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G8 COMMUNIQUÉ OKINAWA 2000

Okinawa, 23 July 2000

Preamble

1. We, the Leaders of eight major industrialised democracies and the President of the European Commission, met together here in Okinawa for the 26th Summit in the year which heralds a new millennium. We reflected upon the challenges faced and progress made since the First Summit in Rambouillet in working toward peace and prosperity throughout the world, and we discussed the role the G8 should play as it evolves in the 21st century.
2. During the last quarter of the 20th century, the world economy has achieved unprecedented levels of prosperity, the Cold War has come to an end, and globalisation has led to an emerging common sense of community. Driving these developments has been the global propagation of those basic principles and values consistently advocated by the Summiteers—democracy, the market economy, social progress, sustainable development and respect for human rights. Yet we are keenly aware that even now in many parts of the world poverty and injustice undermine human dignity, and conflict brings human suffering.
3. As we make the transition into the new century, we will continue to exercise leadership and responsibility in addressing these persistent problems and squarely face new challenges as they arise. We must tackle the root causes of conflict and poverty. We must bravely seize the opportunities created by new technologies in such areas as information and communications technology (IT) and life sciences. We must acknowledge the concerns associated with globalisation, while continuing to be innovative in order to maximise the benefits of globalisation for all. In all our endeavours we must build on our basic principles and values as the foundations for a brighter world in the 21st century.
4. In a world of ever-intensifying globalisation, whose challenges are becoming increasingly complex, the G8 must reach out. We must engage in a new partnership with non-G8 countries, particularly developing countries, international organisations and civil society, including the private sector and non-governmental organisations (NGOs). This partnership will bring the opportunities of the new century within reach of all.
5. We hope that our discussions in Okinawa provide a positive contribution to the United Nations Millennium Summit, which we expect to articulate, in the spirit of the Secretary-General's report "We the Peoples", a vision that will guide the United Nations as it rises to the challenges of the new century. To that end, we will continue to work for a strengthened, effective and efficient United Nations and remain convinced that reforms of the United Nations, including the Security Council, are indispensable.
6. A new era dawns. Let us move forward together, with hope, toward a 21st century of greater prosperity, deeper peace of mind and greater stability.

Toward a 21st century of greater prosperity

World Economy

7. The 20th century has achieved unprecedented economic progress. Yet the financial and economic crises of the past few years have presented enormous challenges for the world economy. Together with many of our partners around the world, we have devoted ourselves to alleviating the adverse effects of the crisis, stimulating economic recovery, and identifying ways to help prevent future upheavals, including measures to strengthen the international financial architecture. The world economy will grow strongly this year, and we are particularly encouraged by the strength of recovery in most crisis-affected countries.
8. While the pace of recovery varies across Asia, trade is expanding and indeed some countries have achieved dynamic growth. Reform efforts must now focus on maintaining the momentum behind financial and corporate sector reforms, improving public and private sector governance and transparency, and strengthening social safety nets to ensure strong, sustainable growth and avoid future instability.
9. Despite recent positive developments in the world economy, we recognise that there is no time for complacency as globalisation intensifies and the rapid diffusion of IT brings about fundamental structural changes to our economies. There are encouraging signs of a new reality in the improvement of productivity in the United States and, to a lesser extent, in other G8 economies. But to capitalise on the opportunities before us, we must renew our unwavering commitment to structural change in our own economies, including greater competition and more adaptable labour markets, underpinned by appropriate macro-economic policies.

Information and Communications Technology (IT)

10. IT empowers, benefits and links people the world over, allows global citizens to express themselves and know and respect one another. It also has immense potential for enabling economies to expand further, countries to enhance public welfare and promote stronger social cohesion and thus democracy to flourish. Access to the digital opportunities must, therefore, be open to all.
11. We clearly recognise that the process of globalisation and the fast pace at which IT is advancing have engendered various concerns. We need to address such concerns so that we can contribute to greater peace of mind for all. Acting in concert, we will maximise the benefits of IT and ensure that they are spread to those at present with limited access. In this regard, we welcome contributions from the private sector, such as those of the Global Digital Divide Initiative of the World Economic Forum and Global Business Dialogue on Electronic Commerce (GBDe).
12. In support of these goals, we commit ourselves to pursuing the aims and ambitions set out in the Okinawa Charter on the Global Information Society. We will set up a Digital Opportunities Task Force (dot force), which will be asked to report to our next meeting its findings and recommendations on global action to bridge the international information and knowledge divide.

