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PROVISIONAL VERBATIM RECORD OF THE FORTY-NINTH MEETING

Held at Headquarters, New York, on Tuesday, 27 October 1987, at 10 a.m.

President:

Mr. ENGO (Vice-President) (Cameroon)

later:

Mr. FLORIN (President) (German Democratic Republic)

 Critical economic situation in Africa: United Nations Programme of Action for African Economic Recovery and Development 1986-1990 [21] (continued)

- (a) Reports of the Secretary-General
- (b) Draft resolution
- Programme of work
- Adoption of the agenda and oreganization of work (8) (continued)

Request for the inclusion of an additional item submitted by the Scurity Council

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In the absence of the President, Mr. Engo (Cameroon), Vice-President, took the Chair.

## The meeting was called to order at 10.15 a.m.

## AGENDA ITEM 21 (continued)

CRITICAL ECONOMIC SITUATION IN AFRICA: UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT 1986-1990

(a) REPORTS OF THE SECRETARY-GENERAL (A/42/560 and Corr.1, A/42/674)

(b) DRAFT RESOLUTION (A/42/L.11)

<u>Sir Crispin TICKELL</u> (United Kingdom): We must all look forward to the day when this item no longer needs to appear on the agenda of the General Assembly. For every member is deeply conscious, none more than we, of the gravity and amplitude of the problems facing Africa. We have heard eloquent statements on the subject in the debate yesterday. My Danish colleague, speaking as President of the European Community, made clear our concerns and responses. Today I add some thoughts from my own Government which have - for me - all the more force for being personally felt.

My country has had a long association with Africa. In my last job, as Permanent Secretary of the Ministry responsible for the British overseas aid programme, I had the opportunity to visit many African countries, to talk to distinguished Africans - from leaders in capitals to men involved in specific projects and programmes - and to see for myself the problems on the ground. These problems are of great complexity: they relate to natural resources and natural hazards, and the particular vulnerability of many African soils to changes in the environment; they relate to the increase and distribution of people and, not to be forgotten, their domestic animals; they relate to the economic policies pursued by individual governments, the incidence of civil war, and the instability created by other political disorders; and they relate to the state of the world economy, the

demand for African products at a time of rapid technological change, and the place of Africa within the international system. Anyone who has seen these things for himself, and of course has read the Secretary-General's report, must know that Africa is indeed a continent in crisis.

Of course, progress has been made since last year's special session of the General Assembly, which we found among the most valuable in the history of the United Nations. It emerged clearly from the Secretary-General's report, which we much appreciated, that many African Governments had not only come to grips with economic reality and sought to adjust their policies accordingly, but had also based those policies on the central proposition, often espoused in this Assembly, that the best form of help was self-help, and that help from outside was best designed to help people to help themselves.

The time-scale of the present crisis is long. The crisis was many years in gathering, and it will be many years before we see the end of it. Just one year into the current United Nations Programme of Action is too early to make definitive judgements about it. Our review will take place next year, which should be the time for a closer look. No general analysis, such as we have seen in the Secretary-General's report, could now bring out the detailed - inevitably varied pattern of the changes which have begun in Africa and of the international response to Africa's cry for help. Our aim today should be to strengthen the consensus which was reached last year, and to ensure that all concerned work together on the basis of common understanding and commitment.

I turn to the specific British approach. It has multilateral and bilateral aspects.

On the multilateral side we have strongly supported the need to increase the flow of resources. This follows a change of emphasis within the British aid programme. Over the last five years we have given \$4 billion to Africa, and in 1986 alone we gave some \$880 million. Our efforts within the international financial institutions include support for a substantial co-financing commitment for the World Bank's Special Facility for Africa, a commitment of \$840 million to

the Eighth Replenishment of the International Development Association, full backing for increases in the capital of the World Bank and the African Development Bank and support for the proposed tripling of the resources of the International Monetary Fund (IMF) Structural Adjustment Facility, whose scope and significance were well explained by the Managing Director of the IMF in the Second Committee here yesterday.

We have also taken a multilateral initiative of our own. There is scant prospect of the poorest and most heavily indebted sub-Saharan African countries being able to service all their official debts in the foreseeable future. Last April the British Chancellor of the Exchequer proposed exceptional help for such countries when pursuing policies designed to put their economies on a sound basis. His plan had three points: the conversion of aid loans to grants, those which had not already been converted; longer repayment and grace periods on other official loans; and a reduction in interest rates below market levels on such rescheduled official loans. This proposal has since been discussed at the Venice Summit, in the Paris Club, at the recent conference of Commonwealth Finance Ministers and at the annual meetings of the Fund and the Bank. Although we have not yet persuaded all our partners of the need for interest rate reductions, we may be counted on to pursue our efforts. So far as we are concerned, any new measures would not be at the expense of the existing aid programmes.

Our bilateral aid is built on the same realistic principles. Part of it is related to the work of the international financial institutions and the advice they give to Governments. People sometimes stigmatize such backing as conditionality. This is a bogey word. It is certainly not a pretty one. Essentially it means making sure that money is well spent. That is a prime African interest. It is ours too. We would not want aid money to support programmes which did not work, or

policies of a kind we had rejected at home.

In that spirit we have put our money where our minds as well as our hearts believe it should go. Thus we have committed \$80 million in less than one year to Tanzania alone, most of it for balance-of-payments help. similar substantial contributions have been made to Ghana, Gambia, Malawi, Somalia and Mozambique. Others will follow. In just over a year our pledges in this area have nearly quadrupled, to \$180 million. All this is in addition to backing for longer-term capital projects.

Underlying the United Nations Programme of Action, and the individual programmes which follow from it, there seem to me to be two broad principles with which all can concur: we need to create the basis for sustained and long-term economic growth and we need to recognize the particular characteristics, possibilities, needs and opportunities of each individual country to make such growth possible.

There can be nothing more important than agriculture. In the famine year of 1984 140 million of the total African population of 530 million were fed entirely with grain from abroad. African Governments have rightly found this intolerable, and have placed primary emphasis on agriculture for the future. We have responded. Specific British aid to agricultural projects takes up a third of our bilateral aid to Africa, and it will be increased where possible. Likewise - not to be neglected - we are seeking to build up African capacities to pursue agricultural research on the spot. Our Overseas Development Natural Resources Institute is a pioneer in research into such areas as pest control and plant genetics, and we shall ensure continuous interchange between the Institute and African research bodies.

Food aid is, of course, necessary to help cope with famine. But our policies

are geared to avoid disruption of local production and local markets. In broad terms, we seek to promote a pattern of agricultural trade, both within countries and across frontiers, which makes production more responsive to the demands of the market on a basis of comparative advantage. This is of direct advantage to African exporters of agricultural commodities. In the past we have helped dispose of surpluses in one part of Africa - I remember we did it in the case of Zimbabwe - to help meet deficits in other parts, such as Ethiopia, and we shall continue to do so. We shall also seek to promote diversification of production and improvement of marketing and processing.

Another vital area is communications, without which markets cannot function. This is also a priority in our programme. Only a month ago we announced a grant of \$16 million to Kenya Railways for a modernization programme linked to World Bank co-financing. As the Assembly well knows, we have also laid emphasis on transport in our help to the Southern African Development Co-ordination Conference (SADCC) to enable those concerned to reduce their dependence on trade links through South Africa. We are involved in work on all four major routes to the Indian Ocean, notably the rehabilitation of the Limpopo Line from Chicualacuala to Maputo.

There is no need to recite a long list of our other activities. But among them I mention the building up of infrastructure and the encouragement of industry. We give substantial aid to health, where we have decided to concentrate on primary health care to bring benefits to the greatest number in ways best suited to local conditions. Throughout, we focus on the most important resource of all: people; hence the vital work of education on the spot, the provision of technical assistance, and the welcome we give to Africans in Britain. In 1986 some 6,000 aid-financed Africans, almost 3,000 of whom were working in engineering, education and agriculture, were our guests in Britain.

## (<u>Sir Crispin Tickell</u>, United <u>Kingdom</u>)

Before concluding I should like to say a quick word on the obligations which we think the donor countries should accept.

The first in our judgement is to do more to create the right external circumstances. This means maintaining or opening markets to African exports, avoiding, where possible, local production of goods or commodities which can be better produced elsewhere, and helping on a case-by-case basis with the management of debt. It also means changing current world patterns in agriculture. We fully accept the need for reduction in industrial countries of the incentives which have led to the non-competitive and excessive production of food, and the enhancement of incentive in other countries designed to increase their agricultural production.

The second point is to promote better aid co-ordination - a point underlined in the Secretary General's report (A/42/560 and Corr.l) - with a view to the general economic interest of African countries. This requires more efficient concentration on the things which matter, and the avoidance of those mega-projects, white elephants or cathedrals in the sand, which can distort economic priorities.

The third is to give broad but discriminating support to the international financial institutions with their emphasis on adjustment to economic reality seen over a time-scale which will bring benefits to our grandchildren and to our children as well as to ourselves.

