



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 8 November 2001

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OUTCOME OF PROCEEDINGS

Of the: Development Council
dated : 8 November 2001

Subject : **Council conclusions on the preparation of the International Conference on
Financing for Development (Monterrey, Mexico, 18-22 March 2002)**

Delegations will find attached the text of the Council conclusions on the above subject as adopted by the Council (Development) on 8 November 2001.

COUNCIL CONCLUSIONS
on the preparation
of the International Conference on Financing for Development
(Monterrey, Mexico, 18-22 March 2002)

The Council:

1. reaffirms its commitment to poverty reduction and achievement of the development goals as set out at the Millenium Summit and at major UN Conferences,
2. notes that, as far as aid volume is concerned, the World Bank has estimated that a doubling of resources is required if the Millenium Development Goals are to be met,
3. therefore reaffirms its commitment, as expressed at the Göteborg European Council, and stated at the Environmental Council (7-8 June 2001), to reach the UN target of ODA of 0.7% of GNP to which the EU and its Member States are committed as soon as possible, and to achieve concrete progress in this area before the World Summit on Sustainable Development. The Council will explore all possible steps towards fulfilling this commitment,
4. having regard to the great importance which the European Union attaches to the success of the International Conference on Financing for Development (March 2002, Monterrey, Mexico) and the World Summit for Sustainable Development (Johannesburg, September 2002) in the international situation brought about by the tragic events of 11 September 2001, is aware of the important contribution which the Union can make to such a success and of developing countries' expectations of the Union in this area,
5. convinced that the success of those conferences will depend on the willingness of developing and industrialised countries to engage in a true dialogue, in a spirit of partnership and good governance, with each party having to be ready to strengthen its existing commitments and consider new commitments,
6. whereas the European Union, in its role as a major donor and in view of its recognised awareness of the aspirations of developing countries, is well placed to make an important contribution to the success of the Conference on Financing for Development through the positive initiatives which it can take in connection with the process of preparation of that Conference,
7. bearing in mind the issues for consideration presented by the Commission in connection with the exchange of ideas which took place in New York in October within the framework of the Preparatory Committee for the Conference on Financing for Development, in particular with regard to the following points:
 - (a) the volume of official development aid,
 - (b) global public goods,
 - (c) innovative sources of financing,

8. considers that these issues for consideration form a basis for work, and invites the Commission to clarify and expand them on the basis of a dialogue with each of the Member States, in particular on the further steps to be undertaken by each of them with a view to reach the 0.7 % GNP target, including the question of establishing specific timetables. The Commission will also take into account other issues for consideration proposed by the Member States, in particular with a view to enabling the European Union, in connection with the preparation of the Conference on Financing for Development, to take positive initiatives in the spirit referred to in paragraph 6 Above,
9. considers that Member States will support a debate in the DAC of the OECD on the possibility of taking into account tax relief for private donor funds as ODA,
10. invites the Commission to submit an interim report to the Council as a contribution to the forthcoming orientation debate at the General Affairs Council on the European Union's external action and in the context of preparation for the Monterrey Conference.

