



General Assembly

UN LIBRARY

PROVISIONAL

A/42/PV.48
29 October 1987

UN COLLECTION

ENGLISH

Forty-second session

GENERAL ASSEMBLY

PROVISIONAL VERBATIM RECORD OF THE FORTY-EIGHTH MEETING

Held at Headquarters, New York,
on Monday, 26 October 1987, at 3 p.m.

President: Mr. FLORIN (German Democratic Republic)
later: Mr. OULD BOYE (Mauritania)
(Vice-President)
later: Mr. FLORIN (German Democratic Republic)
(President)

- Report of the Economic and Social Council [12] (continued)
 - (a) Report of the Council
 - (i) Draft resolution
 - (ii) Amendments
- Critical economic situation in Africa: United Nations Programme of Action for African Economic Recovery and Development 1986-1990 [21]
 - (a) Reports of the Secretary-General
 - (b) Draft resolution

This record contains the original text of speeches delivered in English and interpretations of speeches in the other languages. The final text will be printed in the Official Records of the General Assembly.

Corrections should be submitted to original speeches only. They should be sent under the signature of a member of the delegation concerned, within one week, to the Chief, Official Records Editing Section, Department of Conference Services, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

The meeting was called to order at 3.20 p.m.

AGENDA ITEM 12 (continued)

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

- (a) REPORT OF THE COUNCIL (chapter VI, section C) (A/42/3)
 - (i) DRAFT RESOLUTION (A/41/L.7/Rev.1)
 - (ii) AMENDMENTS (A/42/L.9)

The PRESIDENT (interpretation from Russian): The Assembly has before it draft resolution A/42/L.7/Rev.1, which is the result of consultations. In view of the agreement reached on the draft resolution, the sponsor of the amendments in A/42/L.9 has indicated that he does not wish to press them to a vote.

I call upon the representative of Australia to introduce draft resolution A/42/L.7/Rev.1.

Mr. WOOLCOTT (Australia): During the debate in the plenary Assembly last week on the AIDS (acquired immune deficiency syndrome) pandemic, my delegation introduced, on behalf of a large number of co-sponsors, draft resolution A/42/L.7, on the prevention and control of AIDS.

Since then, a series of further informal negotiations on that text have been held in order to respond to the specific suggestions of a number of delegations. Those negotiations culminated in a meeting presided over by Ambassador de Matos Proença, the Permanent Representative of Portugal and Vice-President of the Assembly. At that meeting, a consensus agreement was reached on a revised text, which is now before the Assembly in document A/42/L.7/Rev.1. I have been asked to announce that Rwanda has joined the sponsors listed on the revised draft resolution.

The fact that delegations were able to agree so rapidly on a consensus text reflects the flexibility and goodwill shown by all parties on this vital issue. In this context, I would like in particular to mention the extremely constructive role

(Mr. Woolcott, Australia)

played by my friend the current Chairman of the Group of African States, Ambassador Blaise Rabetafika of Madagascar.

In presenting this revised text I wish also to pay a tribute to the chairmanship of Ambassador de Matos Proença. It was largely through his patience and skill that negotiations were able to produce this consensus text on this very important matter of global significance currently before the Assembly. I would like to thank him not only on behalf of the Australian delegation but on behalf of all members of the Assembly, who, I am confident, will join in the consensus adoption of the revised text.

The PRESIDENT (interpretation from Russian): The Assembly will now take a decision on draft resolution A/42/L.7/Rev.1, "Prevention and control of acquired immune deficiency syndrome (AIDS)". May I take it that the General Assembly adopts the draft resolution?

Draft resolution A/42/L.7/Rev.1 was adopted (resolution 42/8).

The PRESIDENT (interpretation from Russian): I consider that the Assembly's adoption of resolution 42/8, "Prevention and control of acquired immune deficiency syndrome (AIDS)", to be a sign of the international community's preparedness to co-operate in combating a new threat to the attainment of health by all.

I wish to thank the co-sponsors of the resolution and the delegations that took part in the consultations for their efforts, which enabled the General Assembly to adopt this important and timely resolution without a vote. At the same time, I regard this outcome of our work as an expression of our determination to co-operate in the same spirit when tackling the other global problems facing mankind.

This concludes our consideration of the global strategy for the prevention and control of AIDS.

AGENDA ITEM 21

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)

The PRESIDENT (interpretation from Russian): Consideration of the critical economic situation in Africa at this stage of the forty-second session of the General Assembly directs the attention of the international community to an important and challenging task that concerns the future of a continent. At the same time, it is yet another demonstration of the role of the United Nations in today's world, which is to be a centre for analysing and overcoming problems that touch the lives, indeed effect the very existence, of individuals and nations.

(The President)

I believe that the Assembly has been deeply impressed by the statements of African leaders at the session describing the enormous human, social and economic effort made to implement the Programme of Action despite all the adverse circumstances. President Kaunda of Zambia, in his capacity as current Chairman of the Organization of African Unity, eloquently reaffirmed the determination of the African countries to continue this effort.

At the same time, statements in the general debate, as well as the report of the Secretary-General (A/42/560 and Corr.1), bear witness to the response of the international community to the priorities set in the Programme of Action. In the light of the Final Document of the International Conference on the Relationship between Disarmament and Development, new avenues have to be opened up to release urgently needed resources for development.

It has to be stated, however, that the negative development trends have not yet been reversed. This applies, in particular, to the increasing external debt and debt-servicing requirements, as well as to the continued decline in commodity prices, factors determined by the predominant international economic relations. In addition, the continued policy of aggression and political and economic destabilization pursued by the South African apartheid régime leads to enormous financial and human sacrifices, in particular on the part of the front-line States. A stable peace and the absence of regional conflicts are urgently needed prerequisites for the economic recovery and prosperous development of the African continent.

I share the view that, apart from the pressing problems of external debt and commodity prices, programmes for education, vocational training, administration and management should receive even more attention than they do now because they represent the future.

(Mr. President)

Africa needs the full and comprehensive support of the international community in order to tackle complex and complicated development problems. Let us use all the possibilities of the forum of the United Nations to discuss and adopt measures appropriate to the critical economic situation in Africa and the challenges posed by it.

I should like to propose that the list of speakers in the debate on this item be closed at 5 p.m. today. If I hear no objection, it will be so decided.

It was so decided.

The PRESIDENT (interpretation from Russian): I therefore ask representatives wishing to participate in the debate to put their names on the list as soon as possible.

I call on the Secretary-General.

The SECRETARY-GENERAL (interpretation from French): In June 1986 the General Assembly, at a special session, adopted the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. That was a historic event. The African countries and the international community in general assumed a mutual commitment to act together to bring about the self-sustained economic and social development of Africa.

A year and a half later, I am obliged to note that the overall situation in Africa has become much more difficult. The progress made as a result of the courageous efforts of African Governments, the support provided by the international community and the improvement in climatic conditions were compromised by the deterioration in the international economic environment in which Africa has to operate.

Among the external forces involved, I would mention in particular the deterioration in the terms of trade, the constant fluctuations in exchange rates,

(The Secretary-General)

the increase in interest rates and the reduction of net resource flows. The debt burden has become untenable for many countries. Nor must we forget that drought continues to threaten certain States, and indeed there are regions where it is returning. Lastly, other countries continue to be the victims of acts of political and economic destabilization supported from abroad.

While it appears that the international community realizes the seriousness of the situation and the need to adopt specific measures without delay, I remain concerned over the disparity between commitment in principle and the real action that is so desperately needed.

It is against this gloomy background that the General Assembly has to consider the progress made with regard to the implementation of the Programme of Action. The report that I have submitted on this subject is of a preliminary nature. Since it refers basically to overall results, it does not give a precise idea of the situation in the different countries. Therefore we must proceed to a more thorough analysis on a country-by-country basis. Furthermore, it is still too early to evaluate fully the effects of certain of the actions undertaken. Having said that, I wish to draw the attention of the Assembly to certain provisional conclusions which, in my view, require serious consideration.

Most African Governments have begun economic adjustment and reform programmes, frequently at the price of important social costs and definite political risks. Twenty-eight countries have adopted structural adjustment programmes with the support of the International Monetary Fund, the World Bank and bilateral donors. These programmes are all aimed at improving the management of public funds, rationalizing public investment programmes and promoting private initiative. Development budgets have been adjusted so as to take into account the priorities of the Programme of Action with a view to speeding up economic recovery and

(The Secretary-General)

development. To encourage agricultural production, systems of price incentives have been instituted, subsidies have been reduced and internal distribution networks have been improved. Measures have been adopted to increase the mobilization of domestic resources and to restore a certain amount of discipline in the budgetary and financial areas. It appears that these efforts are already beginning to yield results. For example, in 1986 there was an increase in agricultural and manufacture production.

The international community, for its part, has supported these efforts, while emphasizing assistance to low-income countries. We are increasing the resources of the International Monetary Fund Structural Adjustment Facility and are proceeding to the Eighth Replenishment of International Development Association funds, of which Africa should be the main beneficiary.

(The Secretary-General)

The agencies of the United Nations are increasing their activities in Africa. A certain number of bilateral donors have provided additional resources for the implementation of structural adjustment programmes. Several donors have decided to offer better terms at the time of rescheduling the debt to the Paris Club and some of them also agreed to convert to grants the public loans granted to certain African countries. Finally official development assistance offered at the bilateral level slightly increased in real terms in 1986.

We must welcome measures adopted by African countries and by the international community. Nevertheless new efforts are required to generalize the process of reform and extend it to all countries, as well as to mobilize the necessary support. Multilateral lending institutions have set up special programmes for low-income countries which should receive the necessary support.

I also wish to draw attention to the needs that are, no doubt, of a different nature, but just as serious, of the medium-income countries which have been affected in particular by developments in the primary commodities markets.

