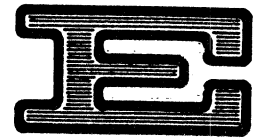




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**SPECIAL SESSION OF THE GENERAL ASSEMBLY
CONCERNING THE CRITICAL ECONOMIC SITUATION IN AFRICA,
27-31 MAY 1986**

Note by the Executive Secretary



The critical economic situation in Africa

1. On 3 December 1984 the General Assembly adopted resolution 39/29 concerning the critical economic situation in Africa (annex I).
2. On 2 December 1985 the General Assembly adopted resolution 40/40(annex II).
3. As per paragraph 2 of resolution 40/40, a special session of the General Assembly at ministerial level will take place from 27 to 31 May 1986 to consider in depth the critical economic situation in Africa. The Assembly's request to the Secretary-General in paragraph 6 of the same resolution to submit action-oriented proposals should be noted.
4. In view of the compelling need for an urgent response to the desperate situation confronting the affected countries in Africa, and to contribute to the preparation of the United Nations system for the special session, the subject has been placed on the agenda of the thirteenth session of ESCWA. The ESCWA secretariat has at the same time sought the views and collaboration of the Economic Commission for Africa (ECA). In response, the Executive Secretary of ECA has indicated that ECA will keep ESCWA member States informed of developments in the preparation for the special session. Pending receipt of further information, the present note and its attachments are for the guidance of member Governments in advance of the ESCWA session: they will in due course be supplemented as appropriate. Meanwhile the grave situation in Africa appears to call for an effort by the international community that will require thorough preparation in order to be effective. Any contributions that member States would wish to make to this process in the form of suggestions, proposals or otherwise will obviously be welcome.

Annex I

RESOLUTION 39/29. CRITICAL ECONOMIC SITUATION IN AFRICA

The General Assembly,

Alarmed by the critical economic situation currently prevailing in Africa,

Commending the efforts of the Secretary-General in sensitizing the international community to the plight of Africa,

Noting the increased concern of the international community for the worsening plight of African countries affected by the crisis,

Having considered the critical economic situation in Africa, the note by the Secretary-General^{a/} and his report on the subject,^{b/}

Taking note of the Declaration and resolutions adopted by the Assembly of Heads of State and Government of the Organization of African Unity at its twentieth ordinary session, held at Addis Ababa from 12 to 15 November 1984,

Taking note also of the statement of the Committee for Development Planning, at the conclusion of its twenty-first session, held at Geneva from 19 to 21 November 1984, on the critical economic situation in Africa,^{c/}

Convinced of the need for concerted action by the international community to assist the efforts of the African Governments by providing immediate emergency relief, and medium-term and long-term development aid,

1. Adopts the Declaration on the Critical Economic Situation in Africa set forth in the annex to the present resolution;
2. Requests the Secretary-General to take all appropriate measures for the full and speedy implementation of the objectives contained in the Declaration;
3. Also requests the Secretary-General to bring the Declaration to the attention of all States, and intergovernmental and non-governmental organizations;
4. Further requests the Secretary-General to continue to monitor the situation, to assess the needs and the responses thereto, and to report thereon to the General Assembly at its fortieth session through the Economic and Social Council.

^{a/} A/39/627.

^{b/} A/39/594.

^{c/} For the text of the statement by the Committee for Development Planning, see Press Release DEV/1593-EC/2646 of 27 November 1984.