The overriding aim is for those who receive help in their nour of crisis to help themselves and develop their societies in their own way. There is no economic, political or cultural blueprint for development applicable to all. But there must be, and is, a partnership of peoples and governments in coping with the crisis in Africa, and to that my Government will continue to make a major contribution. <u>Mr. LAUTENSCHLAGER</u> (Federal Republic of Germany): The considerations and suggestions of the 12 member States of the European Community on the important item now under discussion have already been set forth by the Permanent Representative of Denmark. The Government of the Federal Republic of Germany fully shares the views expressed in that statement. Given the crucial importance of the item before this forum, permit me to add some remarks on behalf of my Government.

The African continent is faced with especially difficult economic and social challenges, with implications going far beyond these areas. We are, I believe, unanimously of the opinion that this situation requires a response, based upon continued international solidarity and common action.

We should not underestimate the difficulties still lying ahead of us. However, we also should not underestimate what we have achieved. Let me just refer to a few examples. Together we have been able to overcome the acute famine in many African countries in the middle of the 1980s. Most African States are undertaking to readjust and reform their economies. They have, thus, improved the very framework and the basis for development and growth. Sub-Saharan Africa increased its gross national product by an average of 3.5 per cent in 1985 and 1986. In order to ensure that the average standard of living in these countries will rise again, we have to continue, with the necessary intensity, our common endeavours to overcome the present difficulties, namely economic efforts on a national basis and external support. Of course, distortions which have not come into existence overnight will not disappear overnight. We welcome the efforts made by African States to reduce the deficits in their balance of goods and services and to improve the trade balance.

In spite of these developments there remain manifold causes for continuing serious concern. We recognize, in particular, the seriousness of the debt problems of many African countries, and we are well aware of the fact that we must continue

## (Mr. Lautenschlager, Federal Republic of Germany)

to assist the African nations in their attempt to overcome the current state of indebtedness. In 1987, most likely, the inflow of borrowed foreign capital to Africa will exceed non-debt-creating inflows. This trend has to be reversed. We welcome African measures to facilitate productive investments of imported as well as domestic capital by both foreign and native entrepreneurs. We see the necessit in many African economies to diversify national sources of income by means of introducing new varieties of food crops in accordance with internal and external demand and through the processing of existing raw materials. The introduction of new technologies and the continuous training and specialization of local human resources will be a crucial contribution to such efforts.

In our bilateral assistance, the African continent receives priority: my Government allocates 2.8 billion deutsche mark annually to that continent. That i almost half of our total bilateral assistance. Africa receives over two fifths of our scholarships for trainees, because we think that human resources development is decisive for the advancement of any developing country. In order to increase our funds available for Africa, we intend to reapply next year DM 100 million received from repayments of earlier official development assistance credits towards development programmes in Africa. In addition, we are shifting the emphasis in ou co-operation with African countries to more programme financing, especially in the agricultural sector and within structural acjustment programmes.

The Federal Republic of Germany has provided official development assistance debt relief in the amount of approximately DM 2.8 billion to 20 African least developed countries on a case-by-case basis. We have supported the decision of the Paris Club to grant distinctly longer grace periods and longer repayment periods in debt-rescheduling negotiations with heavily-indebted low-income countries which undertake substantial adjustment efforts.

## (Mr. Lautenschlager, Federal Republic of Germany)

In spite of remarkable achievements in the food production sector over the past two years and even surpluses in some countries, hunger and malnutrition have not yet disappeared from the African continent. Therefore our food aid will have to continue in a number of countries. In close co-operation with African Governments, international agencies and non-governmental organizations, we have contributed 100,000 metric tons of food aid for Africa, representing a value of more than DM 185 million in 1986 alone, in addition to our participation in the European Community food aid programme.

## (<u>Mr. Lautenschlager, Federal</u> Republic of Germany)

It would be a great achievement if these sums could be invested in African food production and food security schemes soon.

Unexpected calamities have stricken Africa time and again. My Government, and also many voluntary organizations with the direct support of the population of the Federal Republic of Germany, have promptly risen to these occasions. During recent years the Federal Government alone disbursed more that DM 20 million annually in humanitarian aid for African refugees and victims of drought, famine and epidemic diseases, to save lives and to help the afflicted people to get on their feet again. This unbureaucratic, direct and efficient programme continues as required.

Since the thirteenth special session of the General Assembly, the Government of the Federal Republic of Germany has been contributing to the increasing efforts of the international community to alleviate Africa's problems.

We have contributed to the 200-per-cent general capital increase of the African Development Bank as well as to the recent replenishment of the International Development Association of more than \$12 billion, of which sub-Saharan Africa will receive a substantial part, with an increased amount of policy-based lending.

We have contributed to the special facility for sub-Saharan Africa of the World Bank with DM 300 million. We contribute more than a quarter of the 8.5 billion European Currency Units to be provided under the current Lomé Agreement between the European Community and the African, Caribbean and Pacific countries. In the framework of this partnership, we support the enlarged System of Stabilization of Export Earnings and the rehabilitation of the mining industry.

We strongly support the work under way in the International Monetary Fund (IMF) on a substantial increase in the Structural Adjustment Facility so as to

## (<u>Mr. Lautenschlager, Federal</u> Republic of Germany)

enable the Fund to assist its poorest member countries more effectively in implementing far-reaching structural and macro-economic policy reforms.

Development assistance alone cannot lead to the results we all hope for. For all developing countries, trade, in the medium term and in the long run, is even more important than aid in fostering growth and development. Therefore we have to halt and reverse protectionism. In the field of trade liberalization industrialized countries have a high responsibility. If the leading trading nations comply with their duties, this will help African countries to integrate themselves more into the multilateral open trading system.

The Federal Republic of Germany in 1986 imported goods worth \$6.3 billion from African developing countries, whereas exports to the value of \$5.5 billion were shipped to these countries. Hence we posted a trade deficit with Africa in general and <u>vis-à-vis</u> the non-oil-exporting African countries in particular. The continuous trade deficit with Africa shows that our market is open.

This year we expect another trade surplus in favour of our African partners in the trade between Africa and the Federal Republic of Germany. We consider this also to be a contribution to the strengthening of Africa's trade balance. Let me further mention tourism from my country as an important source of revenue for some African countries.

Let me conclude on a note of optimism. Africa is a continent rich in resources and capable of achieving far-reaching development. In spite of the deep-rooted economic problems the continent of Africa now faces, we believe in its recovery. We should not give in to pessimism and resignation. Such sentiments would be counter-productive, paralysing the drive for investment and development. We - all of us - cannot allow this to happen. Given the African drive for reform

## (<u>Mr. Lautenschlager, Federal</u> Republic of Germany)

and adjustment, the international community, of which my country is an active member, will maintain and indeed strengthen its efforts to give Africa the support it needs.

As a contribution to a well-prepared and profound review process of the United Nations Programme of Action for African Economic Recovery and Development, my Government stands ready to organize a meeting of interested African countries and the donor community at an appropriate date in 1988. Such a meeting could be focused on issues of particular importance to a positive outcome of the review process.

<u>Mr. KHIAL SHAH</u> (Pakistan): It is most appropriate that agenda item 21, entitled "Critical economic situation in Africa: United Nations Programme of Action for African Economic Recovery and Development 1986-1990", is being discussed in plenary meeting. This correctly reflects the importance the international community attaches to the dire economic condition of our African brothers. Pakistan has a long tradition of friendship with Africa, which we deeply value and respect.

We have before us the report of the Secretary-General on the critical economic situation in Africa (A/42/560 and Corr.1). We are grateful to him for such a detailed and comprehensive evaluation of the progress achieved in the implementation of the Programme of Action. We have carefully studied it, with mixed reactions. It contains a number of elements we find hopeful and reassuring but, at the same time, the situation gives us cause for serious concern.

Let us review the positive aspects first.

Resolution 40/40 of 22 December 1985 established a comprehensive framework for the medium-term and long-term rehabilitation and development of the African countries, with a view to promoting action-oriented and concerted measures. That resolution continues to provide clear guidelines to the international community in regard to its response to the African situation.

It also provides a concrete framework for a new partnership based on shared responsibility between Africa and the international community. As stated in the Secretary-General's report, the United Nations Programme of Action

"established an entirely novel concept for co-responsibility in the history of international economic co-operation". (A/42/560 and Corr.1, para. 6)

The countries of Africa did not lose any time in translating their commitment to the Programme of Action into tangible policy measures. Most countries initiated a comprehensive package of reforms to promote recovery and growth in their economies. Priorities were reordered, structural adjustment measures were put in place, domestic resources were mobilized and a number of steps were taken to improve economic efficiency. Appropriately, African Governments have accorded top priority to food and agricultural production. They have adopted price incentives, improved the channels of distribution and reduced agricultural subsidies. In the medium term they have raised the level of agricultural investment, strengthened agricultural credit institutions and introduced mechanization of agriculture. In addition, a number of other measures for enhancing agricultural production and efficiency have been introduced.

These measures underline Africa's commitment to the Programme of Action. They have entailed many sacrifices and risks. The people of Africa have bravely and willingly borne these sacrifices.

The response of the international community has, however, fallen far short of expectations. According to the Secretary-General's report, external financial needs for African recovery were estimated at \$9.1 billion per annum. The external debt service requirements, on the other hand, were estimated at \$14.6 billion, thus bringing the average external resource requirement to approximately \$24 billion based on 1985 price levels. During 1986 the total net resource flows to the

countries of Africa amounted to \$18 billion, constituting a significant shortfall from the resource level required for African recovery. The most disturbing feature of the situation is the fact that Africa has now become a net exporter of capital to the International Monetary Fund (IMF). Between 1986 and February 1987 African countries transferred, on a net basis, three and half times as much money to the Fund as they received from it in 1985. In 1986 the net outflow of resources to the IMF amounted to over \$960 million. This is an alarming situation which needs to be redressed expeditiously.