As I stated in my opening remarks, the various provisions I have mentioned are not sufficient to meet as required the difficult problems faced by African countries. The most urgent need continues to be to increase the flow of resources. Given the decline in commodity prices, Africa as a whole has so far lost 19 billion dollars in export receipts as of 1986. The debt burden, which is also becoming worse, weighs heavily on the meagre resources available. In real terms total volume of official development assistance has levelled off in 1986, according to recent statistics.

It is the seriousness of the situation that led me to consult with Governments and to constitute last April a consultative group of eminent experts to consider the problem of financial flows. This group is to report to me at the end of the year. I shall communicate its recommendations to all Governments and international

(The Secretary-General)

organizations, as well as my personal views, on the measures that should be taken. In December, we will also be informed of the views of Heads of State or Government of African countries after a special summit, called by the Organization of African Unity (OAU), to adopt a common position on the African debt question.

It is with reason that these pressing financial questions are being discussed in immediate international consultations. It is also essential not to defer other crucial measures to a medium- or long-term. The Final Act of the Seventh Session of the United Nations Conference on Trade and Development (UNCTAD) is a positive development in this regard, in particular with regard to commodity products and trade. The entry into operation of the Common Fund for Commodities and the diversification measures are of crucial importance for Africa. Protection of the external purchasing power of the Continent - which presupposes access to potential markets - constitutes one of the main objectives that should be included in long-term development strategies.

The development of Africa's human resources is also among the main questions that should be of concern in a medium- and long-term perspective. I am pleased to see that many United Nations agencies have undertaken activities in this field with the full support of partners in the development of Africa.

As can be seen through the adoption of the United Nations Programme of Action, all agree that the situation in Africa calls for exceptional and urgent measures. This programme continues to be at the basis of a dynamic association between Africa and the international community. African Governments expressed and recently reaffirmed to the OAU their firm desire to fulfil their commitments. They should continue to be encouraged to mobilize their own resources and to step up their reform efforts. The international community, for its part, must contribute to those efforts with broader, firmer and speedier support.

(The Secretary-General)

I wish to assure you that United Nations agencies will continue fully to participate in the implementation of the programme. As in the past, we - my immediate assistants and I - will endeavour to work in close co-operation with the OAU and with other competent African and intergovernmental bodies.

The General Assembly should proceed to a thorough examination of the programme and reach conclusions with regard to its application at the forty-third session. In the report that I shall submit at that time, I shall provide information on measures adopted by each African country and their development partners, as well as a general overview of the situation. I trust that at that time I will be in a position to speak about more considerable progress and more satisfactory results in the implementation of the programme. That will depend on the pursuance of African efforts and on the nature of the provisions to be taken by the international community and the diligence with which it will act. I wish to stress that the margin for manoeuvre available to Africa in implementing the programme has been greatly reduced and that concrete measures are required in order to support it, without which the momentum achieved thus far cannot be maintained.

This is a pressing appeal which I make once again to all partners of Africa to accord to this major enterprise the priority it deserves in their development efforts.

The PRESIDENT (interpretation from Russian): I now call on the representative of Zambia, who will speak on behalf of the Organization of African Unity (OAU) and will introduce draft resolution A/42/L.11.

Mrs. MUYUNDA (Zambia): I wish to introduce, on behalf of the current Chairman of the Organization of African Unity (OAU), a document on Africa's preliminary assessment of the United Nations Programme for African Economic Recovery and Development 1986-1990 (A/42/560 and Corr.1).

(Mrs. Muyunda, Zambia)

The adoption by the General Assembly of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 at its thirteenth special session was a response to a call by African Heads of State and Government made at the twenty-first session of the OAU. In substance, the United Nations Programme was based on the priorities to which the African countries had committed themselves in their efforts for economic recovery.

In adopting the Programme, the international community signified the acceptance and recognition that Africa's own efforts required assistance. It will be noted that the United Nations Programme incorporated a language which emphasized two essential elements of commitment and co-operation.

(Mrs. Muyunda, Zambia)

The first reflects the determination and commitment of the African countries to launch both national and regional programmes of economic development. The second is the response of the international community and its commitment to support and complement African development efforts.

It is important to note further that a full implementation of the Priority Programme is estimated to require resources of about \$US 128.1 billion. Within this amount the African countries are to provide through their own efforts about two thirds of the total required resources, while the international community is expected to supply the balance. The balance is critical for the full and effective implementation of this Priority Programme.

It is imperative that Africa should emerge from the doldrums of declining standards of living. For the Programme to succeed the international community should work to create a favourable international environment within which it can be implemented. Unfortunately, the creation of a favourable environment is not yet in evidence. This situation has reduced the capacity of many African countries fully to implement the Programme and tends to undermine future prospects of recovery. The crucial factors which have adversely affected the implementation of the recovery programmes include the following: the escalating debt burden affecting many African countries; a rapid deterioration in the terms of trade in most African countries resulting in the loss of nearly \$US 20 billion annually; a reduction in resource flows to Africa; natural disasters; and the destabilization policies of the apartheid régime.

The combined and cumulative effect of these factors has driven some African countries to near economic collapse. In the Secretary-General's own evaluation, as reflected in his report on this subject-matter, he concludes that

(Mrs. Muyunda, Zambia)

"in every respect Africa's margins for manoeuvre to implement the Programme of Action are being reduced ... Nothing less than the best co-ordination of resource flows and the most energetic partnership between Africa and the international community will ensure adequate forward momentum towards the Programme's goals." (A/42/560, para. 139)

In line with their commitment to Africa's Priority Programme and the United Nations Programme of Action, a growing number of African countries have instituted magnificent reforms. As a first step, priorities have been reordered and new strategies have been adopted to facilitate the accelerated recovery of their economies.

In almost all African countries, priority programmes have consisted of corrective measures in areas such as food and agriculture, transport and communication, combating drought and desertification, and human resource development. As many as 28 African countries have embarked on policy reforms focused on structural adjustment and domestic resource mobilization. Further measures have been instituted with a view to enhancing economic efficiency, improving macro-economic management, rationalizing the public sector, reducing the share of public expenditure as a proportion of gross domestic product and improving the terms of trade for the rural sector.

As reflected in Africa's Priority Programme for Economic Recovery 1986-1990 (APPER), food and agriculture has been accorded the highest priority. A number of immediate and short-term measures have been undertaken in favour of agriculture. In this regard, many African countries have created national emergency preparedness mechanisms and established early warning or national food security systems. In order to encourage agricultural production, measures instituted include price incentives and improvement of internal input distribution channels. All these measures are meant significantly to improve internal rural and urban terms of trade

(Mrs. Muyunda, Zambia)

in favour of the rural sector. Other important agricultural policy reforms include land reform and the abolition of export taxes.

In addition, many African countries have substantially raised the share of agricultural investment. This has involved establishing or strengthening agricultural credit institutions and introducing, where appropriate, mechanization of agriculture; developing, distributing and encouraging the use of modern inputs and methods; improving and expanding storage capacity; and the development, rehabilitation and extension of feeder-road networks and other critical infrastructures. Particular attention has been focused on assistance programmes for small-scale farmers and on the need to strengthen the self-help efforts of rural populations through participatory organizations and co-operatives.

In this connection, many African countries are pursuing measures in line with the Programme of Action on the enhancement of the work of women in agricultural production and other development processes. Within the Kilimanjaro Programme of Action a growing number of African countries are taking measures to implement comprehensive population policies and programmes. They have established national machineries to facilitate the integration of population issues into the development planning process, and are putting into place policies aimed at influencing fertility and mortality rates as well as stemming rural-to-urban migration. It is with the above in mind that the African countries initiated a resolution at the session of the Governing Council of the United Nations Development Programme (UNDP) held in June 1987 that called on the United Nations Fund for Population Activities (UNFPA) to increase both human and financial resources to African countries.

In order to achieve permanent and sustainable agricultural and food production, corresponding improvements in other sectors supporting agriculture are also required. Thus, many African countries have initiated the development of

(Mrs. Muyunda, Zambia)

local capacity for preparation and design of projects, rehabilitation and maintenance of existing modes of transport and communications, better management of water resources, improvement of drainage in irrigated areas, encouragement of afforestation, control of deforestation, protection of the environment and reorientation of the educational systems to meet development needs.

In the field of industry, measures have also been taken to rehabilitate and upgrade existing plants and the development of small- and medium-scale industries. Similarly, programmes of a regional character in the areas of transport and communication have been initiated.

Steps towards greater co-operation have been undertaken through such organizations as the Economic Community of West African States (ECOWAS), the Preferential Trade Area (PTA) and the Southern African Development Co-ordination Conference (SADCC).

(Mrs. Muyunda, Zambia)

The sacrifices which the African countries have thus made to implement the recovery programme cannot be over-emphasized. This has been done in the face of severe social and economic problems. Prominent among those are: the increase in unemployment, wage reduction, increased inflation and drastic import reductions. The consequences of these programmes are threatening the very foundation of the African social and cultural structures.

The implementation of the United Nations Programme of Action was predicated upon expected resource flows from the international community and improvement in the international economic environment, as both are prerequisites for the successful implementation of the action programme. The Programme of Action envisaged that the international community was to provide concrete assistance to Africa's efforts. This was to involve the improvement of the quality and modalities of external assistance and co-operation, improvement in the external environment on commodity issues, greater bilateral and multilateral programmes lending and alleviation of Africa's debt burden and reduced outflow of resources.

Regrettably, as I have already stated, the international environment has continued to undermine the efforts of the African countries. In fact, there has been a net outflow of financial resources from the African continent. For example, it has been estimated that through repurchases in 1986 alone, African countries transferred to the International Monetary Fund (IMF) an amount of over \$US 960 million. It is a matter of grave concern that African countries should be transferring such enormous vital resources to the IMF at a time when the continent is in dire need of increased external financial support. If this situation is allowed to continue, then even the new structural adjustment facility of the IMF will have no real meaning.