Development

13. The 21st century must be a century of prosperity for all, and we commit ourselves to the agreed international development goals, including the overarching objective of reducing the share of the world's population living in extreme poverty to half its 1990 level by 2015. We welcome the Report on Poverty Reduction by Multilateral Development Banks (MDBs) and the International Monetary Fund (IMF) which we requested in Cologne, and we look forward to receiving an annual poverty report as we review progress each year in reducing poverty across the globe. This report shows that progress is possible where the right conditions are created for growth and social development. But it reminds us of the vast challenges that remain. While the percentage of poor in developing countries declined from 29% in 1990 to 24% in 1998, there are still 1.2 billion people living on less than one dollar a day and there are marked differences both within and between regions. In particular, many developing countries, notably in Africa, are growing too slowly. The HIV/AIDS pandemic aggravates the situation.
14. As the report indicates, many countries have made significant progress in overcoming poverty in the past quarter century, and their example is a beacon of hope for others. From their success, we have learned that poverty can best be overcome in resilient, peaceful, and democratic societies with freedom and opportunity for all, growing and open economies and dynamic private sectors, and strong and accountable leaders and institutions.
15. Robust, broad-based and equitable economic growth is needed to fight poverty and rests on expanding people's capabilities and choices. Government must, in co-operation with the private sector and broader civil society, establish economic and social foundations for broad-based, private sector growth. Small and medium sized enterprises, together with the opportunities presented by IT can be powerful tools for development. We will work with developing countries to put in place policies, programmes and institutions that offer people a fair chance to better their lives. We therefore welcome the constructive discussions of the Tenth Meeting of the United Nations Conference on Trade and Development (UNCTAD X) in Bangkok, and will work in the United Nations and other fora to further reduce poverty, especially in the Least Developed Countries (LDCs).
16. We also welcome the increasing co-operation between the International Labour Organisation (ILO) and the International Financial Institutions (IFIs) in promoting adequate social protection and core labour standards. We urge the IFIs to incorporate these standards into their policy dialogue with member countries. In addition, we stress the importance of effective co-operation between the World Trade Organisation (WTO) and the ILO on the social dimensions of globalisation and trade liberalisation.
17. Trade and investment are critical to promoting sustainable economic growth and reducing poverty. We commit ourselves to put a higher priority on trade-related capacity-building activities. We are also concerned that certain regions remain marginalised as regards foreign direct investment, and that the 48 LDCs attract less than 1% of total foreign direct investment flows to the developing countries. We urge multilateral development organisations and financial institutions to support developing countries' efforts to create a favourable trade and investment climate, including through the Poverty Reduction Strategy Papers (PRSPs) and the Integrated Framework (IF).

18. We are particularly concerned about the severity of the challenges facing the LDCs, particularly those in Africa, which are held back from sharing in the fruits of globalisation by a debilitating and self-reinforcing combination of conflict, poverty and weak governance.

19. We are committed to mobilising the instruments and resources of the international community to support and reinforce the efforts of these countries to combat and overcome these challenges, with particular priority on promoting equitable distribution of the benefits of growth through sound social policies, including regarding health and education. To this end, as we set out in detail below, we have agreed to:

- Push forward the Heavily Indebted Poor Countries (HIPC) debt initiative;
- Provide significantly improved access to our markets;
- Strengthen the effectiveness of our official development assistance (ODA);
- Implement an ambitious plan on infectious diseases, notably HIV/AIDS, malaria and tuberculosis (TB);
- Follow up vigorously the conclusions of the recent Dakar Conference on Education by ensuring that additional resources are made available for basic education;
- Address the widening digital divide;
- Implement measures to prevent conflict, including by addressing the issue of illicit trade in diamonds.

20. ODA is essential in the fight against poverty. We commit ourselves to strengthening the effectiveness of our ODA in support of countries' own efforts to tackle poverty, including through national strategies for poverty reduction. We will take a long-term approach favouring those countries where governments have demonstrated a commitment to improve the well-being of their people through accountable and transparent management of resources devoted to development. To achieve increased effectiveness of ODA, we resolve to untie our aid on the basis of progress made in the Organisation for Economic Co-operation and Development (OECD) to date and a fair burden-sharing mechanism that we will agree with our OECD partners. We believe that this agreement should come into effect on 1 January 2002. In the meantime, we urge those countries which maintain low levels of untying of ODA to improve their performance. We will also seek to demonstrate to the public that well-targeted ODA gets results, and on that basis will strive to give increased priority to such assistance. Well co-ordinated assistance is helpful for developing countries and we will consider how best to improve such co-ordination.

21. We also agree to give special attention to three issues – debt, health, and education, as a spur to growth.

Debt

22. Last year in Cologne, we agreed to launch the Enhanced HIPC Initiative to deliver faster, broader and deeper debt relief, releasing funds for investment in national poverty reduction strategies. We welcome endorsement of this initiative by the international community last autumn.