The debt burden of the African countries shows no signs of alleviation. The recent relief measures are inadequate since they offer temporary relief while by-passing the fundamental aspects of the debt problem. There is an urgent need to evolve a concerted approach to attacking the African debt crisis within the context of recovery and development. We therefore support the recommendation of the Secretary-General that a multifaceted package, involving debt-relief measures and accompanied by increased resource flows, be put in place. Serious attention needs to be given to the fact that without such a package the socio-economic situation in Africa will be much worse than before the adoption of the Programme of Action.

My delegation would like to address an appeal to the international community, particularly the developed countries, to come forward with concrete measures of support and assistance to strengthen the sincere efforts being made by African Governments to place their economies on the path of sustained recovery and development.

Despite our own resource constraint, Pakistan has extended all possible support to our African brothers. In 1985 Pakistan provided 18,000 tons of rice to a number of drought-stricken African countries. In 1986 Pakistan supplied large quantities of clothing, blankets and medicines, as well as 1,000 tons of rice. In

1987 our support for the African countries has continued through various forms of assistance and co-operation. We also operate an active technical assistance programme under which training is provided to African nationals in a number of areas. Hundreds of African students are receiving education in our institutions through a variety of scholarship schemes. A liberal credit programme is also in operation for African countries for the import of textiles, machinery and plants from Pakistan.

In August this year our entire technical assistance programme was consolidated and strengthened with the launching of a new five-year technical assistance programme for African countries. The programme comprises the following facilities: 650 scholarships for training in banking, railways, airlines, administration, and polytechnic courses; 100 scholarships under our cultural exchange programme in the fields of agriculture, veterinary services, business management and commerce; 125 scholarships in the fields of medicines, pharmacy and engineering; 50 senior-level fellowships for specialized training in water management, small-scale irrigation, agricultural research and extension, livestock development and agricultural credits; the establishment of a panel of 50 Pakistani experts in fields related to agriculture and irrigation fields for assignment to African countries to help increase food and agricultural productivity. We invite our African brothers to make optimum use of this modest offer.

We are confident that the people of Africa, true to their noble heritage, will be able to overcome their current crisis and restore faith in the belief that that great continent, inhabited by brave and gifted people, is indeed the continent of the future. The people of Africa are not alone in their battle for growth and development. They will find us at their side throughout the journey that lies ahead. EH/csm

<u>Mr. ABULHASAN</u> (Kuwait) (interpretation from Arabic): More than a year ago, the General Assembly discussed the critical economic situation in a special session. There has been a marked divergence of opinions on that session and its outcome. None the less, there has been unanimous agreement on the fact that the session, which was held one year after the call by the African leaders, in their 1985 summit to hold a special session on Africa, transformed Africa's plight into a matter of global concern on the official and popular levels and furnished further proof of the validity of what we have always maintained, namely that international and political peace and security are deeply and fundamentally linked to the economic security of all peoples and of every member of the international community.

One of the most effective factors which heightened world awareness of the critical African situation has been the African posture vis-a-vis the situation and the practical mature African approach. That is a fact that has been admitted by supporters and opponents alike. The African family came to the session with a 5-year plan for economic reform and the statements of the African delegations were based on facts and contained specific proposals.

It is from a standpoint of justice and fairness that we declare here, once again, that the developed world, which has the means of rescuing the African peoples from the vicious circle of poverty and the inability to implement their development programmes has been taking one step forward and one step backward. Hence the glaring inconsistency between what the developed world is capable of doing and its provision of the minimal requirements of the African continent, which is most regrettable indeed.

In his report on this item, the Secretary-General has expressed regret that while laudable African efforts were being made, the external climate, which had

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been extremely adverse when the Programme of Action was adopted has become even worse.

I am not here to speak of the place of Africa at the heart of the Islamic world. However, Kuwait, as president of the fifth Islamic Conference summit, wishes to point out that the Islamic Summit in Kuwait placed the critical economic situation in Africa among the principal items of its agenda. The Summit's resolutions affirmed that the development crisis of Africa continues to be a matter of great concern to the entire Islamic nation. The Islamic Summit meeting also endorsed the resolutions of the United Nations Programme of Action for African Economic Recovery and Development, which was adopted at the special session of the General Assembly.

The Islamic Summit meeting in Kuwait decided to launch a programme of action that provides for aid from its member States to the sub-Saharan areas within a framework of co-operation and co-ordination. It was decided to focus on the agricultural sector, in order to contribute to the achievement of the goal of self-sufficiency in food. The leaders of the Islamic world also voiced their deep concern regarding the problem of inadequate infrastructures. Even if we could alleviate the worst effects of the current emergency situation, structural problems will continue to impede economic development in Africa and may speed up the recurrence of economic crises.

That is the basic assumption behind the resolutions of the Kuwait Islamic Conference. The serious structural problems facing African countries will continue to plague and paralyse their economies unless the world community makes a concerted effort to rectify the situation and revitalize the economic and social development of Africa through a number of well thought-out short- and medium-term plans and the strengthening of its countries' trading capabilities, infrastructures and managerial potential.

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In his report on this question, the Secretary-General has referred to the difficulties encountered in collecting the required data and highlighted a number of weaknesses in the statistical capabilities of Africa. This process of defining the shortcomings is basic if reform is to be undertaken at this level. Hence, Africa's primary need is a great deal of technical assistance from the developed world.

In dealing with the fundamental aspects of the question, the Secretary-General's comprehensive report focused on the increasing debt burden of Africa, the deterioration of commodity prices and the diminishing overall net flow of resources to Africa contrary to the prevailing impression in this respect.

Though the report paints a disquieting picture, it gives us further proof of the important major reforms which a growing number of African countries have embarked on and the increasing enthusiasm of those countries to co-ordinate their efforts. The very least one could say of the Secretary-General's report is that it is an important document on the current African economic situation. Those who are interested in that situation should read it carefully indeed.

Kuwait cannot but support the Secretary-General's call to provide further net financial resources, increase the flexibility of those resources and work for optimum co-ordination in their flow. As far as we are concerned, our contribution is well known and Kuwait's record in assisting the developing countries, particularly in Africa, speaks for itself. Regardless of the considerable decline of oil revenues, my country has continued to discharge the duty imposed by our Islamic beliefs, our consistent foreign policy and our historical links with Africa.

Kuwait's assistance to friendly African States flows both on the official and the popular levels, through the Kuwait Fund for Economic Development, the joint Kuwaiti Relief Committee and other sources, on the regional and international levels, Kuwait's assistance is provided through the African Development Bank, the

## (Mr. Abulhasan, Kuwait)

Islamic Development Bank and the International Development Fund of the Organization of Petroleum Exporting Countries (OPEC) and the Arab Economic Development Fund in Africa, in addition to the numerous specialized agencies of the United Nations. Because of its outstanding assistance role, a Kuwaiti citizen was selected to be one of the 10 wise men mandated by the United Nations to examine the financial situation in Africa. My country will always be ready to do all it can and will continue to provide its expertise and give from its resources towards the development of Africa and its economic recovery.

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#### (Mr. Abulhasan, Kuwait)

As has been reflected in the deliberations and conclusions of our Organization and relevant international forums, the racist malignant entity continues to colonize and oppress the peoples of southern Africa and, thus, add a further serious obstacle to those which beset the development of Africa and drain the resources of countries which have a dire need for them. Our attention should therefore be focused on the Pretoria régime's adverse effect on African development. Should we fail to do so, we shall have fallen short of a comprehensive and factual understanding of the causes of the situation and shall have left a loophole through which all the energies we are trying to mobilize will be dissipated.

As we have always done on similar occasions, and in a spirit of fraternal concern, we call upon the friendly African countries to consolidate their own efforts, forge a collective and unified strategy, mobilize the greatest part of their disposable resources and savings - no matter how humble they may be, pursue with determination their reform campaigns and utilize to the utmost all the aid they can obtain for this purpose. Africa need not be reminded that it is considered the world's largest food basket and one of the richest regions in resources. All it lacks is for the developed world to shoulder its historical responsibility towards this great continent so that with adequate aid its loyal sons may assume the task of implementing the United Nations Plan of Action and every other programme that serves the cause of African development.

<u>Mr. KIKUCHI</u> (Japan): Last year from this rostrum I noted, in the course of my statement, that the nations of Africa had succeeded in extricating themselves from the immediate crisis of the drought-induced famine. Since that time, it has been the fervent hope of my Government that the economic situation of sub-Saharan African countries would improve significantly, a hope we continued to harbour as we read the report of the Secretary-General on the "Critical economic situation in

Africa: United Nations Programme of Action for African Economic Recovery and Development 1986-1990" (A/42/560 and Corr.1).