(Mrs. Muyunda, Zambia)

The donor community, particularly the multilateral financial institutions, should therefore consider instituting measures which will effectively function in such a way that the transfer of additional resources to Africa becomes a reality. In this respect the IMF and the World Bank are called upon to increase their concessional lending to African countries. They should relax their conditionality in order effectively to increase that assistance to African countries and reverse the trend of net resource outflow.

The anticipated increase in official development assistance (ODA) to Africa has not materialized. Standing at \$US 13 billion in 1986, total ODA to Africa was, in real terms, below the level of 1985. Furthermore the dwindling of private flows and export credits to Africa has been a major concern of those States.

In spite of the serious efforts deployed by the African countries to tackle their external debt problem, the debt relief measures adopted so far by the developed creditor countries have not adequately addressed the core of the problem. The ratio of Africa's external debt to exports of goods and services has become unbearable and rose to about 277 per cent in 1986 from 198 per cent in 1985, while the servicing of this debt claimed more than 35 per cent of Africa's exports of goods and services in 1986.

We note with appreciation, however, that some donor countries have taken action to cancel official bilateral debts owed to them by African countries, while others have announced their intention to do so. Further, some initiatives have been announced, proposed or taken by some countries which are designed to address Africa's external debt problem and related problems of resource flows. Nevertheless, the international community has largely lacked the needed political will to implement the relevant resolutions of the United Nations General Assembly and the United Nations Conference on Trade and Development (UNCTAD) on debt relief.

(Mrs. Muyunda, Zambia)

and the transfer of resources, and to provide effective support and a positive response to Africa's economic recovery efforts, as agreed in the Programme of Action.

The interlocking cause and effect relationship among all the factors of the availability of external resources to Africa, export earning capacity of African countries, rate of African economic growth, and the external debt-servicing obligations make it imperative that comprehensive solutions be found in order for these solutions to have real lasting impact. This assessment has been clearly acknowledged by the Secretary-General in his report before this august body.

The first 18 months after the adoption of the United Nations Programme of Action have therefore seen a very hostile external environment. Had it not been for the good weather conditions that prevailed in 1985 and 1986, the African continent would have faced a disaster much worse than was the case in the years 1983 and 1984. During this period, Africa's export earnings from commodities, the backbone of many African economies, have collapsed, resulting in a loss in 1986 alone of some \$US 20 billion. The external debt burden of the African countries has continued to mount and the debt-service burden has become unmanageable. It is because of the enormity of this problem that the Heads of State and Government of the Organization of African Unity (OAU) will meet in a special session this December to deliberate on this issue.

It is important to recall that Africa's commitment to mobilize the required resources for the implementation of the programmes was closely linked to the improvement in the external environment, a solution to the debt crisis and a substantial increase in resource flows.

The improvement in the international environment, particularly the restoration of commodity earnings to remunerative and equitable levels is of crucial importance

(Mrs. Muyunda, Zambia)

to the development efforts of African countries. In this respect, developed countries are urged to take measures to improve and stabilize commodity earnings for African countries through all possible means: the strengthening and improvement of commodity prices and enlarging the commodity list to cover all export commodities of interest to Africa. There is also a need to give urgent consideration to the establishment of a global scheme to stabilize export earnings

Peace, security and stability are necessary pre-conditions for economic development, particularly in Africa. In this regard, the aggression, political and economic destabilization pursued by the South African régime against countries of southern Africa have a drastic and negative impact on and constitute a serious and permanent threat to their efforts to achieve economic recovery and development.

Before I make my concluding remarks, I should like to introduce on behalf of the African Member States, draft resolution A/42/L.11 on the Programme of Action for African Economic Recovery and Development 1986-1990.

In its preambular section, the draft resolution reflects the assessment of the efforts being undertaken by the African countries and the response of the international community to the needs of African countries under the United Nations Programme of Action.

(Mrs. Muyunda, Zambia)

The operative paragraphs are consequential to the issues raised in the preambular section and address matters that I have touched upon in my statement. It is therefore the sincere hope of my delegation, and indeed of the African Member States, that the draft resolution which I have just introduced will commend itself for adoption by consensus.

I should like to conclude by commending the Secretary-General on his excellent report on the implementation of the Programme. We reaffirm our commitment to the Programme and we urge the international community to support it. In this regard, it should never be forgotten that the development of Africa is as much in the interest of the industrialized world as it is in that of the continent itself.

Mr. BIERRING (Denmark): I have the honour to make this statement on behalf of the European Community and its member States.

The member States of the Community have long-lasting close links with the African continent and extensive economic and development co-operation with African countries. In our development policy Africa, especially the sub-Saharan countries, is given particular priority. Within the Community we have anchored our co-operation with African countries in a network of agreements, the most important being the Lomé Convention, which constitutes a partnership of a unique character between the European Community and the 66 countries of the African Caribbean and Pacific community (ACP), of which most are in Africa, embracing commerce and aid as well as other fields of co-operation. With countries in northern Africa we have separate co-operation agreements. Against this background, it should be no surprise that the critical economic situation in Africa has been and still is of great concern to us.

About one and a half years have passed since the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 was adopted by consensus at the thirteenth special session of the General Assembly. That event

(Mr. Bierring, Denmark)

took place after an unprecedented decline in Africa during the first half of this decade. Natural disasters, primarily drought, triggered a severe, persistent economic crisis for most African countries, which did not have strong or resistant economies. The economic crisis was aggravated by a combination of exogenous and endogenous factors, as is outlined in the Programme of Action.

With evidence of an improved harvest in 1986, positive elements were, however, appearing on the horizon and there was a mutual understanding by the donor community and the African countries to break the vicious circle of decline and relaunch Africa on a path of economic and social progress.

The special session of the General Assembly held in May 1986 lived up to expectations and gave birth to one of the most important United Nations agreements for years in the economic field by the adoption of the Programme of Action. That Programme provides a framework for co-operation and partnership, based on mutual commitment and shared responsibility, between the African countries and the international community. The Programme has been established for the years 1986 to 1990, but it will clearly be of significance beyond that period, since it was a milestone in the shift from the urgent and short-term response to the crisis towards a long-term development. The measures envisaged for restoring growth and development in Africa have a long lead time and their effect will be felt long after their adoption.

Consequently, a year and a half is not an adequately long time span for a thorough assessment of the implementation of the Programme or of its effects, and even less for drawing firm conclusions. Certain trends or delays in the implementation can, of course, be revealed and appropriate appeals can be reinforced in order to maintain the momentum in the implementation of the

(Mr. Bierring, Denmark)

Programme. At the special session that fact was recognized. Let me add that the Steering Committee of the Organization of African Unity (OAU) also made that point in paragraph 18 of its submission to the General Assembly.

The special session therefore decided that a mid-term review should take place at the forty-third session of the General Assembly, in 1988, and that the forty-second session should concentrate on the establishment of such preparatory mechanisms as might be necessary.

The review in 1988 should be thoroughly prepared. I shall, later in my statement, revert to this question. In the light of the progress report of the Secretary-General on the implementation of the Programme and the document submitted by the Steering Committee of the OAU following its meeting last month, I shall, however, also make some observations on the Programme of Action.

It is of the utmost importance that the consensus on the Programme of Action and the commitment of all parties thereto be preserved. We should like to see this General Assembly confirm the consensus and stress the need to keep the critical economic situation in Africa a priority issue on the international political and economic agenda.

The economic situation in most African countries is still very serious and calls for intensified efforts to solve the problems. This objective will not, however, be furthered by a dramatization of the situation or a process whereby, on the basis of insufficient information, we point fingers at each other. I can assure our African partners that the European Community and its member States are not complacent about the present situation and that we are continuously reviewing what we can do to assist African countries in need. The Community and its member States will elaborate on this next year during the review of the Programme of Action.

(Mr. Bierring, Denmark)

The African countries are facing widely differing circumstances and needs as a consequence of size, population, weather conditions, economic and social structure, literacy rate and so on. Most of them, however, have been seriously affected by an adverse external environment that has added to the strains on their economies. Structural handicaps have made some of them particularly vulnerable to the external economic environment. Of particular concern has been the persistent low level of many commodity prices, because many African countries are heavily dependent on exports of just one or two commodities. The slow growth of export volumes, rising imports, stagnating real external resource flows and increasing debt-servicing burdens have also aggravated the problems of sub-Saharan African countries.

(Mr. Bierring, Denmark)

The African countries assumed in the Programme of Action the primary responsibility for their overall development. We appreciate that courageous adjustment programmes have been undertaken by many African countries and we encourage others to do the same. We are aware that implementation of adjustment policies often have had high social costs, and the framing of adjustment policies should therefore pay special attention to the need to protect the most vulnerable parts of the population.

Adjustment through sound, stable macro-economic policies continues to be necessary to restore growth and development. At the same time, however, efforts must be made to ensure sustainable development.

The food and agriculture sector was given highest priority in the Programme of Action. There is evidence that many reforms have been initiated to improve agricultural performance. Adoption of price incentives is an important measure that has been applied with promising results by a number of countries.

We find it important that the African countries, in the design of their adjustment policies, endeavour to mobilize fully the human resources through education and training in required skills, to strengthen the role of women in the development process, to develop institutional arrangements, to improve the efficiency of the public sector and encourage indigenous entrepreneurship. On the basis of more comprehensive information, we look forward to an in-depth discussion of these questions next year.

The Programme of Action is a compact containing two central elements: the commitment of African countries to launch domestic programmes of economic development and the commitment of the international community to support and complement the African development efforts. To achieve success, the two commitments must accompany each other, but let us not ignore that just as much as it is a commitment vis-à-vis each other, it is a commitment to ourselves.