23. Since then, while further efforts are required, progress has been made in implementing the Enhanced HIPC Initiative. Nine countries (Benin, Bolivia, Burkina Faso, Honduras, Mauritania, Mozambique, Senegal, Tanzania and Uganda) have already reached their Decision Points and are seeing the benefits of the Initiative. Total debt relief under the HIPC Initiative for these countries should amount to more than US\$15 billion in nominal terms (US\$8.6 billion in Net Present Value).

24. We welcome the efforts being made by HIPCs to develop comprehensive and country-owned poverty reduction strategies through a participatory process involving civil society. IFIs should, along with other donors, help HIPCs prepare PRSPs and assist their financial resource management by providing technical assistance. We are concerned by the fact that a number of HIPCs are currently affected by military conflicts which prevent poverty reduction and delay debt relief. We call upon these countries to end their involvement in conflicts and to embark quickly upon the HIPC process. We agree to strengthen our efforts to help them prepare and come forward for debt relief, by asking our Ministers to make early contact with the countries in conflict to encourage them to create the right conditions to participate in the HIPC Initiative. We will work together to ensure that as many countries as possible reach their Decision Points, in line with the targets set in Cologne, giving due consideration to the progress of economic reforms and the need to ensure that the benefits of debt relief are targeted to assist the poor and most vulnerable. We will work expeditiously together with HIPCs and the IFIs to realise the expectation that 20 countries will reach the Decision Point within the framework of the ^{Expanded} HIPC Initiative by the end of this year. In this regard, we welcome the establishment of the Joint Implementation Committee by the World Bank and the IMF. We for our part will promote more responsible lending and borrowing practices to ensure that HIPCs will not again be burdened by unsupportable debt.

25. We note the progress made in securing the required financing of the IFIs for effective implementation of the Enhanced HIPC Initiative, and welcome pledges including those to the HIPC Trust Fund. We reaffirm our commitment to make available as quickly as possible the resources we have pledged in the spirit of fair burden sharing.

Health

26. Health is key to prosperity. Good health contributes directly to economic growth whilst poor health drives poverty. Infectious and parasitic diseases, most notably HIV/AIDS, TB and malaria, as well as childhood diseases and common infections, threaten to reverse decades of development and to rob an entire generation of hope for a better future. Only through sustained action and coherent international co-operation to fully mobilise new and existing medical, technical and financial resources, can we strengthen health delivery systems and reach beyond traditional approaches to break the vicious cycle of disease and poverty.

27. We have committed substantial resources to fighting infectious and parasitic diseases. As a result, together with the international community, we have successfully arrived at the final stage of polio and guinea worm eradication, and have begun to control onchocerciasis.

28. But we must go much further and we believe that the conditions are right for a step change in international health outcomes. We have widespread agreement on what the priority diseases are and basic technologies to tackle much of the health burden are in place. In addition there is growing political leadership and recognition in the most afflicted countries that health is

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central to economic development. We particularly welcome the success of the recent HIV/AIDS conference held in Durban and the importance attached to tackling HIV/AIDS by African leaders, donors, international financial institutions and the private sector.

29. We therefore commit ourselves to working in strengthened partnership with governments, the World Health Organisation (WHO) and other international organisations, industry (notably pharmaceutical companies), academic institutions, NGOs and other relevant actors in civil society to deliver three critical UN targets:

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- Reduce the number of HIV/AIDS-infected young people by 25% by 2010 (UN Secretary-General Report to the General Assembly on 27/3/2000);
 - Reduce TB deaths and prevalence of the disease by 50% by 2010 (WHO Stop TB Initiative);
 - Reduce the burden of disease associated with malaria by 50% by 2010 (WHO Roll Back Malaria).

30. In order to achieve this ambitious agenda our partnership must aim to cover:

- Mobilising additional resources ourselves, and calling on the MDBs to expand their own assistance to the maximum extent possible;
- Giving priority to the development of equitable and effective health systems, expanded immunisation, nutrition and micro-nutrients and the prevention and treatment of infectious diseases;
- Promoting political leadership through enhanced high-level dialogue designed to raise public awareness in the affected countries;
- Committing to support innovative partnerships, including with the NGOs, the private sector and multilateral organisations;
- Working to make existing cost-effective interventions, including key drugs, vaccines, treatments and preventive measures more universally available and affordable in developing countries;
- Addressing the complex issue of access to medicines in developing countries, and assessing obstacles being faced by developing countries in that regard;
- Strengthening co-operation in the area of basic research and development on new drugs, vaccines and other international public health goods.

31. We note with encouragement new commitments in these areas. We strongly welcome the World Bank's commitment to triple International Development Association (IDA) financing for HIV/AIDS, malaria, and TB. We also welcome the announcements to expand assistance in this area made by bilateral donors.