According to this report, in many African countries the newly instituted economic policy reforms, aided by favourable weather conditions, were successful in bringing about an increase in food production and manufacturing output. However, as pointed out in the report, there were, at the same time, adverse developments of commodity prices and the increased debt burden. African nations have painstakingly implemented the policy reforms and structural adjustment measures. But it was not without severe social costs and political risks. Aggravating debt and commodity problems, together with inadequate resource flow, have precipitated one of the worst balance-of-payments crises in the history of the region. And it is clear from the Secretary-General's report that this crisis is deep-rooted and requires immediate action by the countries concerned and the international community in a wide variety of interrelated fields.

I am in basic agreement with the view of the Secretary-General that it is of paramount importance to act immediately to make available the additional financial resources necessary to avert a major crisis. It is encouraging that as many as 28 of the 50 nations of Africa, with about 70 per cent of the total population of the region, have embarked upon policy reforms and structural adjustment measures in accordance with the Programme of Action.

The international community clearly recognizes that priority should be given to the African recovery programmes. It is my sincere hope that the international community as a whole will be able to achieve the objectives of the Programme of Action by 1990, its final year.

One of the most encouraging signs we have seen in African recovery efforts to date is the 3 per cent increase in agricultural production achieved in 1986, which in turn helped increase added value in the manufacturing sector by 5 per cent in 1985-1986.

My delegation looks forward to a more comprehensive review and appraisal of the status of implementation of the Programme of Action at the forty-third session of the General Assembly.

In the Secretary-General's report, he rightly gives considerable attention to the African debt crisis. It is important to note that overall African debt stands now at between \$150 billion and \$200 billion, accounting for about one half of its entire gross domestic production and approximately three to four times its annual export income; debt-service ratios on average exceed 50 per cent and debt service for all African countries in 1986 was estimated at \$15 billion; total net resource flows to African countries decreased slightly in 1986 to \$18 billion; and private lendings also decreased from \$3.5 billion in 1980 to \$1.5 billion today.

In the light of the desperate situation prevailing in Africa, no one can deny the urgent need to provide adequate financial resources, bilaterally and through international financial institutions, to assist African countries in their efforts to cope with their debt burdens. Regarding the debt issue, I should like to reiterate the view of my Government that a "best mix" of sustained, growth-oriented adjustment strategies in debtor countries, and policies formulated in industrialized countries, and greater access by debtor countries to external financing, on a case-by-case basis, is the basic key to resolving this issue. However, I must point out that, as noted in the Final Act of the seventh session of the United Nations Conference on Trade and Development (UNCTAD) and in other international forums, the unique and delicate nature of African debt problems, which relate mainly to official development assistance, needs to be given careful

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attention. In the Final Act, it was recognized that the problems of the poorer sub-Saharan countries are more difficult and need special attention. It was further noted that in dealing with Africa's external indebtedness, the magnitude and servicing of debt constitutes a severe and continuing burden, which restricts economic recovery and long-term development. The international community, consequently, reaffirmed the urgency of increasing official development assistance to Africa, in accordance with the Programme of Action.

The Final Act also called for the easing of the debt-service burden of the poorest countries, primarily in sub-Saharan Africa, which are undertaking adjustment efforts, through longer repayment and grace periods, especially in the Paris Club.

I should like to stress that my Government has been making strenuous and determined efforts to assist African countries in the economic development process. In 1976, of the total bilateral Official Development Assistance (ODA) extended by Japan, 6.1 per cent went to African countries, but in 1986 this figure increased to 11.7 per cent. On a United States dollar basis, in 1976 bilateral ODA to Africa was approximately \$46 million, but it grew to \$451 million last year - a tenfold increase in 10 years. Japan is working to achieve the earliest possible implementation of its Third Medium-Term Plan for ODA. We have already decided to advance by two years the original seven-year plan target of doubling ODA. Our ODA disbursements in 1990 will reach the annual level of more than \$7.6 billion.

Japan fully recognizes that special treatment will be needed to alleviate the debt burdens of African countries. My Government therefore rescheduled official debts of African countries in the amount of \$236 million during the five-year period between fiscal years 1982 and 1986. Japan has also taken a positive stand on the extension of the maturities within the Paris Club. I should also like to remind the Assembly that our loans to low-income countries, particularly those in Africa, are being extended on concessional terms.

Furthermore, Japan has been contributing to the special facilities for sub-Saharan Africa of the International Development Association (IDA), established in 1985, in the form of special joint financing. Japan's total contributions to the "Special Facilities for Africa" amounted to \$300 million, which is the largest figure among the contributions to the Facilities.

We welcome the fact that the Eighth IDA Replenishment is coming into effect with a magnitude of \$12.4 billion. For its part, Japan has already informed IDA of its commitment to participating actively in this replenishment. It should be noted that at least 45 per cent of this fund will be channeled to sub-Saharan African countries.

In addition to those measures, the Japanese Government intends to provide approximately \$500 million over the next three years in the form of capital grants of a non-project type to sub-Saharan African countries and other least-developed countries. This assistance will be extended to enable such countries to finance the importing of goods urgently needed to carry out structural adjustment. Such assistance will also have the virtual effect of alleviating their debt burdens. We have already adopted the necessary legislative measures authorizing the supplementary expenditures of \$150 million for this initiative in fiscal year 1987.

One of the most important questions that need to be addressed in order to solve the debt and development problems is how best to encourage private-capital flows to African countries through non-debt-creating measures, in particular direct investment. In this connection, it is hoped that the Multilateral Investment Guarantee Agency (MIGA) will be established and begin to function as soon as possible, so as to facilitate direct investment.

My delegation also looks forward to the recommendations to be submitted by the Advisory Group on Resource Flows to Africa, which is composed of 13 eminent experts and was established in April by the Secretary-General to take a look at the financial aspects of the African crisis.

It may be recalled that in his general statement at UNCTAD-VII, the Japanese Minister for Foreign Affairs, Mr. Kuranari, made two proposals. The first one was that an independent "high-level group of wise men" should be established, with the

support of interested countries and relevant international organizations, to examine ways and means of enhancing the flow of financial resources to developing countries. His second proposal was that a Round Table, composed of relevant international organizations and other participants, be established to examine the ways and means of enhancing the level of processing of primary commodities, which will naturally focus on the highly commodity-dependent developing countries. My delegation believes that both proposals, if implemented, would contribute to the development efforts of sub-Saharan African countries. The second proposal is particularly pertinent in that it will help to improve the export earnings of primary-commodity-producing countries of Africa, especially at this time when those countries have experienced the sharpest fall in export revenues since 1950, resulting in a loss of \$20 billion last year alone.

I am very much encouraged to note that so many United Nations organs have taken positive steps in the context of the Programme of Action, and in a variety of fields - ranging from those steps taken by the Food and Agriculture Organization (FAO), the World Food Programme (WFP), the United Nations Development Programme (UNDP), the International Fund for Agricultural Development (IFAD) and other organs related to agriculture and its support sectors, as well as drought and desertification, to the measures taken by the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO), the United Nations Fund for Population Activities (UNFPA) and other organs in regard to human resources development and the training and education sectors. All those organs are participating in the implementation of the Programme of Action in full response to the initiatives of the Secretary-General. In this regard, I should like to draw attention to the fact that Japan has recently established a trust fund in UNIDO to support the agro-industries in sub-Saharan Africa.

In the light of the significant progress and improvements made in regard to the critical economic situation in Africa, I should like to express my profound appreciation and respect to the Secretary-General, Mr. Javier Perez de Cuellar, for his initiative for implementing the Programme of Action by aligning the activities of all United Nations organs with the priorities of the Programme. I pay a tribute also to the United Nations Steering Committee for its role in stimulating activities of the entire United Nations system. My appreciation goes also to my dear colleague Ambassador Stephen Lewis of Canada for his untiring and timely expert advice on the work of the Secretary-General.

In this connection, let me stress here the importance of aid co-ordination and follow-up machinery in aid activities for the economic recovery of Africa. As rightly pointed out by the Secretary-General in his report, the mechanisms for aid co-ordination and monitoring process through the UNDP-sponsored round tables, the World Bank consultative groups and the United Nations steering committee, which oversees the recovery programme, need to be strengthened in order to ensure effective and efficient implementation of the Programme of Action by the United Nations system as a whole. My delegation therefore believes that the recommendations of the Secretary-General in paragraph 80 of his report deserve our utmost attention.

In conclusion, let me reiterate my view that the development of human resources is of vital importance to all developing countries. When Japan embarked upon its modernization process more than a century ago it was on education, training and developing human resources that our new Government focused most of its efforts. It has been proved that training the individual is the key to the overall national development process of developing countries, particularly in Africa.

Africa is a continent of enormous potential and promise. Its bountiful resources, both human and natural, are waiting to be explored and harnessed. Here I should like to express my cautious optimism that, given these abundant resources, and the support of its stronger partnership with the international community in the Programme of Action, Africa will certainly be able to overcome the present difficult problems.

Japan, for its part, will continue to participate in the ceaseless efforts of the international community to solve these problems.

<u>Mr. OTT</u> (German Democratic Republic): Let me, too, recall that it is now 17 months since the thirteenth special session of the United Nations General Assembly adopted by consensus the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. For the first time in its history our Organization dealt exclusively with the economic situation of one continent. And, indeed, in no other region of our globe than Africa is there such a concentration of complicated development problems in such aggravated form.