(Mr. Bierring, Denmark)

African countries undertake reform because it is in their own interest to restore growth and development. The international community undertook the commitments in the Programme of Action because a favourable external economic environment and revitalized growth in Africa is also in its own interest.

The European Community and its member States have, in the intervention in the general debate in the Second Committee, outlined at length their views on the requirements for an improvement in the international economic environment. I shall not repeat these views here. Suffice it to say that the European Community and its member States reaffirm the commitments undertaken in the United Nations Programme of Action and recognize the need for extensive international support for the priorities and policies that Africa has identified as necessary.

We also agree on the importance of increasing official development assistance to Africa in support of adjustment, in particular on highly concessional terms to the poorest among them, and the need for innovative measures to support debt-ridden distressed countries, primarily in sub-Saharan Africa.

Official development assistance (ODA) will continue to play a decisive role for many African countries. For the poorest among them, ODA is often the only access to external financial support of significance. Achievement of the 0.7 target for ODA and the 0.15 target for ODA to the least developed countries, as adopted, is therefore important, and we realize that further efforts are needed to achieve these targets as quickly as possible.

The member States of the Community have increased their development assistance to Africa since the special session, and a very high share of our total aid is now allocated to African countries.

At the international level, a number of initiatives have also been taken in line with the Programme of Action. International financial institutions are being

(Mr. Bierring, Denmark)

strengthened by the provision of additional resources and instruments to fulfil their tasks. The Eighth Replenishment of the International Development Association and the understanding to set aside a substantial part of the funds for sub-Saharan countries is to be welcomed. The decision on a substantial general capital increase for the World Bank is another important step. We also welcome the increase in the capital of the African Development Bank and urge all donors to do their utmost also to achieve a substantial replenishment of the African Development Fund.*

We are seriously concerned about the debt-servicing problems facing the sub-Saharan countries. While the international debt strategy has well served all the parties concerned, it has also been evident for some time that it needs reinforcement and that all its elements have to be implemented more effectively. This point was recognized both at the seventh session of the United Nations Conference on Trade and Development and at the annual meetings of the International Monetary Fund and the World Bank in September. For the sub-Saharan countries there is an undeniable need for urgent action to alleviate the debt burden.

The member States of the European Community have all implemented Trade and Development Board resolution 165 (S-IX) regarding debt relief, being of particular relevance for the poorer African countries. We call on those countries which have not yet done so to apply that resolution in full.

Negotiations in the Paris Club on longer repayment and grace periods for the poorest countries, especially in sub-Saharan Africa, and undertaking adjustment programmes will also lead to debt relief. Proposals to apply lower interest rates to rescheduled official debt have also been put forward.

*Mr. Ould Boye (Mauritania), Vice-President, took the Chair.

(Mr. Bierring, Denmark)

The Managing Director of IMF has proposed a substantial increase in the resources of the Fund's structural adjustment facility over the next three years, and it is to be expected that negotiations on this proposal will be completed soon. We, for our part, strongly support his initiative.

The World Bank's efforts to mobilize a special package of additional financing from the donor community in order to assist the poorest and debt distressed sub-Saharan countries' own efforts in tackling their debt problems should also be recalled.

For certain highly-indebted low-income countries in sub-Saharan Africa, the Community itself is considering an initiative concerning a special programme in the form of quick-disbursing aid for this group of countries.

Trade is an essential means of promoting growth and enhancing the resources needed for development. The trading environment of African countries must, therefore, be further improved. Protectionist pressures should be resisted all over the world.

The Community market has long been largely open to the exports of African countries through the very liberal Lomé trade régime and the trade components of our co-operation agreements with the Mediterranean countries. These arrangements provide our African partners with non-reciprocal free access for the bulk of their exports to their major market, now enlarged to include Spain and Portugal.

(Mr. Bierring, Denmark)

In the broader context of multilateral trade negotiations, the Community is actively promoting a further expansion of trade through more liberal and open rules, on the basis of the Punta del Este ministerial declaration. In this context, on 14 October, the Community submitted a wide-ranging offer on tropical products, a subject which was given special attention in the Uruguay round. We hope that our African partners will continue their active participation in the Uruguay round of multilateral trade negotiations, and we call upon all other countries to participate in the liberalization of their import markets so as to open up new opportunities for African exports.

In particular, with regard to the least developed countries, of which many are sub-Saharan African countries, we consider it essential that all industrialized countries should enhance market access for the products of the least developed countries through more favourable treatment within an improved General System of Preferences, including improved rules of origin. Also, we should aim at the widest possible use of the provisions of the fourth Multi-Fiber Agreement on flexibility and market access in favour of least developed countries.

As many African countries are heavily dependent on their exports of commodities, the situation on the commodity markets is of particular concern to them. There is need for better and more stable functioning of the commodity markets, and long-term solutions to commodity problems should be sought. For most African countries, horizontal and vertical diversification of their economies, as well as increased participation in the processing, marketing and distribution of their commodities, is of major importance in this respect. With regard to compensatory financing, suffice it to say that a review of the IMF facility is being undertaken and that the member States of the Community will participate constructively in the review.

(Mr. Bierring, Denmark)

The results of the seventh session of the United Nations Conference on Trade and Development (UNCTAD) have significantly improved the prospects for future action leading to constructive results in the commodity field. The Stabex system should be recalled in this context as an important innovative achievement.

Improvement in the quality and modality of aid and aid co-ordination is an important part of the Programme of Action. The member States of the Community already have a good record with respect to aid quality and modalities. That has not, however, stopped us from seeking further improvements. The review next year will be a good opportunity for a thorough examination of this question. Steps have also been taken to ensure better co-ordination of aid, inter alia, through closer co-operation between the World Bank and the United Nations Development Programme (UNDP). I am referring to the round-table meetings and the consultative groups. Further strengthening of the co-ordination should be pursued, for example through expanded co-operation between the Governments of the recipient countries and the multilateral and bilateral donors, locally as well as at the international level. In this regard we would refer to the new set of guiding principles for aid co-ordination which were approved at the Development Assistance Committee high-level meeting at the end of last year.

The United Nations system plays an important role in the implementation of the Programme of Action, and we are pleased to see the priority given by the Secretary-General to the critical economic situation in Africa. The engagement of the United Nations in the long-term efforts of restoring development in Africa is a logical continuation of the swift and effective action of the Secretary-General to mobilize and co-ordinate emergency support for Africa in the days of the Office for Emergency Operations in Africa.

The support of the United Nations system in this subsequent phase covers a broad field. The development organizations of the system seem to have strengthened

(Mr. Bierring, Denmark)

their activities in Africa, although it is difficult to discern from the Secretary-General's report which of the many activities are directly related to the Programme of Action. The action taken by the Secretary-General to ensure co-ordination and monitoring is welcomed and will, it is hoped, prove useful in the continued implementation of the Programme and in the preparation of the review in 1988. Efforts to sustain the international interest in Africa's recovery is another area in which the United Nations can make a useful contribution. The establishment of the Advisory Group on Resource Flows is a further initiative by the Secretary-General, and we are now awaiting the report from the Group.

As the Assembly can see, many initiatives have been taken to address the critical economic situation in Africa since the special session. They should be given the time to work, and we should take our time to assess their effect. On this basis I shall, finally, address the question of preparing the review of the implementation of the United Nations Programme of Action for African Recovery and Development.

The Secretary-General has the central role to play in this process. The regional organizations and the various bodies in the United Nations system can also be expected to contribute to the documentation of the review. We would find it appropriate at this session of the General Assembly to decide on the scope of this documentation and to agree on a timetable for the preparatory process. To that end, we submit the following considerations.

The review should be based on balanced, factual papers which should provide a well-documented survey of steps taken by all parties to implement the Programme of Action. It would be desirable that the information provided be of a rather specific nature, not only aggregated figures. The possibility of submitting some case studies for countries or subregions, for instance, should be explored.

(Mr. Bierring, Denmark)

As envisaged in the Programme of Action, the review should take place during the forty-third session of the General Assembly. To the extent that an intergovernmental preparatory mechanism is necessary, we prefer that use be made of existing mechanisms instead of creating new ones. One option could be to entrust the Economic and Social Council with the task. Discussions in a preparatory mechanism should not be initiated before the necessary data and inputs from the parties concerned are available. In our view an appropriate time seems to be the early fall of 1988.

Mr. FERM (Sweden): I have the honour to make this statement on behalf of the five Nordic countries: Denmark, Finland, Iceland, Norway and Sweden.

The Programme of Action for African Economic Recovery and Development 1986-1990, which the special session adopted last year, has two main elements: adjustment efforts that the African countries must undertake; and increased international support for these efforts.

The Nordic countries welcome the determined efforts by many African countries to engage in policy reforms and adjustment measures in line with the Programme of Action. In many cases impressive results as regards, for instance, fiscal management and exchange rate adjustment, have been achieved. It is worth highlighting the steps taken in the areas of agricultural incentives and wage policy. These are essential in order to create improved possibilities for domestic food production and rural development.

(Mr. Ferm, Sweden)

Resolute implementation of reforms in the African countries must continue. This is a prerequisite for long-term sustainable development and growth with equity, but the industrialized countries know from their own experiences the dilemmas in implementing austerity measures and structural change, and in Africa such programmes are often being carried out under particularly adverse circumstances. In many cases a heavy debt burden, deteriorating terms of trade, stagnating external-resource flows, natural calamities and political tension are severe constraints on Governments' margin for manoeuvre. Therefore, the Nordic countries share the concerns for the African countries over the insufficient support from the international community for the adjustment efforts they are undertaking.