32. In addition, we will convene a conference in the autumn this year in Japan to deliver agreement on a new strategy to harness our commitments. The conference should look to define the operations of this new partnership, the areas of priority and the timetable for action. Participation of developing country partners and other stakeholders will be essential. We will take stock of progress at the Genoa Summit next year and will also work with the UN to organise a conference in 2001 focusing on strategies to facilitate access to AIDS treatment and care.

Education

33. Every child deserves a good education. But in some developing countries access to education is limited, particular for females and the socially vulnerable. Basic education not only has intrinsic value, but is also key to addressing a wide range of problems faced by developing countries. Without accelerated progress in this area, poverty reduction will not be achieved and inequalities between countries and within societies will widen. Building on the Cologne Education Charter, we therefore support the Dakar Framework for Action as well as the recommendations of the recently concluded follow-up to the Fourth World Conference on Women, and welcome the efforts of developing countries to implement strong national action plans. We reaffirm our commitment that no government seriously committed to achieving education for all will be thwarted in this achievement by lack of resources.
34. We therefore commit ourselves to strengthen efforts bilaterally and together with international organisations and private sector donors to achieve the goals of universal primary education by 2015 and gender equality in schooling by 2005. We call on IFIs, in partnership with developing countries, to focus on education in their poverty reduction strategies and provide greater assistance for countries with sound education strategies. These strategies should maximise the potential benefits of IT in this area through distance learning wherever possible and other effective means.

Trade

35. The multilateral trading system embodied by the WTO, which represents the achievements of half a century of untiring efforts on the part of the international community to realise rule-based free trade, has provided its Members, developed and developing countries alike, with enormous trade opportunities, spurring economic growth and promoting social progress. In order to extend these benefits to a greater number of countries in a more tangible manner, the system needs to better address legitimate concerns of its developing country members, particularly the LDCs. The adoption of the short-term package in Geneva, regarding implementation of Uruguay Round undertakings, increased market access for the LDCs, technical assistance for enhanced capacity building as well as improvement in WTO transparency, was an important first step in this direction and must be pursued expeditiously. We recognise the need to go further with greater urgency in this area. And we will do so. In particular, in view of critical importance of trade for the development of developing countries, trade-related capacity building should be substantially expanded, which would be conducive to the more effective participation of developing countries in the system, and especially to fuller utilisation of improved market access in their favour. We also commend bilateral and regional initiatives in this regard. We commit ourselves to playing a leading role by strengthening our support to developing country members for capacity building in line with their individual needs. We also call on international organisations including the WTO, the World Bank, the IMF, the United Nations Development Programme (UNDP), and UNCTAD, to join with us in working collectively toward this objective.
36. We must ensure that the multilateral trading system is strengthened and continues to play its vital role in the world economy. Recognising this responsibility, we are firmly committed to a new round of WTO trade negotiations with an ambitious, balanced and inclusive agenda, reflecting the interests of all WTO members. We agree that the objective of such negotiations should be to enhance market access, develop and strengthen WTO rules and disciplines, support developing countries in achieving economic growth and integration into the global

trading system, and ensure that trade and social policies, and trade and environmental policies are compatible and mutually supportive. We agree to intensify our close and fruitful co-operation in order to try together with other WTO members to launch such a round during the course of this year.

37. We recognise that more comprehensive partnership must be developed to help address the challenges of globalisation. In this regard, international and domestic policy coherence should be enhanced, and co-operation between the international institutions should be improved. We also underline the importance of our engagement with our publics to establish a constructive dialogue on the benefits and challenges of trade liberalisation.
38. It is in our common interest to integrate all economies into the multilateral trading system. We therefore welcome the progress made on China's accession to the WTO and support the efforts of other applicants toward early accession.

Cultural Diversity

39. Cultural diversity is a source of social and economic dynamism which has the potential to enrich human life in the 21st century, as it inspires creativity and stimulates innovation. We recognise and respect the importance of diversity in linguistic and creative expression. We welcome the work of relevant international organisations, in particular the United Nations Educational, Scientific and Cultural Organisation (UNESCO), in this field.
40. Increased interaction among peoples, groups and individuals is bringing greater understanding of and appreciation for what is interesting and good in every culture. Promoting cultural diversity enhances mutual respect, inclusion and non-discrimination, and combats racism and xenophobia. We renew our strong support for the work of the United Nations in its preparations for the UN World Conference against Racism to be held in South Africa in 2001. The first steps toward enhancing cultural diversity are the preservation and promotion of cultural heritage. We welcome efforts already made to preserve tangible heritage and call for further efforts toward the preservation and promotion of intangible heritage. We encourage programmes dedicated to protect movable art and archaeological wealth in developing countries, as well as UNESCO's projects on Masterpieces of the Oral and Intangible Heritage of Humanity.
41. Increased encounters between different cultures foster creative cultural interaction. IT opens up unprecedented opportunities for individuals to create and share cultural content and ideas inexpensively and world wide. Experience shows that diversity can arouse interest, engender initiative and be a positive factor in communities seeking to improve their economies, particularly when assisted by the extraordinary means of the IT society. We shall strive to promote the digitalisation of cultural heritage through, for example, fostering international links between national museum systems, with a view to enhancing public access.
42. To maximise the benefits of cultural interaction, we must encourage our peoples to learn to live together by nurturing interest, understanding and acceptance of different cultures. We therefore welcome the results of the G8 Education Ministers' Meeting on the promotion of education that fosters understanding of different cultures and non-mother tongue languages and encourage competent authorities to promote exchange of students, teachers, researchers and administrators with the goal of doubling the rate of mobility over the next ten years.

