3rd Summit
Of ACP Heads of State and Government
Denarau, Nadi – Fiji Islands
18 and 19 July 2002

Nadi Declaration
ACP Solidarity in a Globalised World
I. PREAMBLE

We, Heads of State and Government of the African, Caribbean and Pacific Group of States, meeting in our 3rd Summit in Nadi, Fiji, on 18 and 19 July 2002:

1. Reaffirming our commitments made in the Libreville Declaration and Santo Domingo Declaration and Plan of Action;

2. Drawing strength from our common history, diverse rich cultures and shared vision of the future;

3. Committing ourselves to take the destiny of our people in our own hands and exercise appropriately the mandate they gave us to create a better life for all in a peaceful and prosperous ACP family;

4. Resolving to strengthen our unity and solidarity in order to face the challenges of a world defined by ever-increasing interdependence, and rapid and constant evolution;

5. Reiterating our commitment to global peace, security and stability and our determination to contribute to their preservation by encouraging the prevention and peaceful resolution of conflicts, by working towards the maintenance and consolidation of international peace and security and by encouraging multilateral actions. We further commit ourselves to combat all forms of terrorism;
6. Expressing our determination to combat racism, racial discrimination, xenophobia and all forms of intolerance and injustice as well as to promote mutual understanding among peoples, cultural diversity and gender equality;

7. Reaffirming our commitment to centre development strategies on the fight against poverty. In this context, we will, inter alia, strengthen democracy, the rule of law, human rights, good governance including anti-corruption measures, preserve the environment and involve all levels of society, including youth and women, in the development process;

8. Reaffirming also the role that non-state actors are called upon to play in contributing to the development of our countries;

9. Welcoming the establishment of the African Union whose primary objective is to accelerate the political and socio-economic integration of the continent;

10. Commending regional initiatives to improve the well-being and quality of life of our peoples especially those currently the victims of extreme poverty and denied a stake in global prosperity. In this context we welcome the homegrown New Partnership for African Development (NEPAD) as well as the establishment of the Single Market and Economy (SME) in the Caribbean, whose objectives include enhancing their international competitiveness and participation in the global economy, and the Pacific Island Countries Trade Agreement (PICTA) with similar goals for the Pacific;
11. Emphasising the need for fair, open and rules-based multilateral financial, monetary and trading systems that accord the highest priority to development issues;

12. Conscious of the importance of the relations that exist between our countries and the European Union and resolving to strengthen them through EPAs or other trading arrangements, the goals of which are the eradication of poverty, sustainable development and the smooth and gradual integration of ACP countries into the world economy;

13. Pledging that, in the constantly evolving world order, the ACP Group of States must strengthen its unity and enhance its role on the international scene, by re-shaping its institutional and legal framework;

14. Considering the unsustainability of the external debt stock of the ACP States;

We hereby declare:
II. POLITICAL FIELD

15. We are concerned by the growing trend towards unilateralism in international affairs. We reaffirm our commitment to multilateralism and in that context to the aims and objectives of the United Nations. We express our support for the continuing democratisation of multilateral institutions, in particular the United Nations Security Council and the Bretton Woods institutions.

16. We emphasise that the major challenges at the start of this new millennium remain the achievement of sustainable development, the fight against poverty, through job and wealth creation, the establishment of durable peace, security and stability, the strengthening of democratic processes as well as the establishment of a fair global trading system.

17. We strongly condemn the 11 September 2001 terrorist attack on the United States and terrorism in all its forms and manifestations against other countries including Kenya and Tanzania in 1998. The fight against terrorism in all its forms must be conducted through political, legal and operational mechanisms and in keeping with the UN Charter and international law. However, its success will require the appropriate treatment of its root causes, which include poverty, under-development and oppression.

18. We strongly condemn, in the same manner, the wanton acts of destruction and massacre committed against innocent civilian populations by armed troops and militias in ACP countries in conflicts. We also call for a genuine end to conflicts in ACP countries.
19. We are committed to intensifying our efforts, with the assistance of the international community, to combat the scourges of drug trafficking and related crimes, corruption, money laundering and trafficking in arms, which continue to threaten the stability and rule of law in our society.
III. **ECONOMIC AND FINANCIAL FIELD**

20. We note with concern that the world economy experienced a significant downturn in 2001. The global outlook for developing countries, as forecast by the International Monetary Fund (IMF), remains unclear, due, among other things, to the instability of world commodity prices, unfavourable terms of trade, the volatility of oil prices and an overall decline in the flow of foreign direct investment and official development assistance.