In this context we find that the operational organizations of the United Nations system - in the first place the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF) - must continue to support the structural adjustment process in Africa. They should continue to map and define the social impact of the structural adjustment programmes in order to have this dimension more clearly reflected in the planning and implementation of the programmes. We are convinced that this dimension is essential to secure an effective adjustment with a human face.

The situation is exceptionally precarious in the debt distressed countries in sub-Saharan Africa. Already very poor at the beginning of the present decade, that group of nations has registered negative growth in per capita gross domestic product during the whole of the 1980s. They have also experienced a fall in their export prices and a striking deterioration in investment levels.

The external economic environment is of course of prime importance in order for it to be possible for the African countries to implement ambitious adjustment programmes. The Nordic countries have on many occasions stated that the existing

(Mr. Ferm, Sweden)

and growing uncertainties in the world economy have a negative impact on the position of the poorest African countries and that they seriously endanger the attainment of the development objectives of these countries. In seeking solutions to the present difficulties, the international community must also bear in mind the legitimate expectations of the most vulnerable nations and the commitments of all partners, both developing African countries and developed countries, to make serious efforts to bring about a long-term sustainable development.

The Nordic countries have studied the report of the Secretary-General under this agenda item (A/42/560 and Corr.1) with interest, and we would like to express our appreciation for the work undertaken. I should like here to make some comments on its content.

First of all, there seems to be an almost total absence of information on the emergency situation. However, from some African countries there are already alarming reports. Such information could undoubtedly have served a purpose by showing the link between acute emergencies and development. Accordingly, the Nordic countries take this opportunity to underline the necessity of a continuous monitoring of the emergency situation on the African continent and the importance of viewing the emergency situation in a wider development context. The Nordic countries will address this issue separately in the Second Committee, when the report of the Secretary-General on the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) is discussed.

The Secretary-General points out the difficulties in obtaining reliable data for his report. It may therefore be understandable that the report provides only limited qualitative and quantitative information to support various of its statements, particularly on actions taken by African countries. We hope, however, that the Secretary-General in his next report on the critical economic situation in

(Mr. Ferm, Sweden)

Africa will be able to elaborate further on measures aimed at the enhancement of the role of women in agricultural production and other development processes. Further elaboration of the initiatives mentioned in paragraph 19 to protect the environment would also be desirable.

Those examples illustrate the scope for greater clarity and precision in future documents on this issue. The United Nations project to strengthen the statistical and information-gathering capacities of African countries should be helpful in this respect. It would also be of use in assessing domestic measures to implement the action programme. A higher response ratio to the relevant Economic Commission for Africa (ECA) questionnaires should further contribute to a more complete picture. We would also like to emphasize the need for a harmonization of the methods used for the gathering of statistical information.

It is crucial that both of the two central elements of the United Nations Programme of Action are implemented, one being the commitment of African States to domestic action and the other

"The response of the international community and its commitment to support and complement the African development efforts." (S-13/2, annex, para. 8 (b))

This second element is spelt out in several places in the Programme of Action, which emphasizes that it is imperative that the international community intensify its co-operation and substantially increase its support for the African efforts. The Programme of Action also clearly states that the international community recognizes that the African countries need additional external resources and that the international community commits itself to making every effort to provide sufficient resources to support and supplement the African development effort.

(Mr. Ferm, Sweden)

Those statements of support, particularly to the debt distressed countries of sub-Saharan Africa, have recently been reiterated, inter alia, in the Final Document of the seventh session of the United Nations Conference on Trade and Development (UNCTAD) and in the communiqués issued by the meetings of the World Bank-International Monetary Fund (IMF) Development Committee and the Interim Committee last month.

Seen in this light, the overall inadequacy of resource flows to Africa is a reason for serious concern. At the same time that the importance of concessional flows to sub-Saharan Africa has significantly increased, their volume has been stagnating, concurrently with declines in non-concessional flows, export earnings and escalating debt-service obligations. The fact that concessional support to the debt distressed countries in that region has declined in relative terms - and in volume as well in 1986 - is particularly alarming.

Urgent action is needed to provide satisfactory international backing for the African development efforts, from bilateral as well as multilateral sources. The Nordic countries therefore welcome the recent concrete set of proposals from the World Bank and the International Monetary Fund to enhance assistance to low-income countries facing exceptional difficulties. We support the orientation of those initiatives towards mobilizing additional resources, aiming at a package sufficient to make it possible to achieve adjustment with growth in per capita income while enabling all industrialized countries to participate selectively.

In our view, further international support measures are called for in order to reactivate growth and alleviate the debt problems of the low-income debt distressed African countries. At the recent World Bank-IMF Annual Meeting we put forward the idea of establishment an arrangement to be administered by the International Development Association (IDA) to make available additional resources for this purpose.

(Mr. Ferm, Sweden)

The Nordic countries also welcome the initiative by the Managing Director of the IMF to enlarge substantially the resources of the Structural Adjustment Facility of the Fund with genuinely additional resources. We likewise back the recent developments in the Paris Club with regard to extended maturities and grace periods for the poorest, most heavily indebted countries.

(Mr. Ferm, Sweden)

Interest payment on publicly guaranteed commercial debt is one of the most serious financial burdens facing many of the poorest African countries. The Nordic countries wish to see discussions continue on this issue in the Paris Club with a view to finding a multilateral solution. Some of the Nordic countries are in a position to apply concessional interest rates within such an arrangement, while others are considering alternative measures with the same effect. All the Nordic countries have either converted or will positively consider requests to convert their remaining bilateral development credits to the poorest countries into grants. We urge donors that have not yet done so to adopt similar measures.

The Nordic countries strongly endorse and participate in the multilateral efforts I have just briefly described, many of which to a very high degree benefit the African continent. Increased transfer of resources must, however, take place also on a bilateral basis. The decline in 1986 of bilateral official development assistance flows to the debt distressed countries of sub-Saharan Africa from major donors is, therefore, highly disturbing. Domestic obstacles in donor countries to such assistance, although real, are surely minute compared to the hardships the absence of that aid creates in many of the poor recipient countries.

Additional efforts on the part of bilateral donors are definitely necessary. In view of the structural adjustment endeavours facing many African countries there is a pronounced need for programme assistance to complement other kinds of bilateral assistance. Temporary emergency aid should, when no longer required, be smoothly converted into long-term assistance.

Prospects for official development assistance growth for the remainder of this decade seem to run counter to well-known targets as well as to the responsibilities accepted in the United Nations Programme of Action for Africa. The Nordic countries reiterate their appeal to the major industrialized countries to increase

(Mr. Ferm, Sweden)

their official development assistance to reach these targets. While striving towards achieving internationally agreed targets in this field, increased consideration should be given to the resource needs of the African countries.

The performance of the Nordic countries in this respect is well known to this body. More than half of the main recipients of our bilateral assistance are situated in sub-Saharan Africa and over 60 per cent of that aid is allocated to these same countries. The Nordic countries will continue to bear their share of the responsibility for the provision of international support to Africa in line with the Programme of Action for Africa. Assistance from the Nordic countries will continue to increase in the years to come. Continued high priority will be given to co-operation within the framework of the Southern African Development Co-ordination Conference and to assistance in favour of the front-line States.

A review and appraisal of the implementation of the Programme of Action for Africa will take place at the forty-third session of the General Assembly. For this purpose we shall, during the present session, consider and establish such preparatory mechanisms as may be necessary. In considering this matter, the possibility of using existing means should be taken duly into account. In our view, such means could include relevant United Nations bodies reporting through next year's sessions of the Economic and Social Council to the General Assembly. We believe that a procedure of that kind may contribute to setting the stage for well-prepared and constructive consideration of this important item next autumn.

I conclude by stating that the Nordic countries look forward to the comprehensive review and appraisal of the Programme of Action which will take place at the forty-third session of the General Assembly.

Mr. BLANC (France) (interpretation from French): My delegation endorses all the statements made by the Chairman of the European Community. We shall now simply add a few remarks on the question of the economic situation in Africa, which is for France a matter of major concern.

France, where the contract was signed in 1981 between the least developed countries, most of which are African, and their partners throughout the world, contributed, with others, to creating the climate of courageous clear-sightedness and realism which ultimately came to form part of the Programme of Action for African Economic Recovery and Development 1986-1990.

Together with other members of the General Assembly, we have reflected on the best lesson to be learned from the present debate when everything had already been said at the thirteenth special session of the General Assembly, where an exceptionally clear analysis was made of the serious, complex and specific problems being experienced on the African continent.

We shall not hide the fact that things have not evolved in Africa as quickly or as well as we had expected. We are not pleased with the progress, which has been too slow and hesitant and has had too many setbacks. We know what some peoples are suffering. We fully appreciate the actions taken by many Governments in Africa to correct past mistakes and make the best of the resources of their soil and the efforts of their people. We are aware of the efforts made to reform their economies to promote future growth, at the cost of courageous and sometimes unpopular measures. We do not wish to question anyone's motives here: that would be a waste of time and emotion.

With the Programme of Action adopted last year we now have a diagnosis and a prescription. Only one thing is necessary: to reaffirm together, unanimously, the

(Mr. Blanc, France)

commitment to implement effectively, better and more quickly the provisions of our June 1986 contract.

It is the facts that we shall judge, and it is on the basis of facts that we must prepare the thorough analysis of the implementation of the Programme which the special session of the General Assembly decided should take place at our forty-third session.

Accordingly, the work of the Assembly should be prepared within an unchallengeable, geographically balanced international framework. It is to such a forum that we should transmit the necessary information. This information could be based on an assessment in as precise and reliable terms as possible of the qualitative and quantitative progress accomplished by all. We should like the Secretary-General, assisted by the Director-General for International Economic Co-operation and Development, to take responsibility for this.