ANNEX

Declaration on the Critical Economic Situation in Africa

1. We the States Members of the United Nations express our deep concern at the profound economic and social crisis that Africa is experiencing. Over the last few years the situation has assumed alarming proportions, seriously jeopardizing not only the development process but, more ominously, the very survival of millions of people.
2. We are alarmed by the spectre of widespread famine hanging over many African countries. Over 150 million people are facing hunger and malnutrition. Prolonged unprecedented drought, accelerating desertification and other natural disasters have compounded an already serious situation, dislocating normal life all over the continent. Alarming shortages in food and water supplies and the depletion of livestock have led to the displacement of millions of people within and across borders.
3. All these factors are further straining fragile economies crippled by deep-rooted structural deficiencies, that is to say, weak physical and social infrastructures, lack of trained human resources and dependence on the export of a few primary commodities.
4. Africa, despite its enormous potential, remains the least developed of all continents, lagging far behind by every economic indicator. Economic performance of many African countries is characterized by declining per capita incomes and stagnant or negative rates of growth. Furthermore, food production has not kept pace with population growth. According to all projections, prospects for recovery, growth and development remain very dim unless the efforts currently under way in African countries are fully supported by the international community.
5. Furthermore, the international economic environment continues to affect developing countries adversely and, particularly, it had a devastating impact on the already fragile African economies. This is manifested in deteriorating terms of trade, sharp declines in export earnings, the heavy burden of external debt and stagnating resource flows to African countries.
6. We are aware that African countries recognize they have the primary responsibility for their development and for addressing the present crisis. They have therefore undertaken and continue to undertake painful adjustment measures at very high social and political costs. While recognizing the determined efforts of African countries and the support provided by the international community, much more needs to be done as the situation remains very grave.
7. We recognize that, in dealing with the present crisis, African regional and subregional efforts towards economic co-operation and integration as well as enhanced economic and technical co-operation among developing countries play an important role in the achievement of national and collective self-reliance and sustained development in Africa.

8. We are aware that the maintenance of peace and security and the strengthening of international co-operation are important for meeting the challenge of development.

9. We fully recognize that emergency relief aid on a massive scale is urgently needed in the following areas: additional food aid and other emergency supplies, together with the technical and financial assistance necessary for their transportation, storage and distribution to the affected populations; improvement of water supplies; improvement of health and nutrition, particularly for vulnerable groups, including refugees and displaced persons; safeguarding national nuclei of herds of livestock; establishment of income-generating projects and promotion of new and renewable energy projects, particularly in rural areas. In addition to the assistance already provided by the international community, further urgent assistance from bilateral and multilateral donors and non-governmental organizations is required to meet the above and other identified emergency needs in a comprehensive manner, as well as to strengthen the emergency prevention and preparedness capacities of African countries.

10. Of particular importance is the need to undertake urgent action to speed up and support the recovery and rehabilitation process in African countries, especially of the agricultural and industrial sectors as well as for physical and social infrastructures. Assistance for increasing the import capacity for vital imports, through adequate balance-of-payments support and other relevant measures would help to establish a sound basis for the resumption and acceleration of sustained economic and social development in Africa.

11. We agree that in confronting the challenge of development, national policies and measures, such as those outlined in the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa^{d/} and the Special Memorandum on Africa's Economic and Social Crisis adopted by the Economic Commission for Africa Conference of Ministers^{e/}, provide a framework for national and subregional action and international support.

12. We recognize that, in view of the high priority attached by African countries to food and agriculture, the first urgent task is the early attainment of national and collective self-reliance in food production. In this connection, as highlighted in the Harare Declaration adopted by the thirteenth FAO Regional Conference for Africa, national food strategies and integrated rural development plans play an important role, especially in the achievement of food security. Moreover, we recognize the important role of women in rural development, particularly in food production, a role for which greater support is needed. Also important are the provision of appropriate incentives, credit, improvement of storage and transport, reduction of food losses, in particular post-harvest losses, achievement of a better balance between agricultural export commodities and food production, diversification of agricultural production and utilization of irrigation potential, particularly in the drought-prone areas.

^{d/} See A/S-11/14, annex I.

^{e/} E/1984/110, annex.

13. Urgent action is needed at the international level to support national and regional efforts to implement the Regional Plan of Action to Combat the Effects of Drought in Africa and the Plan of Action to Combat Desertification^{f/}.

14. Increased resources for rapid implementation of the Industrial Development Decade for Africa and the Transport and Communications Decade in Africa are required. Furthermore, efforts at national, subregional and regional levels to develop the necessary and much needed skilled manpower, and to build technological capacities, require increased international support.

15. We fully acknowledge that, in the light of the worsening economic situation in Africa, the interrelationship between the debt problem, concessional flows and export earnings and their direct impact on recovery, growth and development assume even greater significance. It is vital, therefore, to take urgent and mutually reinforcing measures in those areas, taking into account the Special Memorandum on Africa's Economic and Social Crisis,^{g/} the Addis Ababa Declaration on Africa's External Indebtedness^{h/} and the World Bank Special Programme for Sub-Saharan Africa, in order to complement and support domestic adjustment efforts in African countries.