21. We are convinced that globalisation offers numerous opportunities for wealth creation, improved human conditions, reduced trade barriers and enhanced flows of capital. However, the envisaged benefits have not materialised for most of the poor countries and even when they have, these are not equitably shared while the costs are borne by all.

22. We recognize that whilst globalization offers a number of opportunities it also poses a variety of challenges for developing countries and in particular LDCs and small, landlocked and island countries. Taking advantage of the opportunities for improved trade, increased wealth and the elimination of poverty in developing states is, however, dependent on their meaningful participation in the global trading system, which in turn requires the implementation of supply-side measures to enhance competitiveness adequately addressed by the international community and the developing countries themselves.

23. We emphasize that there is a need for improved coordination among different bilateral donors in support of national poverty reduction strategies. What is vital is the deepest possible dialogue with governments and civil society on strategies to eradicate poverty.
Trade

24. We underline the pivotal role of international trade in the economic development of our countries. We appreciate the differing capacities of these economies, in particular the special problems of LDCs and small, landlocked and island countries.

25. We emphasize that in the context of the Doha Work Programme a well functioning, rules-based multilateral trading system, whose main focus is development, can contribute directly to economic growth, sustainable development and poverty reduction. In this regard, we call for a workable balance between the policy disciplines which help to create transparent, stable and predictable conditions for trade, and the needs of the developing countries and in particular of LDCs and small, landlocked and island countries for special and differential treatment, and policy flexibility to achieve their development objectives and to safeguard their economic interests.

26. We reiterate that trade liberalization in our States should be phased and sequenced in a progressive manner and has to be accompanied by adequate supportive measures that address supply-side constraints, improve competitiveness and strengthen the capacity to trade. The particular situations of least developed, landlocked, small, island and vulnerable states, as well as those that suffer from drought and desertification, and heavily indebted and net food importing non-least developed countries call for the strengthening of special and differential treatment as a fundamental principle of the multilateral trading system.
27. We call for international support for our efforts to increase the capacity of our States to participate effectively in the multilateral trading system, including in bilateral, regional and multilateral negotiations and in the design of national, regional and international trade policies.

28. We emphasize the need to enhance policy coherence between the Bretton Woods institutions and the World Trade Organization with a view to promoting, without additional conditions, consistent and mutually supportive policies, that will contribute to improved coordination of technical and financial assistance, reduction of the debt burden, including cancellation. In the same vein, we call on the multilateral institutions, particularly the WTO, to take account of the autonomous liberalization undertaken by our countries in the framework of structural adjustment programmes.

Debt

29. We re-emphasize that servicing debt, both external and domestic has become an unsustainable burden. Our developed partners must recognize that this is undermining and frustrating sustainable development and poverty reduction efforts of developing countries. We pledge therefore to intensify our international campaign for an effective solution that would free resources for education, health and other development imperatives.
30. We welcome the HIPC initiative, but remain concerned with its limited benefits and the slow pace of implementation of deeper, wider and more effective debt relief measures. We call for a review of the present conditions governing the HIPC initiative. We reiterate our position that this initiative be extended to cover other non-LDC heavily indebted ACP countries, including those classified as middle income. We further call on the developed countries and multilateral financial institutions for a total cancellation, as appropriate, of debt of ACP States.

31. We urge EU member states to increase the grant component in bilateral and community development assistance programmes in order to avoid accumulation of new debt.

32. We call on EU Member States to take all measures possible to ensure debt relief in a manner which is compatible with the promotion of the development of those countries which are not classified as heavily indebted poor countries, but whose long-term economic development is nonetheless adversely affected by high levels of debt.

33. We reaffirm our commitment to ensuring manageable levels of debt by pursuing appropriate macroeconomic and social policies which include prudent fiscal, monetary and exchange rate management, good governance, and social inclusion. In this regard, we urge EU Member States to convert ACP indebtedness into capacity building programmes.