At this stage we are not yet in a position to take serious stock of the implementation of the five-year commitments which were entered into a mere 18 months ago. Any attempt at an assessment based on figures would be, in a technical sense, premature today - first, because national accounting data for 1986 and even for 1985 are not yet ready; and, secondly, because the first budgets prepared by Governments of Member States since the publication of that Programme are for 1988.

(Mr. Blanc, France)

This means that from this technical standpoint next year's analysis will perhaps come a little early. We must also admit that a realistic assessment must also take into account factors that are not related or are little related to Government action. These social factors also concern corporate life and relate to individual choices made with regard to training, employment, savings and consumption.

Also among the external factors affecting the success of African recovery and development we should discern five sets of elements where the Governments of industrial countries, like mine, have responsibility in a variety of areas. It is merely by way of example, and without trying here to enter into any competition, that I shall illustrate these remarks on the basis of initiatives taken by my country.

First of all I shall simply recall the importance of weather conditions and natural disasters, such as the very serious drought that affected the economy of African States in the years 1983 to 1985. Indeed, for humanitarian reasons these exceptional circumstances called for responsible action by Governments of all regions of the world. Those Governments that cannot discharge this responsibility bilaterally should find in the relevant institutions of the United Nations system appropriate means by which to channel their efforts at solidarity, be it in the areas of emergency food aid, assistance to refugees and the fight against AIDS or the locust problem. We share the concern of the Secretary-General that the humanitarian aid that may be necessary should be added to and should not replace the support offered within the framework of the Programme of Action.

Secondly, other essential elements for African economies directly depend on the action of corporations and banks, investors and lenders outside the governmental framework.

(Mr. Blanc, France)

One must bear in mind that States with liberalized economies have few means available in securing assistance from commercial banks and private investors to the developing economies. They also do not have direct means of pressuring banks to compel them to show more understanding in their loan policies.

On the other hand, it is possible to act without constraints but effectively in attracting motivated and experienced partners for African enterprises, in particular among the small and medium firms of the northern countries. In this connection, important meetings were held successfully less than a year ago at Libreville on the subject of industrial co-operation and the private sector.

Other industrial, commercial and even academic partnerships already exist among the universities, corporations and banks of African and Western countries, or of African countries with their neighbours, on a subregional level.

African recovery and development will also require the promotion of services: industrial quality, the regularity of supplies and access to international markets are indeed essential elements to economic recovery.

In this context, the consultations held under the dual sponsorship of the United Nations Industrial Development Organization (UNIDO) and the International Labour Organisation (ILO) brought together in Paris last September 250 professionals from 70 countries to discuss the question of training for industrial maintenance.

Further, with regard to official development assistance loans the Governments of creditor countries can, through international consultation, assist debtor countries in fulfilling their obligations within the tested framework of the Paris Club, which has already done a great deal with regard to the taking into account of the external constraints of African countries. For several months it has even been implementing measures under the proposals made by the French Finance Minister by

(Mr. Blanc, France)

relaxing the terms of rescheduling for the very poor and highly indebted countries that have undertaken a recovery programme.

Along those lines, a few days ago in Washington the French Minister for Economy and Finance strongly appealed for:

"A consensus on the systematic generalization of concessional rates for rescheduling development assistance debts leading to an agreed reduction, and even elimination, of the margins added on by creditor States to the market cost in the case of consolidated commercial debts."

Thirdly, another set of elements is that of the world economic situation on which most individual national policies, except perhaps for two or three among them, have only meagre influence. In bringing about the Louvre agreement, France wished to make a contribution to greater stability in exchange rates and to lower interest rates. It made a similar contribution last January by holding a seminar in Paris, followed by the seventh session of the United Nations Conference on Trade and Development (UNCTAD), where a North-South dialogue took place on the situation on commodities, which so seriously affected the African economies in the past few years. This dialogue will, we hope, enable producers better to control supply in various international commodity markets; and an important step will have been taken if it leads to the effective and rapid utilization of the two "windows" of the Common Fund for Commodities. The second "window" will allow for a more effective diversification of the African economies.

Fourthly, with the Common Fund, we can already see a fourth group of external elements which are more directly available to Governments when they act in concert within multilateral agencies, through commercial, monetary or financial instruments, such as the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund (IMF) and the Lomé Convention, the World Bank group and regional development institutions.

(Mr. Blanc, France)

I wish here simply to recall France's decisive role, together with other European countries, in the establishment of a special fund for Africa and a special African programme within the International Fund for Agricultural Development (IFAD), where we hope certain major countries will join the donors.

Further, France has increased its share in the Eighth Replenishment of the International Development Association, its contribution today having reached 7.3 per cent of the total of \$11.5 billion.

After the unanimous ratification of structural adjustment by UNCTAD VII, we call on the other members of the International Monetary Fund (IMF) concerned to treble the volume of the Facility set up to that end. For its part, France is ready to provide that Facility with a contribution of \$500 million. It is ready also to make a significant increase to the capital of the International Monetary Fund (IMF). Lastly, it is prepared to undertake a supplementary budgetary effort with regard to the plan to replenish the resources of the African Development Fund to a level of between \$2.5 to \$3 billion for the coming years, thus more directly responding to the need of highly concessional net resource flows to Africa.

Fifthly, it is now obvious that bilateral official development assistance and multilateral assistance by way of voluntary annual contributions to the organizations of the United Nations system, in particular to the United Nations Development Programme (UNDP), are especially geared to the choices and external priorities of our Governments.

Suffice it for me to recall that my country is the primary donor of development assistance to sub-Saharan Africa. For the budget year 1988 the French Parliament has been asked to increase the resources of the Ministry of Co-operation, which generally devotes its activities to Africa, by 13.4 per cent. That means quite more in this period of austerity than has been granted to any

(Mr. Blanc, France)

other ministry. I should add that 20 per cent of our bilateral assistance to sub-Saharan Africa will take the form of non-project, rapid-distribution aid especially well adapted to the needs of structural adjustment.

We must be realistic and creative if we, whether African or not, wish to fulfil our respective commitments.

But, above all, we must together devise the provisions that will allow us, in each country, to co-operate in the closest possible manner, to be followed up by the local representatives of the main partners. President Diouf of the Republic of Senegal, who last year made such an important contribution to the success of our special session, is today providing an example of this by opening in Dakar a three-day international meeting devoted to a follow-up of that session. I hope that that initiative will lead to others and that all these initiatives will enable Africa to regain confidence in its own future.

Mr. ZVEZDIN (Union of Soviet Socialist Republics) (interpretation from Russian): It is difficult to over-assess the importance of the question under discussion today taking into account its essential and vital importance and its scale, as on its solution depends the fate of millions of people and even of an entire continent.

An objective assessment of progress in the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 can be given only on the basis of a balanced analysis of the situation existing on the continent taking due account of the impact of the entire set of interrelated external and domestic factors. This approach will provide an opportunity to see positive elements, to identify difficulties and complications on this path and then to work out tasks of the international community for the successful fulfilment of the Programme.

The Soviet delegation at the thirteenth special session of the General Assembly emphasized that a radical improvement of the general economic and political situation, both in Africa and throughout the world, as well as the elimination of the unequal position of the African countries in the international division of labour, were indispensable conditions for overcoming the economic crisis.

Today we must state that the causes of the crisis not only persist, but have grown into a permanent source of increasing problems and difficulties.

According to the Secretary-General's report entitled "Critical Economic Situation in Africa: United Nations Programme of Action for African Economic Recovery and Development 1986-1990" (A/42/560 and Corr.1), because of the general weakness of the economic structures in many African countries, especially the sub-Saharan countries, they have found themselves in fact defenceless faced with further upheavals in the external economic situation. Last year their export

(Mr. Zvezdin, USSR)

earnings fell by \$19 billion, that is, by almost one third. Their external debt is now close to \$200 billion, while debt-servicing payments amounted to 38 per cent of their export earnings. Moreover, the International Monetary Fund (IMF), which, it would seem, should have as its purpose the promotion of stable conditions for growth and development, received from the African countries last year almost \$1 billion more than it gave them.

The net outflow of financial resources from Africa exceeds \$9 billion a year while it was stressed at the thirteenth special session that the African countries needed exactly that amount of annual external assistance to overcome their economic difficulties.

Structural adjustments made by several African countries demonstrate that these measures are not a panacea for chronic ailments of national economies on the continent and did not lead to an increase in external aid as had been promised. Several of the most important donors are even cutting down their bilateral aid to African countries. The Secretary-General in his report noted also that:

"The implementation of structural adjustment programmes has not been without social stress and disruption and indications of political risk"

and has also been related to

"social costs, in particular, for health, education, nutrition, employment and maintenance of social institutions" (A/42/560 and Corr.1, para. 24).

There has been no progress in finding solutions to problems that have accumulated in southern Africa. The immoral and anti-humane anachronism of contemporary history represented by the apartheid régime, South Africa's continued aggressive actions against front-line States, economic sabotage and colonialist oppression of the Namibian people are all depressing elements of the current situation in southern Africa and raise serious obstacles to the normal development of the continent as a whole.

(Mr. Zvezdin, USSR)

The analysis of these and other factors leads us to rather disquieting conclusions, which are presented in a summarized form in a document of the Permanent Steering Committee of the Organization of African Unity (OAU), which, inter alia, states that:

"The national and international environment has in many respects worsened, with the consequence that the capacity of African countries to implement the programme fully has been undermined". (A/42/614, annex, para. 8)

The Soviet delegation notes that the United Nations Secretariat has made certain efforts to mobilize the international community in order to overcome the critical economic situation in Africa as well as to improve the co-ordination of those activities in the United Nations system, and we are grateful to it for that. At the same time, it is our view that the Secretariat does not always take a balanced approach to the realization of aims and purposes contained in the Programme of Action. No one will deny the importance of the domestic economic policies carried out by African Governments in fighting the crisis. However, external factors, which in many cases have a decisive role to play, should continue to be the focus of attention. This one-sided approach, in particular in the Secretariat's evaluation work, hinders a comprehensive analysis of the impact of all factors both external and internal and consequently the formulation of recommendations and actions.