16. Africa is experiencing a very serious debt problem, repayment and servicing of which is taking a very high percentage of already reduced export earnings. The problem is further exacerbated by factors such as deteriorating terms of trade, decline in concessional flows in real terms and increased use of short-term commercial credit. Without an increase in net capital inflows and urgent debt relief measures, prospects for recovery and development in Africa will be undermined.

17. Bilateral and multilateral creditors should take concerted measures to ease the debt burden of African countries. For official and officially guaranteed debt, total or partial conversion of official development assistance debts into grants, longer maturities and grace periods, lower or concessional interest rates and extended multi-year rescheduling are among the measures to be dealt with urgently within the framework of close consultation with each of the debtor countries concerned, as well as any other measures to be agreed upon. It is essential to ensure the full and urgent implementation of Trade and Development Board resolution 165 (S-IX) of 11 March 1978^{i/}. Multilateral financial institutions should expedite resource disbursement. Reduction in international interest rates would further alleviate the debt burden. Moreover, the full co-operation of commercial banks is indispensable.

^{f/} Report of the United Nations Conference on Desertification, Nairobi, 29 August - 9 September 1977 (A/CONF.74/36), chap. I.

^{g/} See A/S-11/14, annex I.

^{h/} E/1984/110/Add.1.

^{i/} Official Records of the General Assembly, Thirty-third Session, Supplement No. 15 (A/33/15 and Corr.1), vol. I, Part two, annex I.

The capacity of African countries to manage their debt should be improved through the provision of technical assistance, particularly by international agencies.

18. We recognize that African countries, in view of their heavy dependence on concessional financial flows and their limited access to alternative sources of external finance, require a substantial and sustained increase in the volume of these flows through bilateral donors and multilateral channels for development finance and technical co-operation. The international community, in particular the developed countries and the multilateral financial institutions, should endeavour to provide the additional financial resources to maintain and increase a net transfer of resources to African countries. The World Bank is strongly urged to explore with donors possible approaches, including a special facility, in mobilizing the resources required to implement the Bank's Special Programme for Sub-Saharan Africa.

19. The full and speedy implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries^{j/} particularly with regard to the official development assistance level, would greatly augment resource flows to many African countries. Supplementary funding for the International Development Association and the early completion of the replenishment of the International Fund for Agricultural Development would ensure at least the maintenance of the real value of resources channelled to Africa.

20. The heavy dependence of African countries on the export of a few primary commodities renders them particularly vulnerable to the sharp price fluctuations that result in drastic shortfalls in export earnings. Urgent action is therefore needed to stabilize commodity prices on long-term trends and to improve and increase the use of compensatory financing arrangements for export earnings shortfalls, such as the Compensatory Financing Facility of the International Monetary Fund. Improved market access for African primary and processed products, efforts of African countries to diversify production, and the early and effective operation of the Common Fund for Commodities require intensified international action.

21. The modalities and quality of official development assistance flows in terms of a greater grant element, untied resources and simplified procedures for aid delivery should be improved through, inter alia, speedier disbursements and greater reliance on more flexible forms of assistance, such as non-project programme and sector aid, including local and recurrent costs.

22. We acknowledge that there is room for further improvement in the co-ordination of assistance and the efficient and effective use of resources. Co-ordination of multilateral as well as bilateral assistance is primarily the responsibility of recipient Governments and, in this connection, effective

^{j/} Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

national co-ordinating mechanisms can play an important role. The United Nations system should extend technical assistance in this field to Governments, upon request, and should pursue its own efforts to enhance co-ordination at the programme and operational levels, in conformity with relevant General Assembly resolutions.

23. We are convinced that in addressing the critical needs of African countries there are many areas where the United Nations could play an important role both in mobilizing the necessary resources and in carrying out specific activities. In this respect, existing resources allocated for programmes in Africa should, in consultation with African Governments, be refocused to address identified priority areas. There is need for further improvement in the efficiency and programme delivery of United Nations activities in Africa. Furthermore, additional voluntary contributions should be mobilized to ensure the implementation of projects and programmes in priority areas.

24. We urge all organs, organizations and bodies of the United Nations system to give greater attention to Africa and to continue to mobilize resources for assisting African countries in dealing with the current crisis and its longer-term ramifications.

