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25 Theses on cooperation policies with developing countries

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25 Theses on Cooperation Policies with Developing Countries

At a special meeting on June 9 the Federal Government passed the following "Theses on the Policy of Cooperation with the Developing Countries", on which the second revision of the "Development Policy Concept of the Federal Republic of Germany" will be based next autumn.

1. The principles of continuity and concentration apply also to development policy. This is valid for our bilateral policy, for our cooperation in the formulation of the European Community’s development policy and for our cooperation with the Third World within the framework of the UN, its special organisations and other international organisations.

2. Development policy is part of the Federal Government’s overall policy. In carrying through this policy the Government will strive to obtain a balance between development policy requirements and our other interests.

3. Development policy is to contribute to a gradual abolition of international confrontation. The Federal Republic orientates itself towards the UN principles which it subscribed to and the principles agreed on in OECD.

4. It is not intended to increase the multilateral share, that at present amounts to approximately 30 p.c. of expended funds. With that the Federal Republic of Germany holds a head position compared internationally. Within the multilateral development policy the European Community’s common development policy shall have priority.

5. An increased participation of the Council and the member states in the planning and implementation of the European Community’s development policy measures is necessary.

6. A personal representation in the international bodies corresponding to our expenditures is to be attempted.

7. Efforts are to be made that the OPEC-countries increasingly orientate their performances for developing countries towards development criteria, particularly approximate them to the industrialised countries’ allocation terms, distribute their development aid geographically more widely and simultaneously differentiate increasingly according to the indigence of the recipient countries.

8. According to their contributions to international institutions (IMF, World Bank, etc.) the OPEC-countries shall take an increased responsibility for decisions of these bodies.

9. The Federal Government will vigorously support the OPEC-countries’ further development process, in particular the building of an efficient industrial structure. Here above all the instruments of technical and scientific cooperation, of the promotion of private contributions and the trade policy are to be employed.

10. The Federal Government is prepared to promote development projects in other developing countries together with OPEC-countries by applying the triangle-cooperation method.

11. The Federal Government underlines the importance of the developing countries’ own efforts and will further them correspondingly.

12. The Federal Government will strive to secure that the European Community, also within the framework of GATT, will grant developing countries further trade privileges through tariff preferences and the abolition of non-tariff barriers.

13. The Federal Government will facilitate the structural adaptation to the unavoidable structural changes caused by rising imports. In this connection it is to be avoided that serious imbalances in production and employment emerge.

14. The Federal Government will adjust the terms of the funds spent within the scope of financial cooperation in such a way that from 1976 on economically more advanced developing countries will get less favourable credit terms (4.5 p.c. interest, 20 years duration, 5 redemption-free years); but the group of countries getting the most favourable terms will be extended to the Most Seriously Affected Countries – the MSA-countries – (0.75 p.c. interest, 50 years duration, 10 redemption-free years); in the case of the other developing countries, now as before the standard terms apply (2 p.c. interest, 30 years duration, 10 redemption-free years).

15. The Federal Government will employ the funds available for cooperation with developing countries according to a point-of-main-effort programme. The share of the 33 poorest developing countries is to be increased.
GERMAN PRISM

Further. Our skeleton plan 1975 already provides 40 p.c. of capital aid and 40 p.c. of technical assistance for these MSA-countries.

16. In view of the developing countries' menaced food supply the Federal Government will concentrate as far as possible the funds at its disposal for cooperation on the rural development of its partner countries. Almost every third D-Mark of the budget of the Federal Ministry for Economic Cooperation falls to the share of the rural/agricultural sector. The Federal Government will — as far as necessary — continue its food aid for the mastering of supply crises.

17. Through the promotion of labour-intensive technologies in developing countries the Federal Government will help to secure that the funds which it provides contribute effectively to the solution of the employment problem.

18. Because of the world population's alarming increase the Federal Government will support emphatically population policy measures of the developing countries and multilateral institutions.

19. On the international level the Federal Government will emphatically point out the importance of cooperation, on a private enterprise basis, for the developing countries' economic and social progress and underline the necessity of legal security and of a sound investment climate.

20. The Federal Government will endeavour to reconcile the German economy's interests securing its raw material supply with the developing countries' interests in an increase of their exports and an extension of their raw material processing.

21. The Federal Government will accelerate the extension of capacities at the disposal of technical cooperation. Thereby it will particularly consider the German economy's offer and the newly established Deutsche Gesellschaft für Technische Zusammenarbeit GmbH: GTZ (German Company for Technical Cooperation, Ltd.), which will replace Bundesstelle für Entwicklungshilfe (Federal Agency for Development Aid) — to be liquidated by the Federal Ministry for Economic Cooperation on June 30, 1975.

Furthermore the Government will endeavour to intensify the coordination of the Federal Departments in charge of scientific-technical cooperation, in particular of technology transfer.

22. The planning, implementation and investigation procedures for cooperation programmes and projects are to be further simplified and improved in cooperation with the developing countries' administrations.

23. The Federal Government intends to bring promises of contributions to individual developing countries to bear upon longer periods than hitherto in order to obtain a concentration of funds employed, e.g. for large-scale projects, and a retrenchment of administration costs.

24. This proposal does not prejudice the budget debate.

25. The Federal Government appreciates the social groups' engagement in the field of development policy and expects that these efforts will not be reduced. Only the interplay of all government and private initiatives can contribute effectively to the reduction of the tensions between North and South and with that to a long-term safeguarding of peace.

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