Toward a 21st century of deeper peace of mind

Crime and Drugs

43. Everyone deserves a life free from the threat of crime. Rapid globalisation has opened up new opportunities for pursuing more fulfilling lives. But it has also created new room for criminal exploitation, challenging the basic rules of our social, economic and political systems. We reaffirm our support for the adoption by the end of 2000 of the United Nations Transnational Organised Crime Convention and three related Protocols on firearms, smuggling of migrants and trafficking in persons for the establishment of an effective legal framework against transnational organised crime (TOC). We are particularly concerned to fight against those who organise and take advantage of illegal immigration and human trafficking. We appreciate the work undertaken by the Lyon Group in the fight against TOC, and request them to report back to our next meeting. We also endorse the results of the Moscow G8 Ministerial Conference on Combating Transnational Organised Crime.
44. We must take a concerted approach to high-tech crime, such as cyber-crime, which could seriously threaten security and confidence in the global information society. Our approach is set out in the Okinawa Charter on Global Information Society. Taking this forward, we will promote dialogue with industry, including at the joint Berlin meeting in October. We welcome the results and the momentum created by the Government/Industry Dialogue on Safety and Confidence in Cyberspace in Paris, and look forward to the second High-level Meeting on High-tech Crime with industry to be held in Japan.
45. We reaffirm our concern at the increasing global threat posed by the trafficking and use of ~~illegal drugs~~. We remain committed to reducing demand in our own countries, and to countering the threat from the production and trafficking of illicit drugs globally. We will work with other countries, the UN system and other groups to reduce both supply and demand. We will support regional initiatives to end narcotics production and trafficking. We urge universal implementation of the conclusions of the 1998 UN Special Session on countering the world drugs problem. We are also committed to strengthening international co-operation to:
- Combat the illicit diversion of precursor chemicals for the production of illegal drugs;
 - Address the growing new threat from amphetamines and other synthetic drugs, and will convene an ad hoc meeting of drugs experts by the end of this year;
 - Accelerate the pace of work on asset confiscation;
 - Examine, by means of an international conference hosted by the United Kingdom, the global economy of illegal drugs.
46. Financial crime, including money laundering, poses a serious threat to our economies and societies. We hereby declare our commitment to take all necessary national and international action to effectively combat financial crime, in line with international standards.
47. We renew our commitment to combat corruption. We stress the need for transparency in government in this regard, and call for the ratification and effective implementation of the OECD Anti-Bribery Convention by all signatory parties. Working with other countries, we will prepare for the launch of negotiations in the United Nations on a new instrument against

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corruption, and instruct the Lyon Group to pursue work on this issue. We look forward to the Second Global Forum to be hosted by the Netherlands as a continued response to our call at Birmingham.

48. Enhanced investigation and prosecution of crime requires enhanced judicial co-operation. We direct our experts to find ways to do so.
49. We must assist capacity-building efforts in the more vulnerable jurisdictions to strengthen their criminal justice systems, in order to prevent criminal groups from threatening their social, economic and political structures and exploiting them as loopholes in the global framework to fight crime.
50. We must also protect vulnerable groups and the young in the fight against crime, and provide particular care for the victims of crime. We reaffirm the need for effective co-operation among competent authorities and for measures to be taken in co-operation with civil society.

Ageing

51. The progressive ageing of our populations compels us to rethink the conventional concept of a three-stage life cycle of education, employment and retirement. As the vitality of our societies increasingly depends on active participation by older people, we must foster economic and social conditions, including IT-related developments, that allow people of all ages to remain fully integrated into society, to enjoy freedom in deciding how to relate and contribute to society, and to find fulfilment in doing so. The concept of "active ageing", as articulated at the Denver Summit, remains our guiding principle in this endeavour.

52. The central challenge is to promote a culture that values the experience and knowledge that come with age. To this end, we will:

- Make further efforts to remove inappropriate disincentives for people below retirement age to stay in the labour market;
- Counter age prejudice in employment;
- Encourage life-long learning so that people can remain active through the accelerating transition toward an information society;
- Pursue healthy ageing policies that permit a continued high quality of life;
- Seek to increase relevant cross-national research, including comparable longitudinal surveys;
- Engage with the private sector and civil society in promoting older people's participation in community and volunteer activities.