The Programme of Action sets the frame for promoting, through co-operation between African and other States Members of the United Nations, the socio-economic development of Africa as a whole. It is aimed at mobilizing international public opinion along the lines of an increased commitment to the solution of the acute problems facing African States.

What has been achieved since the adoption of that Programme? The report of the Secretary-General does not put us in an optimistic mood. Also, the International Conference on Africa, which was organized by the Economic Commission for Africa (ECA) and held in Nigeria's capital last June, came to the conclusion that the critical economic situation on the continent persists unabated.

The heavy economic burden left behind by its colonial past has not been overcome. Africa remains trapped in the unequal international economic relations prevailing in the capitalist part of the world. New types of dependency have emerged on forces outside Africa which, in another guise, are intent on keeping their grip on the huge resources of the continent.

A detailed analysis shows that the situation of Africa has not eased but, rather, become more complicated. Major factors in this process are protectionism, crumbling commodity prices and, above all, the enormous growth in the external debt. As is well known, at the end of last year Africa's debt burden reached

## (<u>Mr. Ott, German Democratic</u> <u>Republic</u>)

the \$200-billion mark, which is 54 per cent of the national product of those countries and about 440 per cent of their export earnings.

The debt-service ratios exceed 50 per cent of export revenues. Is it not alarming that, as Kenneth Kaunda, President of Zambia and current Chairman of the Organization of African Unity (OAU), stated in a plenary meeting of the General Assembly, the African continent has become the victim of a massive outflow of resources, to the extent that in 1986 alone the net transfer of resources from Africa to the International Monetary Fund amounted to more than \$960 million?

The adverse social and economic consequences of the imposition of adaptation measures in some African countries become ever more obvious. Characteristic of these are increasing unemployment and growing inflation, combined with a further decline in the standard of living.

Further negative factors are desertification and receding forests. They threaten to undermine the natural basis of life in many African countries. Present food production does not suffice to feed a rapidly growing population. A number of natural disasters have exacerbated the already complicated situation. Not least, regional conflicts and hotbeds of tension pose a threat to the political and economic security of African States. They undermine efforts to solve socio-economic problems. In particular, South Africa's policy of aggression has devastating consequences. The <u>apartheid</u> régime, as the last bastion of colonialism and racism in Africa, is destabilizing the entire region and has enormous detrimental economic effects.

The report of the International Conference on Africa estimates the losses inflicted through the racist policy of aggression on, for instance, the Southern

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## (Mr. Ott, German Democratic Republic)

African Development Co-ordination Conference (SADCC) States at \$2 billion annually. Those the worst and most directly affected are without a doubt the front-line States. Therefore, one cannot honestly speak about the solution of economic problems of Africa without calling for effective steps against the <u>apartheid</u> régime. Comprehensive mandatory sanctions under Chapter VII of the Charter are imperative. Any toleration or encouragement of the racists must bear the blame also for the consequent great suffering.

The continuing critical economic situation in Africa is and remains a challenge to the entire international community. The basic prerequisites for the successful economic development of the continent are peace, security and stability. This was rightly pointed out by many participants at the recent International Conference on the Relationship between Disarmament and Development.

## (<u>Mr. Ott, German Democratic</u> <u>Republic</u>)

But the point is also to give material and financial support to African States in their struggle for socio-economic progress. The required financial and material means could be released through effective and substantive disarmament measures. The German Democratic Republic supports such a policy of disarmament for development, because we are convinced that it would be of the greatest benefit if at least part of those means were made available for the economic and social development of all States - in particular, for resolving the crucial problems of developing countries. That would also engender additional possibilities of support for the development of Africa.

The German Democratic Republic views moral and practical solidarity and mutually advantageous co-operation as integral parts of its foreign policy. The German Democratic Republic not merely continued its assistance in 1986, but increased it by 12.1 per cent compared with 1985. The total sum amounted to 2,242.9 million marks - 0.89 per cent of its national income in 1986. My country's assistance has been aimed in particular at a structural improvement of the national economy of those countries and, above all, at the development of an effective agriculture, the training of national cadres and the creation of an industrial basis.

Among the developing countries those of Africa rank prominently as recipients of support from the German Democratic Republic. In 1986 almost 50 per cent of the German Democratic Republic's assistance went to African countries. Details can be gathered from information provided by the Ministry of Foreign Affairs of the German Democratic Republic in a document submitted to the present session.

The German Democratic Republic has also been actively involved in providing relief assistance in emergency situations. This does not apply only to Mozambique, whose economic plight prompted the Secretary-General to make a special request for

## (<u>Mr. Ott, German Democratic</u> Republic)

assistance this year; the German Democratic Republic also gave broad and swift assistance to other African States. Relief consignments containing vital goods for victims of natural disasters, including medicaments, equipment and food, were sent, for instance, to Angola, Benin, Burkina Faso, Cameroon, Ethiopia, Ghana, Madagascar, Mali, Sao Tome and Principe, Sierra Leone, Uganda and Tanzania.

The successful solution of the whole complex of Africa's problems requires big efforts by all the countries of that continent and concerted action by them. Political and material assistance by the international community remains a necessary addition to those efforts. Its effect will be greatest if it is based on respect for the sovereignty of the African States and the road of development chosen by them, and if it involves the renunciation of all attempts to interfere in their internal affairs. The German Democratic Republic 1s prepared, on the basis of these principles, to continue actively to contribute towards the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990.

<u>Mr. PEJIC</u> (Yugoslavia): By adopting the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 at its thirteenth special session last year, the General Assembly established a framework for co-operation and partnership based on mutual commitments and shared responsibility between Africa and the international community and raised hopes of overcoming the critical economic situation in Africa. The Programme of Action envisaged specific obligations on the part of both Africa and the rest of the world, thus instituting a new concept of co-responsibility in its realization.

The year or so that has elapsed since its adoption is certainly a short period for fully assessing the implementation of the Programme. None the less, the report of the Secretary-General and Africa's preliminary assessment of the implementation
#### (Mr. Pejic, Yugoslavia)

of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, prepared by the Organization of African Unity, have shed light on certain tendencies that cannot but cause serious concern.

The expectations that the measures and actions of African countries would be supported and supplemented by the international community are slowly fading. Words are not followed by actions and, while African countries are endeavouring to fulfil their obligations, the international community has yet to fulfil its share.

Despite enormous difficulties, African countries are introducing, or are about to introduce, important reforms and structural changes. They are re-examining the direction of their development policies, placing greater emphasis on food and agriculture. At the same time, measures are being taken to increase domestic capital formation and streamline the economy, with the sole purpose of overcoming the current economic difficulties.

The implementation of national economic policies is greatly dependent on the international economic environment. It is evident, however, that the international community cannot redirect the current macro-economic trends, and its inability to do so has resulted in failure to ensure the necessary pre-conditions for the implementation of the United Nations Programme of Action.

In these circumstances, which are compounded by the record level of external indebtedness and worsening weather conditions, Africa's economic situation, instead of experiencing the expected improvements, has in fact continued to deteriorate. It therefore comes as no surprise that the Secretary-General's report points out that

"despite ... Africa's efforts, 1987 will prove to be yet another year of poor overall economic performance." (A/42/560 and Corr.l, para. 42)

## (Mr. Pejic, Yugoslavia)

This cannot but disappoint all those of us that attach the greatest importance to the accelerated development of Africa.

It is a cause of great concern that the overall net transfer of resources to Africa has actually declined in real terms in relation to 1985 levels and has been grossly inadequate in the face of the dramatic fall in Africa's export earnings from commodities and the sharp rise in its debt-servicing obligations. The improvement of the international climate, particularly the restoration of commodity earnings to remunerative and equitable levels, is of critical importance to the development efforts of African countries. It is also necessary to take urgent measures to free Africa from the burden of international indebtedness.

Furthermore, the implementation of the Programme of Action is rendered more difficult by the political situation in southern Africa. The criminal policy of aggression and political and economic destabilization pursued by the minority racist régime of South Africa against the front-line and other States of Africa threatens not only the political sovereignty and territorial integrity of those States, but is a serious impediment to the economic recovery and development of the continent and represents a challenge to the entire international community.

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## (Mr. Pejic, Yugoslavia)

The African countries, as pointed out by the President of Zambia, Mr. Kenneth Kaunda, do not need moral support only. It is for this Assembly to reaffirm the commitments undertaken by the international community regarding the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. If it fails to do so, the Programme of Action may become just another inventory of good wishes and well-meant intentions. Efforts to overcome the plight of one continent should not remain unseconded by others. International commitments arrived at by consensus should not be allowed to go unfulfilled.

As already agreed, the overall appraisal of the implementation of the Programme of Action is to be undertaken at the forty-third session of the United Nations General Assembly. This will be one of its priority tasks next year. In this respect, it is not only necessary to carry out a thoroughgoing analysis of the achievements, but equally important to initiate proper action for the consistent implementation of the United Nations Programme of Action. We therefore support the idea in Africa's preliminary assessment that, prior to the forty-third session, the General Assembly should be convened as a committee of the whole in order to bring Africa and the international community together and thus help the General Assembly to undertake a broad and in-depth assessment of the implementation of the Programme of Action.