We noted with regret that the Secretary-General's report also permits a one-sided approach in estimating contributions by various donor countries to the assistance of Africa. For instance, it contains estimates which are not in keeping with reality, such as the information regarding the volume of aid from the socialist countries of Eastern Europe. We believe that those estimates - the

(Mr. Zvezdin, USSR)

source of which is not mentioned - should be the responsibility of the authors of the report. However, the United Nations Secretariat has at its disposal not only estimates, but also official data on the aid from the socialist States to Africa. As for my country, our aid figures have been published, for example, in the annex to United Nations document A/S-13/10. It is well known that in 1985 alone it amounted to \$1.7 billion and was just as significant in 1986. I hope that the necessary corrections will be made to the report.

The Soviet Union has been actively co-operating with African countries in supporting their efforts to overcome economic backwardness and to ensure genuine economic self-reliance with due regard to the aims and purposes of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990.

In co-operation with the USSR, the African countries have already built and put into operation over 340 projects, including those in such key economic branches as industry and energy.

While providing aid to African countries, the Soviet Union does not receive a share of the profits of the enterprises constructed with its assistance; this completely rules out a return flow of funds. It seeks no economic privileges or concessions and lays down no political conditions whatever.

A very important feature of the Soviet Union's economic relations with the developing countries is its assistance, in response to requests from the Governments of these countries, first in the establishment of key enterprises in the public sector which constitutes the basis for independent development. Public-sector enterprises built with the assistance of the Soviet Union are a major source of income for the national budgets of African countries. They promote increased employment in those countries and also serve to train qualified national personnel.

(Mr. Zvezdin, USSR)

In view of the particular urgency of the food problem in the African countries, the Soviet Union is helping to increase their food production and giving greater attention to economic and technical assistance for the African countries with a view to developing their agriculture and the related agro-industrial sectors of the economy.

(Mr. Zvezdin, USSR)

This assistance is being provided to about 20 African States and covers 192 projects, more than 60 of which are already in operation. Work is going on to bring more than 200,000 hectares of land under cultivation, and 15 irrigation and land reclamation projects have been put into operation.

A very important part of the Soviet Union's economic and technical co-operation with African countries is the training of national personnel. With the assistance of my country more than 450,000 workers from African countries have been trained as specialists and skilled workers in various fields. More than 20,000 people are today studying in institutes of higher education in my country. For the period covered by the United Nations Programme of Action for Africa, we shall be hosting up to 1,100 nationals from the front-line States alone and paying all the related costs.

We intend to expand our co-operation with African countries in all areas. At present, nearly 300 industrial enterprises and other national economic projects are being built or designed in those countries.

The period to 1990 will see further expansion of co-operation, particularly with sub-Saharan countries, in agriculture, fisheries and related agro-industrial sectors of the economy. The contribution of the USSR in aid to the agro-industrial sector will reach 20 per cent of the total amount of aid provided by the Soviet Union to the countries of that region.

The credit assistance provided by my country to the States of Africa is on conditions that are generally more favourable than those of such capital provided to the African countries by other official creditors. Characteristic features of Soviet credits to African countries are that they are production-oriented and provided on favourable terms. Such loans are usually returned in the form of traditional and non-traditional export goods or the output of new industrial

(Mr. Zvezdin, USSR)

branches, including those established with Soviet assistance on a compensatory basis. A search is now under way for other mutually acceptable forms of settlement.

In addition, in the period 1981-1985, in the light of the deterioration of their currency situation, the USSR allowed African countries to defer repayment of Soviet credits, including interest, to a total amount of nearly \$2.4 billion.

In accordance with the recommendations in the United Nations Programme of Action, the Soviet Union is taking steps to establish and develop co-operation with such African regional organizations as the Southern African Development Co-ordination Conference, the Preferential Trade Area for eastern and southern Africa and the inter-Governmental Authority on Drought and Development in East Africa (IGADD). We supported the establishment of the Fund for Africa and plan to contribute nearly 65 million roubles to it.

My delegation fully shares the view that implementation of the decision of the International Conference on the Relationship between Disarmament and Development concerning the close link between disarmament and development would allow the international community to save substantial resources, which could then be used, inter alia, for giving even further assistance to the African countries.

For us, Africa is not a field of confrontation between East and West, or a place to test various models of social and economic development. We regard Africa as an arena for the broad international co-operation that is so necessary for the solution of such urgent problems facing the African countries as those of the total elimination of colonialism and racism, the overcoming of economic backwardness, the eradication of hunger and disease, the improvement of the standard of living and the protection of the environment.

It is the duty of the world community to stop the African countries from slipping towards a catastrophe whose social and economic consequences would be

(Mr. Zvezdin, USSR)

difficult to predict. It is necessary to work for the establishment of a new world economic order which would guarantee economic security for African and other countries on a just and equitable basis. To this end, it will be very important to do away with inequitable international trade, eliminate protectionism, ensure stability in world commodity markets, stop the net outflow of financial resources from Africa and find a just solution to the problem of external debt. We support the initiative of the Organization of African Unity on the convening of an international conference on Africa's external debt.

The Soviet Union supports broad international co-operation in the interest of Africa and is convinced that the expansion of this co-operation will contribute not only to a radical improvement of the social and economic situation on the continent, but also to the stable and harmonious development of the world economy in general, to the benefit of all participants in international economic relations.

Mr. LI Luye (China) (interpretation from Chinese): First of all, I should like to thank the Secretary-General for providing us with a report on the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 which is very helpful to the review and assessment of this matter by the General Assembly.

More than a year has passed since the United Nations Programme of Action was adopted by the General Assembly at its thirteenth special session. Shouldering the heavy task of reactivating and developing their economies, the African countries have, within this short period of time, made tremendous efforts to bring about a change in their critical economic situation. The determination shown and the progress made by the African people in their efforts to implement the Programme of Action have received the widespread appreciation of the international community.

(Mr. Li Luye, China)

In keeping with their commitment, the African countries have started implementing the United Nations Programme of Action and Africa's Priority Programme for Economic Recovery in an earnest and gradual manner.

Many African countries have introduced economic reforms and policy adjustments, and some of them have already achieved initial results. What is particularly striking is that food and agricultural production has received close attention from most countries and been accorded top priority. They have not only adopted contingency measures for possible food problems and established early warning systems, but also taken a number of medium-term steps. These steps include the establishment or strengthening of agricultural credit institutions, an increase in agricultural investment, adjustment of the prices of agricultural products and incentives for food production and its rational distribution, improvement of production and managerial methods, improvement and expansion of storage capacity and the development of agricultural infrastructure. As for their macro-economic policies, the African countries have paid greater attention to the mobilization of indigenous resources and improvement of economic efficiency, and taken steps to strengthen their macro-economic management, reduce public spending and drastically decrease exchange rates.*

*The President returned to the Chair.

(Mr. Li Luye, China)

At the same time, by giving vigorous play to self-reliance and collective self-reliance, the African countries are making concerted efforts to overcome their economic difficulties. In recent years economic co-operation and co-ordination at the regional and subregional levels have witnessed further development. In their efforts to ensure closer co-operation they have established regional networks of crop protection and inter-State early-warning systems, united their efforts to control drought and desertification, worked collectively to set up an agricultural research centre and popularized the use of improved varieties of rice and beans. In policy co-ordination, with the support of international organizations, they have held various conferences and meetings, carried out technical exchanges and worked out specific regional and subregional implementation programmes to facilitate the implementation of Africa's Priority Programme and the United Nations Programme of Action.

We have noticed that many countries and international institutions have taken positive steps in providing assistance to the African countries. In order to increase aid to the African countries, the Special Fund for Africa was created by the World Bank, a sum of \$US 12.4 billion has been agreed upon for the Eighth Replenishment of the International Development Association (IDA) and a substantial expansion of the Structural Adjustment Facility is now under discussion by the International Monetary Fund (IMF). In addition, some developed countries have abolished the official debts for a number of the least developed African countries and increased their grants to the low-income African countries. The Venice summit meeting of seven Western countries also suggested that the Paris Club reach agreement on longer grace and repayment periods for official development assistance to the poorest African countries so as to alleviate their debt burden, and that lower interest rates be applied to the existing debts of those low-income African

(Mr. Li Luye, China)

countries that were making adjustment efforts. All of this deserves our welcome and encouragement.

It must be pointed out, however, that the progress made so far in implementing the United Nations Programme of Action is still very limited.

The international community's support and assistance to African countries have not reached the expected level and are far from being able to satisfy the development needs of those countries for what is particularly worrying is that in recent years private financial flows to the African countries have continued to dwindle: for example, export credits declined from \$1 billion in 1985 to \$0.4 billion in 1986 and have almost come to a halt in 1987. The financial transfer to the African countries by the IMF has also become negative.

Judging by the call in the United Nations Programme of Action, the steps taken by the developed countries in helping to improve the external environment and reduce its adverse influence upon Africa have so far remained quite limited. The African countries in general, and the sub-Saharan African countries in particular, are faced with an even harsher international economic environment. The prices of primary commodities remain low, trade protectionism is intensifying and the terms of trade for developing countries are worsening.

The debt problem also has seriously impaired African economic recovery and development. Although the absolute debt figure of the African countries is not very large, compared with their economic basis and their debt-servicing ability a total debt of \$US 200 billion has constituted an unbearable burden for them. Each year the repayment of principal and interest amounts to around \$US 20 billion - nearly half the total export earnings of the entire African continent.