34. We undertake to explore the possibility of cancelling intra-ACP debt.
Investment

35. We recognise that Foreign Direct Investment (FDI), domestic investment and Official Development Assistance (ODA) play an important role in economic growth and development in ACP Member States and contribute to their integration into the world economy. Whilst welcoming inflows of foreign direct investment, ACP States must continue to encourage local investment and the facilitation of linkages with foreign investment flows through the institution of appropriate incentives.

36. We commit ourselves to introducing policies and mechanisms to facilitate investment flows and opportunities. We urge developed countries to encourage best practices amongst their international investors and to encourage and facilitate investment flows to ACP States.

37. We note with concern that the implementation of appropriate investment policies by developing States has not generated expected FDI growth and employment. Such FDI growth occurred has not yielded the anticipated growth in GDP and employment.

38. We urge foreign investors to respect best practices and pursue good corporate social responsibility in accordance with the national laws, legal requirements and social obligations of host countries.

39. We urge relevant international organizations and donor countries, in cooperation with ACP governments and the private sector, should expand and facilitate information flows on investment opportunities.
IV. SUSTAINABLE DEVELOPMENT

40. We strongly reaffirm our vision of sustainable development as being people-centred and focusing on best practices that would not undermine the prospects of future generations. In recalling the commitments made in the Millennium Declaration to reduce by half the world’s poor by 2015, and that human deprivation and poverty diminish human dignity, self esteem and respect, we stress the urgent need to tackle the root causes of poverty and address them in an integrated fashion, taking into consideration the importance of sectoral strategies in such areas as environment, infrastructure, health, ICT, education, conflict prevention and resolution, agriculture, trade and investment, debt, capacity building and food security.

41. We note the commitment made during the Monterrey Conference on Financing for Development. We express deep concern about the continuing decline of ODA, which has adversely affected development activities in the developing countries, in particular the LDCs. We therefore urge developed countries that have not yet done so to take immediate steps to honour their commitment by contributing 0.7 percent of their G.D.P. to ODA of which 0.15 per cent to 0.20 percent should be directed to LDCs.

42. We also urge donors to respect the national development priorities of developing countries by providing untied aid and making conditionalities less dysfunctional. We further call for the efficient disbursement of financial resources, including budgetary support.
43. We undertake to participate actively in efforts to reform the international financial system and to improve its functioning in order to take into consideration the concerns of developing countries.

44. We look forward to the forthcoming World Summit on Sustainable Development to be held in Johannesburg from 26 August to 4 September 2002, which should provide a firm basis to strengthen the economic, social and environmental pillars of sustainable development. The Summit offers a unique opportunity to build on the achievements since Rio and should focus on the implementation of the commitments made under Agenda 21.

45. We strongly believe that the fight against poverty and the goal of sustainable development cannot be attained without the full participation of women. The role of women can be enhanced through education and the elimination of barriers that stand in the way of full participation of women. In this connection, while pledging our commitment to ensure the full participation of women at all levels of the decision-making process, we call on our partners to devote more resources to improve the situation of women in the ACP countries.

46. We appeal to all Heads of State and Government to attend the Johannesburg Summit as a sign of their commitment to the global goal of poverty eradication. In the context of the ACP vision for sustainable development, we undertake to consult with the view to developing and expressing a common ACP position at the Summit.
47. **Environment**

We reaffirm that environmental degradation in all its forms is a serious threat to the survival and well-being of mankind. We recall the principles and commitments enshrined in the Rio Declaration on Environment and Development, the conventions on Biodiversity, Climate Change and Desertification, and the Barbados Declaration and Plan of Action as well as other relevant declarations and international instruments. We further recall the UN Millennium Declaration and the ACP Least Developed Countries Ministerial Declaration, regarding the state of the environment and the sustainable management of natural resources.

48. We emphasise that eliminating poverty and enhancing sustainable development are intricately linked to good environmental governance at all levels. Global environmental governance must be supportive of local community management and protection of natural resources.

49. We reaffirm our commitment to the multilateral environment agreements, such as those concerning desertification (UNCCD), the effects of climate change (UNFCCC, Ozone), the trans-boundary movement of hazardous wastes (Basel), the protection of biodiversity (UNCBD), endangered and migratory species (CITES, CMS), wetlands (Ramsar), and cultural heritage (Heritage) and call on the international community to respect its commitments thereunder, particularly by the ratification of the Kyoto Protocol.