53. In pursuing these objectives we attach continued importance to international co-operation and policy dialogue, and encourage the OECD to continue its work in this area.

54. We look forward to the upcoming meeting of G8 Labour and Social Affairs Ministers in Italy in November.

Life Science

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Biotechnology/Food Safety

55. Maintenance of effective national food safety systems and public confidence in them assumes critical importance in public policy. We are committed to continued efforts to make systems responsive to the growing public awareness of food safety issues, the potential risks associated with food, the accelerating pace of developments in biotechnology, and the increasing cross-border movement of food and agricultural products.

56. The commitment to a science-based, rule-based approach remains a key principle underlying these endeavours. The on-going work in international fora to develop and refine such an approach needs to be accelerated. In particular, we attach strong importance to the work of the CODEX Alimentarius Commission (CAC), the principal standard-setting body in food safety, and encourage its Ad Hoc Intergovernmental Task Force on Foods Derived from Biotechnology to produce a substantial interim report before completion of its mandate in 2003. We also support the efforts of the CAC's Committee on General Principles to achieve greater global consensus on how precaution should be applied to food safety in circumstances where available scientific information is incomplete or contradictory.

57. Policy dialogue, engaging all stakeholders and including both developed and developing countries, must be intensified to advance health protection, facilitate trade, ensure the sound development of biotechnology, and foster consumer confidence and public acceptance. The report by the OECD Ad Hoc Group on Food Safety and the work of the Task Force on Novel Foods and Feeds and the Working Group for the Harmonisation of Regulatory Oversight in Biotechnology represent a useful step in this direction. We welcome the further work agreed by OECD ministers. We note with approval that the OECD will continue to undertake analytical work and to play an effective role in international policy dialogue on food safety, maintaining its engagement with civil society and seeking to share its work in this area with countries outside the organisation's membership. Drawing on its comparative advantages, the work of the OECD will effectively complement the activities of other international organisations, in particular the Food and Agriculture Organisation (FAO) and WHO. We also encourage the FAO and WHO to organise periodic international meetings of food safety regulators to advance the process of science-based public consultations.

58. In pursuing this dialogue we will pay particular attention to the needs, opportunities and constraints in developing countries. We will work to strengthen our support for their capacity building to harness the potentials of biotechnology, and encourage research and development as well as data and information sharing in technologies, including those that address global food security, health, nutritional and environmental challenges and are adapted to specific conditions in these countries.

59. Open and transparent consultation with and involvement of all stakeholders, including representatives of civil society, supported by shared scientific understanding, is a key component of a credible food and crop safety system. We note the proposal to establish an independent international panel put forward at the recent OECD Edinburgh Conference. Building on the success of that Conference, we will explore, in consultation with international organisations and interested bodies including scientific academies, the way to integrate the best scientific knowledge available into the global process of consensus building on biotechnology and other aspects of food and crop safety.

Human Genome

60. Advances in life science continuously improve our quality of life. Opening new medical frontiers points to unprecedented opportunities for the benefit of humankind and will have to be achieved taking account of principles of bioethics.
61. The announcement of the nearly complete mapping of the human genome, a momentous discovery in itself, constitutes a further dramatic and welcome step in this development.
62. We consider this mapping to be critically important for all humanity and call for the further rapid release of all raw fundamental data on human DNA sequences as such. We also emphasise the importance of pursuing the post genome-sequence research on the basis of multilateral collaboration.
63. We recognise the need for a balanced and equitable intellectual property protection for gene-based inventions, based wherever possible on common practices and policies. We encourage further efforts in relevant international fora to achieve broad harmonisation of patenting policies of biotechnological inventions.

Environment

64. We must all work to preserve a clean and sound environment for our children and grandchildren. We welcome the results of the G8 Environment Ministers' Meeting in Otsu. We also welcome the conclusion of the Cartagena Protocol on Biosafety, and encourage the parties concerned to work for its early entry into force.
65. We will endeavour with all our partners to prepare a future-oriented agenda for Rio+10 in 2002. We are strongly committed to close co-operation among ourselves and with developing countries to resolve as soon as possible all major outstanding issues, with a view to early entry into force of the Kyoto Protocol. To that end, we are determined to achieve a successful outcome at the Sixth Conference of the Parties to the Framework Convention on Climate Change (COP6), in order to achieve the goals of the Kyoto Protocol through undertaking strong domestic actions and supplemental flexibility mechanisms.
66. Working together and with existing institutions to encourage and facilitate investment in the development and use of sustainable energy, underpinned by enabling domestic environments, will assist in mitigating the problems of climate change and air pollution. To this end, the increased use of renewable energy sources in particular will improve the quality of life, especially in developing countries. We therefore call on all stakeholders to identify the barriers and solutions to elevating the level of renewable energy supply and distribution in developing countries. We invite stakeholders to join in a Task Force to prepare concrete recommendations for consideration at our next Summit regarding sound ways to better encourage the use of renewables in developing countries.
67. We fully endorse the conclusions of our Foreign Ministers regarding sustainable forest management. In this regard, we attach particular importance to projects that help indigenous and local communities practice sustainable forest management. We will also examine how best we can combat illegal logging, including export and procurement practices.

