries, with a view to enabling them to exercise effectively the legislative, oversight and budgetary functions related to the MDGs,

Recognising the importance of ensuring environmental sustainability in achieving the MDGs, *stressing* the role of the United Nations Decade of Education for Sustainable Development and the International Decade for Action: Water for Life, starting in 2005, and *welcoming* the entry into force of the Kyoto Protocol on 16 February 2005 as a significant step forward,

Deeply concerned that in the current state of affairs, the financing of efforts to achieve the MDGs, and thus their implementation, is not ensured,

Noting that economic growth, debt relief and public development assistance - the three main sources of funding for development - are in the current circumstances unable to generate the extra 50 to 100 billion dollars required annually to achieve the MDGs,

Noting that the official development assistance (ODA) commitment (provision of 0.7 per cent of gross domestic product (GDP)) is still not being met by most countries, but *noting with satisfaction* the undertakings by several countries to meet these commitments within the next decade,

Noting that despite the progress made on debt cancellation, relief and rescheduling both bilaterally, and multilaterally in the framework of the Bretton Woods institutions, the burden of the debt remains a major constraint and an obstacle to economic growth and human development,

Convinced that increased development assistance funding can only be beneficial if the receiving countries promote democracy and good governance,

Convinced that globalisation is at the same time a source of opportunities and challenges for all countries, and that it has an impact on people's everyday lives,

Noting that many developing countries are increasingly excluded from international trade and capital flows, which results in poverty,

Noting the growing importance of international trade and investment and their direct influence on the development and well-being of the nations of the entire world, and *concerned* at the fact that the current international trade and investment system is distorted in many sectors in favour of the developed countries, and poses problems for many developing countries,

Noting that awareness of the importance of trade and investment to furthering countries' development has grown since the Fourth Ministerial Meeting of the World Trade Organization (WTO), held in Doha, which sought to place the needs and interests of the developing countries at the centre of international trade negotiations and drew up the Doha Development Agenda,

Welcoming the Geneva framework agreement of July 2004, a breakthrough in the negotiations conducted by the WTO, following the failure of the Cancún meeting,

Nonetheless concerned about the many uncertainties that remain in those negotiations, in particular with regard to issues of great importance to developing countries,

Noting the striking lack of resources currently available to achieve most MDGs by 2015, and *underscoring* the responsibility of governments and the parliaments which provide them with oversight to respect the commitments made at the Millennium Summit in 2000,

Strongly believing that 2005 will be the key year for governments to act to achieve the MDGs, at such high-level meetings as the G8 summit, to be held in July, the high-level plenary meeting to review the implementation of the United Nations Millennium Declaration of the sixtieth session of the United Nations General Assembly, to be held in September, and the Sixth WTO Ministerial Conference, to be held in December,

Looking forward to the forthcoming Millennium+5 Summit, to be held in New York from 14 to 16 September 2005, and *strongly wishing* that the event will re-energise global partnerships for the achievement of the MDGs;

1. *Urges* the parliaments of the countries that adopted the Millennium Declaration which are Members of the IPU to support the implementation of the MDGs in their countries by allocating funds for this purpose in their national budgets;
2. *Encourages* the parliaments of developed countries to demand that their governments fulfil their commitments to allocate 0.7 per cent of their GDP for ODA, as set out in the Millennium Declaration and the Monterrey Consensus;
3. *Urges* the parliaments of the developing countries to make sure that their governments mobilise the resources required for development, combat corruption, continue institutional reform, adopt the economic and social policies appropriate to

stimulate growth, establish national strategies which place the MDGs at the centre of their policies, and promote democracy and human rights, paying special attention to the implementation of the new World Programme for Human Rights Education, and follow the principles of good governance;

4. *Encourages* the parliaments of the developing countries to defend the interests of their people in WTO negotiations and to strengthen their mutual cooperation;
5. *Urges* the governments of the developed and developing countries to provide annual reports on the application and implementation of these strategies to their parliaments;
6. *Suggests* that such reports should give rise to a parliamentary debate at the national, and if possible, regional level;
7. *Suggests* that provisions should be made for the same kind of approach, involving a strategy and a report, at the regional level;
8. *Urges* donor countries, in particular members of the Organisation for Economic Co-operation and Development (OECD), to draw up reports on the implementation of Goal 8 of the MDGs (develop a global partnership for development), specifying the action they have taken to achieve such objectives both quantitatively and qualitatively;
9. *Calls for* efforts to enhance the effectiveness of aid at the international and regional levels, through better harmonisation of procedures and improved donor coordination;
10. *Urges* donor countries to pursue collaboration with United Nations organisations, international financial institutions, other donor countries, NGOs and the private sector;
11. *Underscores* the unbearable nature of the debt for a large number of developing countries; and *calls urgently for* effective debt cancellation and viable rescheduling procedures to be speeded up while measures are taken to avoid new over-indebtedness among developing countries;
12. *Suggests* that a vital link be established between debt cancellation and the earmarking of resources thus freed up for investments related to the MDGs, in particular in the fields of health, education and gender equality, as set out in each country's Poverty Reduction Strategy;
13. *Recommends* the study of other mechanisms to help countries that have serious debt crises, but that have too high a per capita income to qualify for the assistance afforded to the heavily indebted poor countries (HIPC);
14. *Expresses the wish* that the needs of the developing countries be systematically taken into consideration in international trade negotiations under way in the framework of the WTO, in particular in respect of poverty alleviation, food security and sustainable income;

15. *Emphasises* the central role of parliaments as the incarnation of popular sovereignty in expressing the will of peoples in international forums;
16. *Recommends* the establishment by IPU Member Parliaments of specialised committees to follow up on international trade negotiations and on the actions of the international financial institutions, and to provide oversight of government action;
17. *Requests* governments to inform their parliaments fully of the state of relevant international negotiations and the stakes involved;
18. *Requests* the IPU, working with the WTO, to help strengthen the capacities of parliaments in this field;
19. *Suggests* that governments include parliamentarians in the delegations that they send to take part in WTO ministerial meetings;
20. *Welcomes* the adoption at United Nations Headquarters of the Declaration on Action against Hunger and Poverty by 120 countries on 20 September 2004, aimed in particular at supporting the establishment of new international financing tools for the MDGs;
21. *Recommends* that a new resource should be set up, additional to existing mechanisms, and that it should be at the same time predictable and stable;
22. *Supports* further work on proposals for international financing mechanisms as a creative and at the same time realistic way of providing additional resources for development;
23. *Requests* that the Second World Conference of Speaker of Parliaments, to be held at the United Nations in 2005, follow up on this matter.