50. We express our strong objection to the transport of nuclear and other hazardous materials through the waters around ACP States. We call for the immediate cessation of such practice in order to, inter alia, prevent any occurrence of accidents that could seriously threaten their sustainable development and the health of their peoples.
51. We are equally concerned that the very existence of many ACP member states, in particular the Small Island Developing States (SIDS), is threatened by climate change and its attendant impacts on sea-level leading to the possible disappearance of some communities of ACP States.

Infrastructure

52. We recognize that appropriate and efficient infrastructure is essential for the achievement of sustainable development, poverty eradication and the greater integration of the ACP into the world economy. We undertake to develop an integrated approach to infrastructural development paying particular attention to the transport, energy and telecommunication sectors.

53. We note with concern that ACP countries have not been able to benefit fully from the considerable progress that has been achieved in the application of new technologies and communication innovations. For our countries to be competitive on the global markets, they must promote new technologies, especially by removing tax on data processing products and considerably reducing the cost of telecommunications services. We acknowledge that lack of financial, institutional and human capacities have hindered our abilities to take advantage of the digital economy. We therefore call on the international community to assist in capacity building and facilitate access and transfer of technologies and knowledge.
Health

54. We underscore the high priority accorded to health in the global development agenda. This is underlined by the fact that three of the eight Millennium Goals concern health. For the ACP, our main preoccupations are sexually transmitted diseases, particularly HIV/AIDS, and Hepatitis B, as well as Malaria and Tuberculosis. However the interventions, which are designed to address these diseases, can only materialize if adequate resources are available.

55. We welcome the establishment of the Global Fund launched during the African Summit on HIV/AIDS and other infectious diseases held in Nigeria on 26 April 2001. The ACP, for its part, has agreed to contribute 60 million Euros from EDF resources to this Fund. We urge the international community to contribute generously to the Fund and call on the pharmaceutical industry and ACP Governments to agree on a strategy for access to essential drugs, at affordable prices, by victims of these major diseases.

56. We acknowledge the importance of adequate investment in health both as an end and a means to strengthening economic growth and accelerating poverty eradication. To this end, we commit ourselves to improving the capacities of our health systems to deliver quality services to the poor and allocating appropriate local resources to make this possible. We further undertake to mobilise ourselves at the global level to secure additional funding and technical assistance from our development partners.
Education

57. We reaffirm our commitment to education as an essential foundation for human development. A well educated and skilled workforce contributes to raising overall productivity, enhancing economic growth and ultimately improving living standards of the population of ACP countries. Equitable access to good quality education and training opportunities must be ensured irrespective of race, gender or religion.

58. We are determined to mobilize strong national and political commitments for Education, develop national plans and allocate adequate funding for the support of this sector. We believe that cooperation and solidarity among our countries could contribute to this effort as well as a favorable economic environment at the international level. We further call for the support of the developed countries to fulfil their commitment with regard to ODA and for the involvement of international and regional financial institutions, non-governmental organizations, civil society and the private sector in mobilizing resources for the support of educational activities.

59. We acknowledge that our future lies in young people. To realise their full potential, we are committed to providing the necessary opportunities and support to integrate them fully into society, which would ensure an increasingly better informed youth in their successive generations.
Capacity Building

60. We emphasize that capacity building, both human and institutional, is a priority for many of our countries. The success of development cooperation measures depends to a large extent on human resources and the capacity of executing institutions. Strengthening our relevant institutions through training, research and development, and continuing education of professionals is a foundation on which all other efforts rest.

61. We acknowledge that capacity building is also one of the principal objectives underlying the Cotonou Agreement. Therefore we urge our partners to devote more resources to developing our human resources as this is central to the success of our national strategies.

Migration

62. We express concern at the turn of discussions on migration in Europe. We note that mobility of ACP citizens is a complex issue in the development of states, including the associated problem of brain drain. Displacement of people forced, or voluntary constitutes a phenomenon that is difficult to manage. We call upon EU Member States to enter into negotiations with ACP countries, wishing to do so for the responsible management of migration flows through appropriate programmes and procedures that guarantee the human rights of migrants.

63. We affirm that, at the time when we are undertaking the negotiation of EPAs, any attempt to establish restrictive migratory policies will constitute a blow to the spirit of EPAs and thus be a major source of concern.
64. We note that while ACP migrants in industrialised countries contribute significantly to economic development, they are often marginalized. We further reject the implicit link established in the Seville Declaration between immigration and development aid provided by EU and its Members States.