68. Export credit policies may have very significant environmental impacts. We welcome the adoption of the OECD work plan to be completed by 2001. We reaffirm our commitment to develop common environmental guidelines, drawing on relevant MDB experience, for export credit agencies by the 2001 G8 Summit. We will co-operate to reinvigorate and intensify our work to fulfil the Cologne mandate.
69. Strengthening international maritime safety is vital for the protection of the ocean environment, a global heritage. We will jointly co-operate with the International Maritime Organisation (IMO) to improve maritime safety. We endorse efforts by the IMO to strengthen safety standards, in particular for ships carrying dangerous or polluting cargo, and to verify implementation and enforcement of the application of international standards by flag States. We also endorse efforts by coastal states to enhance safety of navigation and protection of their marine environment through the use, where appropriate, of IMO-adopted routing and reporting measures. We encourage the early achievement of these goals.
70. We welcome the IMO efforts to pursue practical reform of current international regimes on maritime pollution, in particular the 1992 Convention on Civil Liability for Oil Pollution Damage and the 1992 International Oil Pollution Compensation (IOPC) Convention with respect to, *inter alia*, better compensation.

Nuclear Safety

71. We renew the commitment we made at the 1996 Moscow Summit to safety first in the use of nuclear power and achievement of high safety standards world wide. We agreed to continue to co-operate in promoting a high standard of nuclear safety. We continue to attach great importance to the full and timely implementation of the Nuclear Safety Account Grant Agreement.

Toward a 21st century of greater world stability

Conflict Prevention

72. The international community should act urgently and effectively to prevent and resolve armed conflict. Many people have been sacrificed and injured, many economies have been impoverished, and much devastation has been visited upon the environment. In an ever more interdependent world such negative effects spread rapidly. Therefore, a "Culture of Prevention" should be promoted throughout the global community. All members of the international community should seek to promote the settlement of disputes by peaceful means in accordance with the Charter of the United Nations.
73. We underline the importance of the work done by our Foreign Ministers on conflict prevention since their special meeting in December 1999 in Berlin and the Conclusions of their July 2000 meeting in Miyazaki. We commit ourselves to work for their implementation particularly with respect to economic development and conflict prevention, children in conflict, and international civilian police. We express special concern that the proceeds from the illicit trade in diamonds have contributed to aggravating armed conflict and humanitarian crises, particularly in Africa. We therefore call for an international conference, whose results shall be submitted to the UN, building on the UN Security Council Resolution 1306 and *inter*

alia the 'Kimberley' process launched by the Government of South Africa, to consider practical approaches to ~~breaking the link between the illicit trade in diamonds and armed conflict~~, including consideration of an international agreement on certification for rough diamonds. The UN Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects next year requires strong support to ensure a successful outcome, including earliest possible agreement on the Firearms Protocol. We invite the international community to exercise restraint in conventional arms exports, and are committed to work jointly to this end. We invite our Foreign Ministers to examine further effective measures to prevent conflicts.

Disarmament, Non-proliferation and Arms Control

74. We welcome the successful outcome of the 2000 Nuclear Non-Proliferation Treaty (NPT) Review Conference. We are determined to implement the conclusions reached at this Conference, including the early entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT) and the immediate commencement and the conclusion within five years of negotiations for the Fissile Material Cut-Off Treaty. We remain committed to promoting universal adherence to and compliance with the NPT.

75. We look forward to the early entry into force and full implementation of the Strategic Arms Reduction Treaty (START) II and to the conclusion of START III as soon as possible, while preserving and strengthening the Anti-Ballistic Missile (ABM) Treaty as a cornerstone of strategic stability and as a basis for further reductions of strategic offensive weapons, in accordance with its provisions. We welcome the ratification of the CTBT and START II by Russia.

76. The transparent, safe, secure, environmentally sound and irreversible disposition and management of weapon-grade plutonium no longer required for defence purposes remains vital. The agreement on plutonium disposition reached between the United States and Russia, reinforced by their statement of intention concerning non-separation of additional weapon-grade plutonium, marks a critical milestone. The co-operation among the G8 countries has yielded significant results and our next steps should build on this co-operation and related international projects.