Africa is determined to persevere in its efforts to overcome the crisis besetting it. This determination is evident when Africa speaks to us with one voice. In a spirit of solidarity, the rest of the world should join Africa in its efforts to overcome present difficulties and thus contribute to a better future for Africa and for the world at large. My country extends its full support to these efforts. It has demonstrated this support in many ways, bilaterally and

## (Mr. Pejic, Yugoslavia)

multilaterally, throughout the years and also within the Movement of Non-Aligned Countries by joining the newly-established Action for Resisting Invasion, Colonialism and <u>Apartheid</u> (AFRICA) Fund for assisting front-line and other threatened States of southern Africa.

<u>Ms. LANDRY</u> (Canada) (interpretation from French): The depth and intensity of human suffering caused by the economic crisis in Africa has deeply disturbed us all. The international community has moved from complacency to disquiet, then from disquiet to action. Our purpose here is to assess what we have done and consider what remains to be done.

## (spoke in English)

My responsibilities for Canada's development assistance program and my special responsibilities for Canada's relations with Africa have made me fully aware of conditions there. This past year I have had the opportunity to travel to Nigeria, Burundi, Rwanda, Zaire, Gabon and Mozambique. I have witnessed there at first-hand both the hardships and the courage of individual Africans and their Governments. More recently, at the Francophone Summit in Quebec and at the Commonwealth Summit in Vancouver, I met with many African leaders and discussed with them the plight of their people.\*

For me personally, and I reflect the view of the Canadian Government and people, these experiences have instilled an even firmer resolve to focus our own efforts on Africa. We are determined to do not only our part but more. We intend to continue to work to focus the attention of the international community and our major economic partners on Africa. That is why I have made a point of coming here to participate in this debate.

\*The President took the Chair.

I should like to start by thanking the Secretary-General for his thorough and insightful report on progress in the implementation of the African economic recovery Programme. He has provided us with a very frank and detailed review of how far we have come in the past year.

It is, to say the least, a very distressing report. We cannot express any great satisfaction at the results obtained from the combined efforts of the African countries and the international community in actually helping the people of Africa. Indeed, we can only express disappointment at the failure of our efforts to make significant changes in their lives.

## (continued in French)

However, at the time of the special session on Africa, while we were discussing and agreeing on a priority programme for the economic recovery and development of Africa, no one could have foretold the turn that the world economic situation was going to take. For most countries growth has fallen far behind estimated levels. The majority of commodity markets have continued to decline in real terms. We have witnessed a virtual stagnation of the flow of commercial credits, and official development assistance flows have barely improved. It is clear that the world economic situation has run counter to our efforts.

## (spoke in English)

There is little point in seeking to ascribe blame for these realities, for, in fact, all countries, African and donor alike, have been affected. What has happened is that the international economic environment has altered, and what is abundantly evident is that no one country or group of countries can control all the factors in play.

Nevertheless, the Secretary-General's report should not be cause for despair. We are, it is true, in a more difficult situation than last year. The crisis has

deepened. The social and political risks and costs are higher. But steps have been taken both in Africa and in the world community that merit recognition and commendation.

## (continued in French)

In Africa, 28 countries have successfully embarked upon major programmes of structural adjustment. They have made huge sacrifices in the hope of improving their long-term prospects. They have taken concrete steps to introduce meaningful reforms and to adjust the machinery of their economies. We find numerous examples of this in the Secretary-General's report.

## (spoke in English)

Some positive results are very slowly - and painfully - becoming evident. However limited these may seem in the light of current circumstances, it is from them that we must take heart. We must here recognize that the courage, energy and determination demonstrated by those African Governments are making a difference and deserve our full, unswerving support.

On the part of the international community there has also been some movement. A number of multilateral initiatives are now at various stages of development: in the International Monetary Fund (IMF) Mr. Camdessus has proposed a tripling of the Structural Adjustment Facility; in the Paris Club special arrangements have been made, and others are under consideration, for the poorest debtors; in the World Bank ideas generated in the United Nations Children's Fund (UNICEF) on the need for adjustment with a human face, have been taken on board; the Eighth Replenishment of the International Development Association (IDA) will now go forward as agreed; and there is, finally, a consensus on the need to negotiate a general capital increase for the World Bank.

In the Uruguay Round, special attention is being paid to the need to involve and to assist developing countries, especially the poorest, to participate fully. Donor co-ordination has been strengthened and World Bank consultative groups have given more relevant and effective assistance.

Those developments represent movement and in better times they might have produced results which we could look upon with satisfaction but, in current circumstances, it is only too evident that the response is not adequate. It is partial, piecemeal and short-term.

## (continued in French)

Here we must undertake to pool our efforts more fully to implement the recovery programme. We - and by "we" I mean the world community - must do everything possible. Acting in unison, we must achieve what may now seem impossible: increased and enhanced assistance at a more rapid pace. In this respect, we intend to draw on the ideas and recommendations of the Secretary-General's Advisory Group on Resource Flows to Africa.

### (spoke in English)

We in Canada have accepted our responsibilities. The tragedy of Africa has been acutely felt by Canadians and it is of the highest priority for the Canadian Government. In 1984 and 1985 we responded rapidly and generously to the immediate problem of famine. Early last year Canada set in place the "Africa 2000 Programme", a \$150-million initiative to help build a strong and self-reliant Africa by the year 2000. We declared a moratorium on outstanding aid debt for sub-Saharan Africa and converted our development assistance programme throughout the world to an all-grant basis.

This year Canada has gone further. At the Venice Summit, our Prime Minister, Brian Mulroney, drew attention to, and presented ideas on how to relieve, the debt

burden of the poorest countries. In the context of the Uruguay Round, Canada has begun a programme of consultations and training designed to enable developing countries better to pursue and protect their trading interests in the multilateral trade negotiations. We have supported longer rescheduling periods and concessional interest rates for the poorest in the Paris Club.

Canada has committed a total of \$US 575 million to the Eighth Replenishment of the International Development Association (IDA): our share, plus a special additional contribution. Canada will contribute 200 million special drawing rights (SDR) to a tripled Structural Adjustment Facility in the International Monetary Fund (IMF) and, at the Francophone Summit and the Commonwealth Heads of Government Meeting, we undertook to forgive the remaining outstanding debt to Canada for official development assistance of 13 countries in sub-Saharan Africa, a measure worth \$Can 672 million.

#### (continued in French)

Moreover, the Government of Canada has taken steps to steer its development assistance more directly towards the most pressing needs of the poorer countries, particularly with regard to the development of human resources and the role of women. We take a special interest in Africa and, consequently, we have decided to raise to 45 per cent the proportion of bilateral development assistance we provide to the African countries.

We have also decided that 50 per cent of that assistance shall be untied so that it may be used more quickly and more effectively and be better adapted to local circumstances. We have also decided, in order to improve the machinery for assistance delivery, to decentralize the Canadian International Development Agency and to entrust to our field representatives in the developing countries and regions a certain share of administrative authority and decision-making. Africa is where we shall first apply this process.

#### (spoke in English)

Canada is but one country amongst many others. We are very much aware that measures we take alone will not solve the enormous problems of Africa, nor provide the kind of relief and assistance that is so desperately needed.

But we are committed, wholly and completely, to finding ways to support Africa both bilaterally and multilaterally. On other occasions I have referred to "constructive internationalism" as the cornerstone of Canadian foreign policy. For us, this means making the process of multilateral exchange and co-operation work at its best and to the benefit of all. In the case of Africa, the multilateral system is faced with a formidable challenge to make a greater whole out of the sum of our individual efforts.

We in Canada are convinced that this can and must be done. We have noted the comments of the Secretary-General. We shall listen carefully to the views and ideas of others in this debate. And we commit ourselves to work with all others to make what we do more realistic, practical and effective.

At each of the economic summit meetings he has attended, Prime Minister Mulroney has expressly raised with other leaders the concerns and problems of developing countries. As we prepare for the Toronto Summit next year, Africa is foremost in our minds. We intend to ensure once again that attention is given to the crucial needs of Africa and in particular to the urgency of concrete support for the efforts being made by African countries.

## (continued in French)

The African crisis is our crisis. Our sense of common humanity requires us to act with compassion and speed in order to relieve the terrible sufferings of the victims of that crisis and break out of the vicious circle of despair and degradation. We cannot afford to fail. <u>Mr. JOFFE</u> (Israel): The courageous and realistic analysis by the Organization of African Unity (OAU) regarding the critical economic situation in Africa and the wide-ranging proposals formed by Africa's Priority Programme for Economic Recovery deserve the highest praise.

Concerted subregional approaches to the promotion of the recovery process have started to emerge, concentrating on food security, control of drought and desertification and water resources development and management.

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#### (Mr. Joffe, Israel)

But the situation remains very somber and the international community is still witnessing a tragedy affecting so many people in Africa, especially in the Sahelian region.

Twenty years ago, Africa fed itself and was a net food exporter. This year, Africa will import 10 million tons of grain, because in spite of adequate rainfall in 1985-1986, drought and desertification still persist in many regions of the continent. Drought, which at one point afflicted as many as 150 million people in 24 African States, continues to plague six countries causing severe soil erosion.

The Sahara desert has gained an estimated 250,000 square miles in the past 50 years, continuing to push southward at a rate of 25,000 square miles per year. With population mushrooming at an annual rate of 3 per cent, it is inevitable that arable plots will be over-cultivated, leading to further rape of the land.