65. We commit ourselves to prosecute those involved in human trafficking and smuggling and undertake to exchange information among ACP States on human trafficking and smuggling syndicates. We urge our EU partners to do the same as well as assist ACP countries with the resources they need to combat that inhuman trade.

Agriculture and Food Security

66. We acknowledge that agriculture is the lifeline for most ACP countries and the backbone of strategies aimed at improving the livelihood of the populations, especially the rural poor. Cooperation in this sector should thus focus on improving access to production factors such as information, capital, technology and reforms of relevant institutions to enable them to be more responsive to the needs of beneficiaries, the full participation of the rural population in the management and allocation of financial resources, and applied research based on the comparative advantage and capacity of local research institutions.

67. We reaffirm that achieving food security is essential in the fight against poverty. We note the outcome of the recent “World Food Summit: Five years later”, held in Rome in June 2002 and reiterate our support for the Plan of Action adopted, and also call on the international community to honour their commitments. We also urge the WTO to take concrete actions with a view to operationalising the Decision on Net Food-Importing Developing Countries as was also reiterated in the Doha Ministerial Declaration.
68. We equally acknowledge that each ACP State has a legitimate right to pursue non-trade objectives such as strengthening the socio-economic viability and development of rural areas, food security and environmental protection and as such, the international community must be able to accommodate these concerns through a variety of instruments.

69. We recognize the need for food aid during emergency situations, however we also call upon our partners to replace direct food assistance with financial support to enable our countries to make local food purchases whenever this option is available.

70. We commit ourselves to empowering local producers and communities, to encourage full participation and involvement of youth and women in the decision making process affecting rural areas, and making available equal access to economic and social services by the rural population to, inter alia, overcome market supply constraints.

Culture

71. We recall that the Santo Domingo Declaration underlined the essential role of culture in development. Whilst we acknowledge its intrinsic value, we equally underscore the contribution of culture to the economic and democratic development of our countries, and give mandate to the ACP Ministers of Culture to take all necessary measures for the promotion and implementation of intra-ACP cultural projects.

72. We acknowledge that cultural tourism, exchanges and music have considerable economic potential, and promote friendship, understanding and peace amongst people and should therefore be developed in conjunction with the private sector in ACP countries.
73. We recognize cultural heritage as inheritance for future generations, and we therefore reiterate the need to preserve our cultural goods and call for the restoration of those overseas.
V. INTRA-ACP COOPERATION

74. We reaffirm that intra-ACP cooperation is the binding force underpinning ACP unity and solidarity. It is also the basis of our identity and contributes to the affirmation of our Group in the international arena.

75. We acknowledge that peace and security are necessary for development to take root. It is therefore in our interest to promote dialogue, prevent and resolve conflicts in a timely and peaceful manner, with special preference for intra-ACP cooperation.

76. We recognise the importance of regional integration processes to the development of our member states, in meeting, inter alia, the challenges of globalisation and in increasing the competitiveness of our economies. We note with satisfaction the establishment of ACP regional integration programmes and encourage increased cooperation both within and amongst the regions with a view to reinforcing regional integration and cooperation.

77. We resolve to ensure the cohesion, solidarity and unity of the Group, so as to maximise the benefits it derives from the new trading arrangements. Hence in the context of the upcoming trade negotiations with the EU, we hereby decide that the ACP will develop linkages among ACP regional economic integration processes.

78. We acknowledge the need for the Group to respond effectively to the ever-changing global environment. In this respect, we reaffirm our commitment for the organs and institutions of the Group to be adapted and strengthened to meet the new challenges and to explore the possibility of better positioning the Group at the international level.
We acknowledge the crucial role of the ACP Secretariat in facilitating the achievement of the objectives of the Group as contained in the Georgetown Agreement, the Cotonou Agreement and the decisions of ACP Summits. We are, therefore, seriously concerned by the huge arrears in contribution owed to the budget of the Secretariat and are determined to endow the executive arm of our Group with the necessary resources for its efficient functioning. In this regard, we urge ACP member states to honour, regularly their financial commitments to the ACP Secretariat.
VI. ACP-EU RELATIONS

80. We welcome the signing of the Cotonou Agreement which extends and strengthens the ACP-EU partnership based on the principles of equality and solidarity, inclusiveness, dialogue, as well as differentiation and regionalisation. We strongly urge our EU partners to complete the ratification process to allow the full implementation of the provisions of the Agreement.