77. Our goal for the next Summit is to develop an international financing plan for plutonium management and disposition based on a detailed project plan, and a multilateral framework to co-ordinate this co-operation. We will expand our co-operation to other interested countries in order to gain the widest possible international support, and will explore the potential for both public and private funding.

78. We welcome the reinforcement of global regimes to prevent proliferation of weapons of mass destruction and their delivery systems. We also recognise the need to examine and promote further multilateral measures to curb missile proliferation. In this regard, we strongly support the important work of the Missile Technology Control Regime (MTCR) and will consider the proposal for a Global Monitoring System. We will work to increase the level of international contributions to the Russian chemical weapons destruction programme. We commit ourselves to work with others to conclude the negotiations on the Verification Protocol to strengthen the Biological Weapons Convention as early as possible in 2001.

Terrorism

79. We renew our condemnation of all forms of terrorism regardless of their motivation. We are determined to combat them. We call for the urgent strengthening of international co-operation, in particular in exchanges of counter-terrorism information, improving measures against the financing of terrorist activities, and working together to bring terrorists to justice. We welcome the adoption of the International Convention for the Suppression of the Financing of Terrorism. We call for all states to become parties to the twelve international counter-terrorism conventions to enhance international co-operation against terrorism.
80. We are deeply concerned at the increased number of terrorist acts, including hijacking and taking of hostages. We express our great concern over the continuing pattern of terrorist activities in many regions. We will continue to raise this in our bilateral contacts, carefully monitor developments and maintain close co-operation between us.
81. In this regard, emphasising the international concern over the terrorist threat emanating from Afghan territory under the control of the Taliban, we call for full implementation of the UNSCR 1267.

Next Summit

82. We have accepted the invitation of the Prime Minister of Italy to meet in Genoa next year. To enhance communications in the meantime, we have agreed to establish an e-mail network among ourselves.



07-23-00
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

00 JUL 21 PM 3:55

July 21, 2000

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

FROM:

Jacob J. Lew

SUBJECT:

Effect of Congressional legislative action on the budget surplus

This memo is in response to your request that OMB assess the effect of legislative action on the budget surplus. Over the past six months, Congress has passed nine major tax cuts resulting in a cost of \$712 billion dollars over ten years. Draining this sum from the United States Treasury reduces the amount of debt reduction we can accomplish, thereby increasing debt service costs by \$201 billion over ten years. Therefore, the Congressional tax cuts passed to date will draw a total of \$913 billion dollars from the projected surplus.

In addition, the Congressional majority has stated clearly that their tax cuts to date represent only a "down payment" in a long series of tax cuts it intends to realize. While there has been little specificity about the size and nature of their entire program, the full range of action taken by the 106th Congress, both last year and this, provides an indication of the total impact of Congressional tax cut proposals on the surplus.

In the first session of the 106th Congress, the majority passed one large measure, which included a variety of tax cuts totaling \$792 billion. Excluding certain individual tax cuts which passed this year as well as last year (such as elimination of the estate tax and the marriage penalty), the cost of tax cuts passed last year amounts to \$737 billion, and the additional debt service amounts to \$148 billion for a total of \$885 billion.

The bill by bill approach to tax cuts in the absence of an overall framework masks the full impact and risks of the cumulative costs. In the absence of more specific indications about the content and number of future tax cuts the Congressional majority has stated it plans to produce, we have used the total costs associated with tax cuts from the 106th Congress as an illustration of Republican plans. If their plans remain consistent with past activities, the full cost of this program would be:

- tax cuts of \$1.447 trillion dollars
- additional debt service of \$349 billion
- for a total of \$1.796 trillion dollars.

Copied
Lew
Sperting
Daley
Carnille
Begala
Press (Bill)
Podesta

cc Bill Daley
J. Cantor
P. Begala
Bill Press

Gu
How much
greater would
God forgive be
if Bush #1 paid

The effect of such tax cuts would be to completely eliminate the projected non-Social Security/Medicare budget surplus at the end of ten years. Even by the more optimistic projections the entire surplus would be drained. The most recent CBO projections issued earlier this week estimate a ten year non-Social Security/Medicare surplus of \$1.8 trillion. OMB's recent projections estimate a ten year non-Social Security/Medicare surplus of \$1.5 trillion. In either case, because the costs of the tax cuts match or exceed the projected budget surplus, there would be no funds available for any of the nation's other pressing needs, including our proposals to establish a new voluntary Medicare prescription drug benefit, pay an additional \$150 billion in debt reduction to pay down the debt by 2012, expand health coverage to more families, provide targeted tax cuts that help America's working families with the costs of college education, long-term care, child care and other needs, or extend the life of Social Security and Medicare.