25. We further urge bilateral and multilateral donors, as well as non-governmental organizations, to take all necessary measures to support the efforts of the African countries aimed at alleviating the critical economic situation in Africa.

26. We request the Secretary-General to continue his commendable efforts in alerting and sensitizing the international community to the plight of African countries, in mobilizing additional assistance to Africa, as well as in co-ordinating the activities of the United Nations system in Africa and in monitoring the situation, and to present periodic reports thereon.

27. We are convinced that unless urgent action is taken the rapidly deteriorating situation in Africa may well lead to disaster. We are therefore fully committed to supporting the efforts of African countries to meet the dual challenge of survival and development by taking concerted and urgent measures commensurate with the needs outlined in the present Declaration.

Annex II

RESOLUTION 40/40. CRITICAL ECONOMIC SITUATION IN AFRICA

The General Assembly,

Recalling its resolution 39/29 of 3 December 1984, and the Declaration on the Critical Economic Situation in Africa annexed thereto,

Noting the Declaration on the Economic Situation in Africa and the Priority Programme for the Economic Recovery of Africa 1986-1990, adopted at the twenty-first session of the Assembly of Heads of State and Government of the Organization of African Unity, held at Addis Ababa from 18 to 20 July 1985, a/

Noting further Economic and Social Council 1985/80 of 26 July 1985,

Having considered the report of the Secretary-General on the critical economic situation in Africa, b/

Expressing appreciation to the international community and the United Nations system for their positive response to the emergency situation in Africa and recognizing the need to continue to extend that support to fulfil unmet emergency needs,

Commending the Secretary-General for his continuing efforts in ensuring that the emergency assistance by the United Nations system and the international community is delivered to affected countries in a concerted manner,

Gravely concerned that, even if the current emergency situation is alleviated, the structural economic problems will continue to cripple African economies and might precipitate recurrent crises,

Alarmed by the forecasts that indicate for Africa stagnant or negative growth rates, declining per capita food production, escalating debt burden and the serious effects of drought and desertification,

Recognizing fully the need to focus attention and efforts on the rehabilitation and medium-term and long-term development problems of the African countries,

a/ A/40/666, annex I, declaration AHG/Decl.1 (XXI).

b/ A/40/372-K/1985/104 and Add.1 and 2.

1. Takes note of the Declaration on the Economic Situation in Africa as well as Africa's Priority Programme for Economic Recovery 1986-1990, adopted by the twenty-first session of the Assembly of Heads of State and Government of the Organization of African Unity held at Addis Ababa, from 18 to 20 July 1985;c/
2. Decides to convene from 27 to 31 May 1986 a special session of the General Assembly at ministerial level to consider in depth the critical economic situation in Africa;
3. Decides also that the special session should focus, in a comprehensive and integrated manner, on the rehabilitation and medium-term and long-term development problems and challenges facing African countries with a view to promoting and adopting action-oriented and concerted measures;
4. Decides to establish a Preparatory Committee of the whole that would undertake the necessary preparations to ensure the success of the special session;
5. Requests the Secretary-General to take appropriate measures to facilitate the work of the Preparatory Committee;
6. Further requests the Secretary-General, in close co-operation with the relevant organs, organizations and bodies of the United Nations system, to submit to the Preparatory Committee and the special session reports containing action-oriented proposals to deal with the critical economic situation in Africa, particularly the major developmental areas identified in the Declaration on the Critical Economic Situation in Africa annexed to General Assembly resolution 39/29, taking fully into account the priorities set by the twenty-first session of the Assembly of Heads of State and Government of the Organization of African Unity;
7. Commends the international community for its valuable support and positive response to the emergency situation in Africa and appeals to it to continue these efforts and to give its support for the full implementation of resolution 39/29 and the Declaration annexed thereto;
8. Commends the Secretary-General for his valuable efforts in ensuring the co-ordinated response of the United Nations system and the international community to the emergency situation in Africa;
9. Requests the Secretary-General, in implementing resolution 39/29 and the Declaration annexed thereto, to continue to monitor the emergency situation, to assess the needs and responses, to maintain the system's capacity to respond to the continuing emergency in the affected countries, and to report to the General Assembly at its forty-first session.

c/ A/40/666, annex I, declaration AHC/Decl.1 (XXI).