This destitution has affected mainly rural populations, and that is where a new effort must be made to alleviate human suffering. A plan must be laid for the future. Never before have the people of Israel been so conscious and aware of this challenge. This awareness is all the more strong in Israel, because in the early days of our national revival, we had to grapple with similar problems, mainly severely degraded lands in a hostile natural environment, and a constant lack of water. This was our starting point, first to feed the nation, then gradually to improve its income-generating opportunities and develop a modern economy.

In May 1986, during the United Nations special session dealing with Africa's critical economic situation, Israel presented a document entitled "Economic development and the transformation of African agriculture: an Israel view". In it we suggested strategies for rural development and possible Israeli contributions to the critical areas of farmer support and applied research.

#### (Mr. Joffe, Israel)

Today, we are reiterating what we said then: Israel is ready to place its know-how at the disposal of Africa in two main fields: in the improvement of traditional agriculture; and in the reduction of drought and desertification vulnerability.

Israel is offering Africa the use of its international training infrastructur and experience for human resource development. Each year, Israel organizes and runs dozens of seminars, workshops and courses in agriculture, water management, community development, co-operative and labour organization management, and community health services. In 30 years of co-operation with more than 100 countries, Israel has welcomed more than 30,000 trainees from developing countries instructed 25,000 others in their respective countries and sent over 10,000 Israel experts and instructors abroad in those fields.

As to the fight against drought and desertification, Israel places its experience at the benefit of Africa: the Negev, the southern two thirds of Israel is semi-arid to arid, similar in climatic conditions to many areas in Africa. Ove half of Israel's area receives less than 180 mm of rainfall annually.

The centre-piece in our fight against desertification is the Ben-Gurion University of the Negev. One of the express purposes for founding it at Beersheva the capital of the Negev, was to marshal the resources of science and technology i order to unlock the mysteries of arid lands and fight desertification. At Ben-Gurion's University of the Negev, the biblical prophecy "The desert shall rejoice, and blossom as the rose" (<u>Isaiah 35:1</u>) is not a promise, but a daily reminder of the challenge we meet. Israeli experts have created a laboratory for arid-land agriculture from which others can learn to combat desertification, makin possible freedom from hunger, life from the desert.

#### (Mr. Joffe, Israel)

The majority of the University's arid-land projects are concentrated in two institutions and a related research complex. One is the Jacob Blankstein Institute for Desert Research, examining subjects like hydrology, meteorology, architecture and planning, controlled environment agriculture, social studies, solar energy, and algae production. Desert agriculture is the primary focus of the Boyko Institute for Agriculture and Applied Biology, part of the University's Institute for Applied Research.

Projects being investigated are protein production, production of valuable biochemicals from plants, genetic modification of cash crops to improve shelf life and economic performance under less than ideal climatic conditions, and introduction of plants of potential economic value from other arid zones throughout the world.

Allow me to open a parenthesis and talk about the latest Israeli invention in the field of grain storage.

In regions of Africa grain loss of 20 to 40 per cent is due to inadequate or inappropriate storage. At the Israeli Volcani Center for Agricultural Research, a revolutionary new plastic grain silo has been developed to address this problem.

Use of this new Volcani silo in the Negev has demonstrated post-harvest grain losses of less than one tenth of 1 per cent, while, as I said, African grain loss is frequently between 20 to 40 per cent. This new Israeli silo is considered a proved technology for semi-arid regions and we are confident that through testing it can be adapted for use in Africa. It is of very low cost when compared with concrete silos, and its maintenance does not require extensive training or expertise. It is movable and not limited to use in one area, and can be manufactured in a range of sizes from smaller silos for use by small farmers' co-operatives to larger silos, which could serve as national grain reserves against

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## (Mr. Joffe, Israel)

times of drought. Field testing and adaptation have already started in one West African country and in an Asian country. Israeli experience is offered in the crucial field of food security.

In conclusion, Israel is ready to include the Institutes for Applied and Desert Research of the Ben-Gurion University of the Negev in programmes of scientific co-operation, bilaterally with the network of African agricultural research institutes, or multilaterally throughout the United Nations Development Programme and its specialized agency, the United Nations Sudano-Sahelian Office.

My country is ready to enter into discussions with interested African countries or through the United Nations, regarding the urgent and acute problems facing agricultural and economic development. Within our limited resources we will seek ways and means by which we can contribute to the development of Africa.

I have brought with me a list of scheduled workshops and seminars which will be offered in Israel in 1988, as well as a descriptive pamphlet regarding Ben-Gurion University's laboratory for arid land agriculture. This literature is available to all interested representatives at my delegation's table.

<u>Mr. ZAPOTOCKY</u> (Czechoslovakia): Since the adoption of the Programme of Action for African Economic Recovery and Development at the thirteenth special session of the General Assembly, the African countries have exerted increased efforts to overcome their serious economic and social problems. A number of countries have undertaken significant economic reforms and adopted austerity measures aimed at a mobilization of internal resources and a reinforcement of the capacities of their economies to cope with the external economic environment.

#### (Mr. 2apotocky, Czechoslovakia)

According to the Secretary-General's report, some of those policy reforms were controversial in their implications. The document of the Permanent Steering Committee of the Organization of African Unity (OAU) reflects that conclusion even more distinctly by stating that the structural adjustment programmes and policy reforms have been pushed to the limit by the African countries. In spite of that, as the document convincingly shows, the cumulative effects of internal and external factors have led to a further deterioration of the economic situation of African countries.

Problems that have been growing for a number of years, the roots of which lie in the consequences of a colonial heritage and of the present unequal international economic relations, have remained unresolved. The international economic environment has been aggravated in many respects. The African countries, among them a considerable number of the least developed countries, are sharply affected by the negative implications of external indebtedness and the outflow of resources, protectionism, low prices for commodities and worsening terms of trade. As stated in the Secretary-General's report, regardless of the many new initiatives, there is a net outflow of resources from Africa to the International Monetary Fund. The existing conditionality in the provision of financial resources can justifiably be regarded as a factor affecting in a clearly negative manner the present economic situation of the African countries.

Accordingly, it is no wonder that dissatisfaction with and, in some countries, direct rejection of the prescriptions provided by the International Monetary Fund, in clear contradiction of the International Development Strategy for the Third United Nations Development Decade, have recently increased. This development is convincing proof in support of the demand for breaking old stereotypes and approaches, essentially restructuring international economic relations on a just

## (Mr. Zapotocky, Czechoslovakia

and democratic basis and establishing a new international economic order and international economic security.

We are of the opinion that, especially in this situation, it is necessary to give full credit to the role of the Government in the economy and to raise the effectiveness and use of the public sector. It is not possible, as was also pointed out by some African delegations in the Second Committee, to regard programmes of privatization as a kind of panacea. If a correct choice is made of the methods of planning and management, an efficiently functioning public sector can influence positively the stability of economic development, harmonize the efforts of other sectors, including co-operatives and individual manufacturers, facilitate the mobilization of internal resources and their orientation towards development priorities and strengthen the capacity of the economy to counter external factors. We believe that every country should itself choose its economic and social system in conformity with the will of its people and that it is inadmissible within and beyond the framework of the United Nations to enforce one-sided patterns of economic development and management on the African countries.

As is rightly stressed in the United Nations Programme of Action for African Economic Recovery and Development, the efforts of the African countries themselves must be sustained by the entire international community. The endeavours aimed at a lasting solution of the problems of the African economy must be complemented by the adoption and implementation of a series of immediate measures for the settlement of the problem of indebtedness and resource flows, as well as that of accessibility to markets for African goods. In the light of the historical and present nature of relations between the African countries and a number of advanced market-economy countries, we would expect the latter to show sufficient political will to help overcome in practice consequences in whose origins they were indisputably involved.

#### (Mr. Zapotocky, Czechoslovakia)

We fully realize that the present economic situation in Africa requires constant attention to the development of co-operation and the granting of assistance to African countries. The assistance provided by Czechoslovakia depends on the capacities of its economy. The total figure of economic assistance provided by our country to developing countries and national liberation movements in Africa as a whole has exceeded 1 per cent of the national income. Roughly one quarter of that assistance - that is about one quarter of 1 per cent of our national income is allocated to African countries. In this context, we hope that in future the United Nations Secretariat will find a way of giving more precise information about the economic assistance to Africa provided by the socialist countries.

Czechoslovakia provides economic assistance to African countries for the purpose of the development of their industrial bases, agriculture, education and other fields. Approximately 1,300 Czechoslovak experts are working in African countries every year and 1,500 African students - who constitute almost 30 per cent of the total number of foreign students - study at Czechoslovak educational establishments. As was confirmed during the visit of a ministerial delegation of the front-line States this year, Czechoslovakia will, according to its possibilities, provide economic assistance to those countries, which are exposed not only to the adverse impacts of their economic underdevelopment and eternal economic factors but also to the destabilizing influence of the aggressive <u>apartheid</u> régime of South Africa. The Czechoslovak Socialist Republic will continue to provide assistance and support to the African National Congress (ANC) and the South West Africa People's Organization (SWAPO).