81. We reiterate our support for the accession of Cuba to the Cotonou Agreement.

82. We reaffirm our commitment to the objectives of the Cotonou Agreement namely; poverty eradication, sustainable development, and the gradual and smooth integration of ACP countries into the global economy.

Political Dimension

83. We reaffirm that the political dimension is one of the pillars of the partnership. We call on the EU to conduct political dialogue at the appropriate level and to apply the relevant provisions of the Agreement in the spirit they were agreed, paying particular attention to the use of consultation mechanisms established for that purpose and to avoid recourse to unilateral measures. In this regard, we further call on our partners to genuinely engage in political dialogue for the effective realization of development objectives.

84. We emphasise that one of the keys to enhancing ACP-EU relations is a more regular and frank dialogue at all levels. We note with concern the minimal (non) participation by most of the EU Ministers at the Ministerial meetings on issues of mutual interest. Such meetings provide the opportunity for the ACP and the EU to reinvigorate their determination and further strengthen the partnership.
85. We note that the enlargement of the EU will have implications on ACP-EU relations. We recognize the need for our countries to put in place a strategy to limit the potential negative implications of EU enlargement on ACP-EU relations.

**Trade and Economic Cooperation**

86. We recognize the pivotal role of trade and investment in the development of ACP States, and we commit ourselves to restructuring our economies and institutions. We further acknowledge that negotiations for Economic Partnership Agreements (EPAs) will commence in September 2002 and would have far reaching implications on the political, economic and social domains of ACP states.

87. We acknowledge the role of regional organizations in promoting regional integration and economic development through trade and investment. EPAs should consolidate existing ACP regional integration processes, be developmental in nature and promote sustainable economic growth in all ACP States. We remain resolved to pursue all necessary actions, including with our EU partners, to ensure that WTO rules are consistent with our development objectives.

88. We reiterate the need to improve the market access for all agricultural products originating from ACP States by inter alia, addressing export subsidies and domestic support in accordance with the Doha WTO Ministerial Declaration, while preserving existing preferential arrangements.
89. We call on the EU to ensure that the Common Fisheries Policy (CFP) contributes to the development of ACP States, and guarantees sustainable fishing activities in their waters.

90. We urge the EU to develop an improved and simplified system of rules of origin, in order to facilitate smooth exchange of goods, without creating unnecessary obstacles to trade, for goods originating from the ACP into the EU markets as well as for products originating from the EU into the ACP markets. Furthermore we call on the EU to ensure that the rules of origin contribute to regional integration, to the preservation of preference margins and improvement of market access.

91. We acknowledge that the Investment Facility is a key financial instrument to support the development of the private sector in ACP States and is a welcome initiative. We urge that the terms and conditions of loans to be made by the Investment Facility should take into account the development of ACP States.

**Development Finance Cooperation**

92. We are deeply concerned with the slow rate of disbursement of EDF funds, which deprives ACP member states of the necessary tools to fulfil the objectives of sustainable development and poverty eradication in the framework of the Cotonou Agreement. To this end, we call upon the EU to ensure that EU Delegations have the required capacities to service the needs in ACP countries, including the new signatories of the Cotonou Agreement, effectively and without unnecessary delays, and to take the necessary measures to reduce the procedural burdens that delay the disbursement of EDF funds.
We are also concerned with the prolonged EU suspension of development finance cooperation with certain ACP States that have deprived these States of resources that could have positively contributed to the realization of their development objectives. We call on the EU to continue its engagement with the concerned ACP States, and to speed up the necessary process of political dialogue under the Cotonou Agreement, with a view to normalizing relations leading to the full resumption of development cooperation.

We note with concern recent developments that have implications for the effectiveness of development cooperation, including the closure and downsizing of EU delegations in some ACP States.

We reiterate our commitment to the Libreville and Santo Domingo Declarations and the continued implementation of the associated Plan of Action.

Done in Nadi, 19 July 2002

For the Summit
The President

Honourable Laisenia Qarase
Prime Minister of the Republic of the Fiji