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**DECLARATION OF MINISTERS OF THE "GROUP OF 24"
ENGAGED IN ECONOMIC ASSISTANCE TO CENTRAL AND
EAST EUROPEAN COUNTRIES (THE 24)**

1. Ministers of the 24¹ reiterated their strong support for efforts made by the central and east European countries to introduce pluralistic democracies and market-oriented economies. They welcomed the recent holding of elections in central and eastern Europe in the light of which they looked forward to the consolidation of all aspects of pluralistic democracy including respect for the role of democratic opposition. They appreciated the statements made by Ministers from Poland and Hungary on economic stabilization and structural adjustment in their countries and those of Ministers of the German Democratic Republic, Czechoslovakia, Yugoslavia and Bulgaria on their countries' economic and political reforms.
2. In the light of these statements they welcomed the commitment of these countries to the consolidation of reform based on the rule of law, the respect of human rights, the introduction of multi-party systems, the holding of free and fair elections and the establishment of market economies. These commitments should be seen in the light of principles inter alia adopted in the context of the final documents of the CSCE (Conference on Security and Cooperation in Europe) meetings in Bonn and Copenhagen. Ministers will keep the implementation of reform measures under review and if warranted will reconsider the position.
3. Ministers of the 24 and the representatives of the IMF, the IBRD, the OECD, the EIB and the Club of Paris reviewed the implementation of coordinated assistance to Poland and Hungary. They noted that this assistance has entered its operations phase. Ministers expressed their appreciation for the effective coordination by the Commission. They underlined their willingness to strengthen and adapt this aid to priorities arising in the course of the reform process taking account of problems of social adjustment and to develop wherever possible common programs and projects. Ministers welcomed the Commission's report on coordinated assistance highlighting the efforts of the 24 in the common priority areas on which they agreed at their previous meeting.

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4. Ministers agreed to extend the G-24 assistance in parallel with the progress in political and economic reform to the German Democratic Republic, Czechoslovakia, Bulgaria and Yugoslavia in order to support this process.

5. They welcomed the Action Plan presented by the E.C. Commission, whose general orientations and sectoral priorities they shared. They agreed to develop together wherever possible joint programs and projects in the priority areas for coordinated assistance and to proceed urgently with the implementation of measures including improved access to their markets as an effective way of supporting economic reform. They expressed their confidence that the EBRD would in future make an important contribution to this assistance.

6. The implementation of assistance to the German Democratic Republic, Czechoslovakia, Bulgaria and Yugoslavia requires further financial efforts from the whole Western Community. Several G-24 participants have already taken the necessary budgetary steps in this regard. Ministers agreed that additional commitments for assistance would be communicated to the Commission as soon as possible for stock-taking by senior officials at their next meeting.

7. Ministers expressed their disappointment that the recent events in Romania have not created the conditions in which the implementation of coordinated assistance should be extended to that country under present circumstances. They called on the Romanian government to resume the course of reform based on democracy, dialogue and peaceful change. They stated their readiness to extend assistance to Romania as soon as the conditions laid down in paragraph 2 are put into practice.

8. Ministers noted that firm commitments had been made by the central and eastern European countries represented at the meeting towards the establishment of competitive market economies, currency convertibility and integration into the open internal economic system. In this context several of the countries concerned have submitted requests to the Commission for consideration by the 24 for financial support in order to ensure that short-term financial constraints do not delay reform. Ministers took note of these requests and agreed that international financial institutions, in particular the IMF, should in the first instance, take up these requests. Ministers also noted the Commission's suggestion that these requests could be met in part through adequate G-24 economic and financial measures to be worked out in close coordination with international financial institutions. The Commission will further reflect on the nature and feasibility of such measures and will inform in this regard the representatives of the 24.

9. Ministers exchanged views on the political and economic situation in the USSR. They underlined their interest in positive developments of reform towards a democratic system and a market-oriented economy. The Commission will inform the 24 of the outcome of its consultations with the USSR which it will be conducting in accordance with the decision of the European Council (June 1990 Council in Dublin).

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10. Ministers agreed that senior officials should continue to review regularly the situation in central and eastern Europe and to prepare the next Ministerial meeting in the light of new developments.

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Ministers of G-24 held their second meeting July 4 in Brussels. The meeting was also attended by representatives of the IMF, IBRD, EIB, OECD², Club of Paris as well as the designated President of the European Bank for Reconstruction and Development. At the beginning of the session, Ministers of Poland, Hungary, the German Democratic Republic, Czechoslovakia, Yugoslavia and Bulgaria addressed the meeting. Ministers adopted the above declaration.

1. The Group of 24 are the 12 E.C. member states (Belgium, Denmark, France, F.R. Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, United Kingdom), the 6 member states of the European Free Trade Association (Austria, Finland, Iceland, Norway, Sweden, Switzerland), Canada, the United States, Japan, Australia, New Zealand and Turkey.

2. IMF - International Monetary Fund

IBRD - International Bank for Reconstruction and Development

EIB - European Investment Bank

OECD - Organization for Economic Cooperation and Development

EBRD - European Bank for Reconstruction and Development

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