In conclusion I should like to confirm that solidarity with the African countries is a permanent component of our foreign policy. We shall therefore continue to develop equal and mutually advantageous co-operation in all fields with the countries of that continent. EH/csm

<u>Mr. ICAZA GALLARD</u> (Nicaragua) (interpretation from Spanish): The economic and social crisis in the African continent is a matter of primary concern to all Member States of the United Nations. The growing protectionist barriers, the aggravation of the debt problem, the decline in external financial flows and the reduction in the prices of commodities are characteristic negative elements in the present international economic environment, which, together with desertification, drought, malnutrition and hunger, complete the tragic and painful picture confronting many African countries today.

This situation in the sister countries of Africa is a distressing and specific example of today's international economic situation, which is characterized by injustice and inequity in international economic relations. Our country, too, is the victim of these unjust relations and therefore identifies fully with Africa and its problems, the underlying causes of which remain and which can be solved, today more that ever, only with the assistance of the international community.

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## (Mr. Icaza Gallard, Nicaragua)

My country firmly believes that world collective security is closely linked to the elimination of poverty, hunger and any other form of exploitation among the nations on our planet. This assertion leads us back to the analysis of the problems we are confronting today and towards the historic causes that explain, to a very large degree, the daily history of the African peoples.

Therefore, in our analysis we cannot start from an immediate prospect that limits the possibilities of a comprehensive overall consideration of the economic, social and political variables as a whole. The history of the countries of Africa is like the history of many of our countries - a history characterized by injustice and economic inequalities, where the large majorities were worse off in the context of international relations. It is against this heavy burden of history that, for many years, the African countries have been struggling, without achieving a sufficient structural change that would enable them to alter the life of their countries.

The African continent, like a mosaic of peoples, nations and cultures, is today confronted by hunger, poverty and despair, and the efforts undertaken thus far have not yielded the expected results because it is not possible to achieve a substantive solution without the resolute and responsible support of the international community as a whole. We are aware of the unshakeable will of the African peoples and Governments to break out of the present critical situation and we are also aware of some of the indigenous causes that explain today's realities.

The United Nations has been playing a very important role in the adoption and elaboration of specific mechanisms which could contribute to the solution of the problems confronted by the African continent.

On 1 June 1986 the General Assembly at its thirteenth special session adopted the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. As stated in the report submitted to us by the

#### (Mr. Icaza Gallard, Nicaraqua)

Secretary-General, the adoption of that Programme establishes the concept of shared responsibility, something that is new in the history of international economic co-operation. The Programme of Action, based on mutual commitments and co-operation, contains two key elements: first, the determination and commitment of the African countries to achieve both at the national and at the regional levels the implementation of economic development programmes; and, secondly, the response of the international community and its undertaking to support and supplement Africa's efforts on behalf of development. However, little more than a year after the adoption of the Programme of Action, we note with concern that the results achieved in terms of its implementation are not entirely satisfactory.

As can be seen from the Secretary-General's report and from the assessments made by the Organization of African Unity, domestic efforts by the African countries have not been accompanied fully by the support that should have been provided by the international community. Indeed, while 28 countries in the African continent have initiated policy reforms and have adopted measures of structural adjustments which have entailed high social costs and considerable political risks, the international environment has worsened and the total official development assistance, which is the main source of foreign assistance for Africa in real terms has stagnated, thus seriously endangering the full implementation of the Programme of Action.

Whereas in 1986 export earnings declined by 29 per cent, the total external debt rose to \$200 billion and debt servicing absorbed close to 38 per cent of the exports of goods and services.

One aspect that we find totally inconceivable is the fact that at the same time as Africa is trying to implement its recovery programme it is making a net transfer of resources to the developed countries and, paradoxically, even to the International Monetary Fund. This situation is totally incompatible with the

## (Mr. Icaza Gallard, Nicaragua)

requirements of the annual external resources stipulated in the Programme of Action, and we therefore justly wonder whether the Programme of Action, rather than contributing to the recovery of Africa, is not contributing to the recovery of the developed countries and to the strengthening of some multilateral financial institutions.

Nicaragua appreciates and gladly supports the efforts and the contributions that have been made by many members of the international community, the organs and organizations of the United Nations system, and the Secretary-General in particular, on behalf of the implementation of the Programme of Action. However, we cannot fail at the same time to express our dissatisfaction with the results achieved thus far. We share the view that, unless problems connected with resource flows are fully solved, the economic recovery of the African continent will never be achieved. Hence the international community must, without any further delay, fulfil the commitments it has undertaken with respect to the Programme of Action.

As pointed out by the Secretary-General, the margin for manoeuvre in Africa for the implementation of the Programme of Action is narrowing down and the human, social and political consequences of such a situation are unacceptable.

An examination of the economic situation of Africa compels us to pay particular attention to the serious consequences that the countries of southern Africa have had to bear as a consequence of the <u>apartheid</u> system. The elimination of <u>apartheid</u> and its destabilizing and hegemonistic policies are an indispensible requirement for the achievement of peace, progress and economic stability in the region. The policy of "total strategy" embarked upon by South Africa seeks the primary objective of achieving and maintaining economic, political and military hegemony in the area.

The question of transport has played a very important role in respect of Pretoria's objectives. Both the countries of the Southern African Development

#### (Mr. Icaza Gallard, Nicaragua)

Co-ordination Conference (SADCC) and South Africa see transport as one of their vital objectives. For SADCC, it is the key to independence; for Pretoria, it is the key to its domination.

That is why many of the South African terrorist activities have focused on the destruction, interruption or blockading of railway lines which run towards the Atlantic or the Indian Oceans. The areas most affected have been those opening out into the Ports of Bahia, Lobito, Maputo, Nacala and Beira. And yet the railway lines that run from north to south, and necessarily pass through South Africa, have not been greatly affected.

For the protection of transport lines, the front-line States have had to devote a large amount of economic and human resources, thus further affecting the stability of their fragile economies. Only in terms of additional expenditures connected with transport, it is estimated that the southern African countries have spent more than \$1 billion. Moreover, continued aggression, destabilization and threats by South Africa compel its neighbours to devote a large portion of their limited resources to the defence of their sovereignties.

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#### (Mr. Icaza Gallard, Nicaragua)

We cannot overlook the culpable part played in this tragedy by the policy of so-called constructive engagement - which, in our view, should be baptized "destructive engagement". That policy must cease. Then we inevitably come to the core of the problem: so long as <u>apartheid</u> exists, there can be neither peace nor stability nor progress in southern Africa. That is why the international community must take immediate measures to put an end to that evil. The adoption of comprehensive mandatory sanctions against South Africa brooks no further delay. At the same time, there must be an increase in co-operation with the Co-ordination Conference in order to enable its member countries to carry out their development plans.

The Heads of State and Government of the Movement of Non-Aligned Countries established last year, in Harare, the Action for Resisting Invasion, Colonialism and <u>Apartheid</u> Fund, known as the "AFRICA Fund". We appeal urgently to the entire international community to give immediate and wide support to, and increase their financial and material co-operation with, the Fund in order to enable the front-line States to achieve the objectives laid down by our Heads of State and Government at the Harare Summit Conference.

In this connection, we note with great satisfaction the decision taken by the Heads of Government of the Commonwealth, at their recent meeting in Vancouver, to initiate an intensive, consistent programme in conformity with the objectives of SADCC and the AFRICA Fund.

In conclusion, we repeat our appeal to the international community to shoulder its obligations in connection with the Programme of Action for African Economic Recovery and Development 1986-1990. The hopes of more than 500 million human beings cannot be frustrated. Africa is doing its share and trusts that the international community will shoulder its responsibility. PROGRAMME OF WORK

The PRESIDENT (interpretation from Russian): I wish to make an announcement regarding the tentative programme of work.

As previously indicated, in the afternoon of Wednesday, 28 October, the General Assembly will consider item 26, "International Year of Peace", and the same afternoon, under item 16 (b), will proceed to the election of 12 members of the World Food Council.

The election of seven members of the Committee for Programme and Co-ordination, under item 16 (c), will not take place in the afternoon of Wednesday, 28 October. The new date will be announced in due course.

Finally, under item 15 (b), the Assembly will complete its election of 18 members of the Economic and Social Council in the morning of Thursday, 29 October.

#### AGENDA ITEM 8 (continued)

ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK:

REQUEST FOR THE INCLUSION OF AN ADDITIONAL ITEM SUBMITTED BY THE SECURITY COUNCIL (A/42/242)

The PRESIDENT (interpretation from Russian): Document A/42/242 contains a letter dated 19 October 1987 from the President of the Security Council addressed to the President of the General Assembly, concerning the application of the Republic of Nauru to become a party to the Statute of the International Court of Justice. In order to enable the General Assembly to take the required action, it will be necessary to include in the agenda of its forty-second session an additional item concerning this application.

If there is no objection, I shall take it that the General Assembly agrees that the provision of rule 40 of the rules of procedure, which would require a

#### (The President)

meeting of the General Committee on the question of the inclusion of this item in the agenda, can be waived.

It was so decided.

The PRESIDENT (interpretation from Russian): May I therefore take it that the Assembly wishes to include in the agenda an additional item - item 144 to read as follows: "Application of the Republic of Nauru to become a party to the Statute of the International Court of Justice"?

It was so decided.

The PRESIDENT (interpretation from Russian): May I also take it that the Assembly wishes to consider this item directly in plenary meeting?

It was so decided.

The meeting rose at 12.50 p.m.