(Mr. Li Luye, China)

In short, as a result of the adverse effects of the serious shortage of funds, the worsening external environment and the besetting debt burden, the African economy, instead of taking a turn for the better, was in deeper trouble in 1986, in spite of heavy sacrifices made by the African countries in implementing the Programme of Action and the Priority Programme. According to the United Nations International Economic Survey 1987, the growth rate of Africa's real gross domestic product in 1987 was minus 2.1 per cent, which was not only lower than that of any other continent but also lower than its own growth rate in 1984 and 1985, when it was hit by severe droughts.

The International Conference on Africa, held recently in Abuja conducted a comprehensive review of progress made in the implementation of the United Nations Programme of Action, reached conclusions and put forward recommendations. The Abuja Statement points out that the prospects for African economic recovery depend upon the concentration of efforts on such areas as: first, sustaining domestic policy reforms; second, continuing the efforts to improve economic management; third, ensuring that structural adjustment programmes are consistent with the objectives and priorities of the recovery programmes; fourth, ameliorating the debt burden; fifth, intensifying the search for the solution to the commodities problems; sixth, overcoming the constraints on achieving adequate levels of official development assistance; and, seven, limiting the impact on the recovery of the countries in the region of acts of political and economic destabilization of the South African régime.

The Chinese delegation is of the view that this analysis is consistent with realities and that the recommendations are also very much to the point. We believe that in tackling the economic problems in Africa it is necessary to adopt a comprehensive approach and try to bring about a close co-ordination between domestic efforts and external supports. While the African countries continue to

(Mr. Li Luye, China)

make efforts based on self-reliance and collective self-reliance, adopting correct adjustment measures and economic policies suitable to their actual conditions, giving fuller play to the positive factors in their countries and making fuller use of their indigenous resources, the international community at large is urgently called upon to take action in support of the African countries in the following areas.

First, earnest efforts should be made to bring about a solution to the debt problem of Africa. The international community, and the developed countries in particular, should adopt effective measures, including lower interest rates and the writing-down or even writing-off of the debts of the low-income African countries.

Secondly, practical steps should be taken to stabilize the prices of primary commodities at a rational and remunerative level, help the African countries to attain at an early date commodity diversification and develop processing and manufacturing industries, and provide greater market access for their commodities so as to increase their export earnings.

Thirdly, there should be increased financial transfer, especially through funds on concessional terms and official development assistance to the African countries, particularly the sub-Saharan African countries, so that the transfer of financial resources will be reversed from its downward trend to an adequate level.

(Mr. Li Luye, China)

Fourthly, the international community, especially the developed countries, should try to improve the international economic environment, strengthen the co-ordination of their macro-economic policies, adopt measures which will facilitate world economic growth and the development of the developing countries, remove trade protectionist practices, change the rigid economic structure and adjust the irrational international economic relations so as to give better expression to the principle of rationality, fairness and mutual benefit.

The Chinese Government and people have always supported and assisted the African countries in their economic development and attached special importance to agricultural assistance to Africa. The economic and technical assistance that China has provided to 48 African countries has totalled 8.9 billion yuan renminbi in 506 complete projects, among which 353 are operational and 64 are under construction, making up 82 per cent of the total.

Since 1981 China has provided African countries with 240,000 tons of emergency relief food, and has supplied through the United Nations 22 multilateral technical co-operation projects. Since 1982, in co-operation with the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Development Programme (UNDP), China has set up three training centres on biogas, sericulture and fishery, and some trainees are management personnel from Africa. We are now making preparations to set up a training centre catering especially to African agro-technical and managerial personnel. In 1985, in response to FAO's appeal for the reactivation of the African economy, China provided grants totalling more than \$US 900,000 for six agricultural projects in six African countries. In 1986 China offered 50 tons of pesticide against locusts to the African countries and another 100 tons will be supplied this year.

In future, the Chinese Government will, in keeping with the principle of equality, mutual benefit and common development, continue to explore ways and

(Mr. Li Luye, China)

means of expanding the economic and technical co-operation with African countries, so that the economic assistance and economic and technical co-operation will promote each other and facilitate the development of South-South co-operation. The Chinese Government will continue to assist African countries to the best of its ability. Together with the international community, we are ready to make our own contributions in helping the African countries to achieve economic recovery and long-term development.

We are convinced that so long as African countries and the international community persist in their efforts, strengthen their co-ordination and fully implement the United Nations Programme of Action, the African countries will extricate themselves from the present economic predicament and embark on the path towards steady economic development.

Mr. TSVETKOV (Bulgaria) (interpretation from French): The adoption by the thirteenth special session of the General Assembly of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 reflects the need to take urgent and effective measures to assist the countries of a continent which, although rich in natural resources, has suffered greatly. The period of a year and a half which has elapsed since the adoption of the Programme is not sufficient to enable us to engage in an exhaustive consideration of its implementation. However, even very general analysis of the situation in Africa shows that, far from improving, it has in certain areas deteriorated noticeably. The report of the Secretary-General on the critical economic situation in Africa (A/42/560 and Corr.1) provides precise arguments in support of this conclusion. I should like to mention the good work that went into producing that report and the generally thorough, analytic approach to the treatment of the various issues.

(Mr. Tsvetkov, Bulgaria)

My Government follows closely the development of the situation in the African continent. We cannot fail to mention the sense of responsibility shown by the African countries with regard to the tasks which they themselves set with the adoption by the Organization of African Unity (OAU) of the Priority Programme for their economic development for the period 1986-1990. We welcome the promotion of multilateral co-operation and the co-ordination taking place within the African countries. These concerted efforts are undoubtedly in the right direction.

On the international level multilateral and bilateral measures have also been taken with the aim of providing relief for the economies of the African countries. However, their limited nature and the attempts to change the existing situation without affecting the principles of the system in force in international economic relations have not produced very satisfactory results.

During the 18 months which have passed since the adoption of the United Nations Programme of Action for African Economic Recovery and Development, the international situation, too, has not developed along positive lines. Nothing has been done to create the external economic conditions essential for the development of African and other developing countries. In this respect, I should like to note that the report of the Secretary-General regarding the application of the Programme would have gained considerably if greater attention had been devoted in it to the external factors that have proved such an obstacle to the economic recovery and development of Africa.

The report of the Secretary-General contains numerous facts and data which give a clear picture of the situation in Africa. Three weeks ago the President of the Republic of Zambia and Chairman of the Organization of African Unity,

(Mr. Tsvetkov, Bulgaria)

Mr. Kenneth Kaunda, in his outstanding statement here, described eloquently and convincingly the critical, disastrous situation prevailing in the African continent. It is worth noting that during the year of the adoption of the United Nations Programme on the Economic Recovery and Development of Africa the external debt of the countries of the continent rose from \$150 billion to \$200 billion, which represents 54 per cent of the gross national product of the continent and 440 per cent of the export earnings of African countries. Under the impact of deteriorating conditions of trade, the export earnings of those countries have noticeably decreased, that decrease being, according to International Monetary Fund data, of the order of 9.3 per cent as compared with 1985.

(Mr. Tsvetkov, Bulgaria)

Net financial flows from the African countries continues to be channelled towards the developed market-economy countries. As is highlighted by the report of the Secretary-General, even the International Monetary Fund in 1986 received from Africa more resources than those it allocated to it. We hope that the measures the Fund has taken will redress that difference. In these conditions it is difficult to believe solely through a policy of structural change that the African countries will be able to overcome the critical situation in which they find themselves.

It is significant in this respect to refer to the views voiced by certain African leaders that the economic reforms and difficult adjustments they have undertaken and the measures of stabilization they have taken have often cost them very dearly on the economic and social levels, forcing them to take considerable political risks which in many countries have threatened the very foundations of social cohesion and political stability.

The position of the People's Republic of Bulgaria on the issues of international economic relations, and in particular on ways to overcome underdevelopment, is clearly and specifically spelt out in the document adopted at the meeting in Berlin of the Political Consultative Committee of the States parties to the Warsaw Treaty, entitled, "On the Elimination of Underdevelopment and the Establishment of a New International Economic Order (A/42/354), and I shall therefore not go into it here in greater detail. In addressing the problems of the African countries in the social and economic spheres I should merely like to stress that independence and development are inseparable from the questions of disarmament and peace. In fact, it is only international peace and security that can create the necessary conditions for the resolution of development problems and for guaranteeing the political and economic independence of all countries.

(Mr. Tsvetkov, Bulgaria)

The first and most important step to achieve that objective is a halt to the arms race: the channelling of part of the means thus released towards development would constitute a genuine step in overcoming economic underdevelopment. In this respect we welcome the support given at the International Conference on the Relationship between Disarmament and Development, which clearly showed the dialectic of these two phenomena. The consolidation of international peace and security and the normal development of the world economy and of international economic relations as well are interdependent and mutually linked processes. Many of the fundamental economic problems the world faces today, such as the external debt problem of the developing countries, the regulating of external trade, problems linked to the international monetary system, also require a political solution. It is solely through concerted efforts and political will by all countries that these problems can be overcome. Thus favourable external conditions - both political and economic - will be established for the social and economic development of the African countries.

At the thirteenth special session of the General Assembly the delegation of the People's Republic of Bulgaria distributed a document showing my country's principled approach on the advancement of its relations with the African countries. In the future as well our co-operation will be carried out on the basis of these principles, aimed at the overall development of the national economies of the African countries through the implementation of agricultural, industrial, and energy projects, the expansion of the transportation infrastructure, the training of personnel and so forth.

Here I should like to express my delegation's surprise at that part of the report dealing with the question of official development assistance for Africa granted by the socialist countries.

(Mr. Tsvetkov, Bulgaria)

At the present session of the General Assembly the Bulgarian delegation distributed document A/C.2/42/5 on the assistance provided by the People's Republic of Bulgaria to the developing countries. For 1986 that assistance rose to 1.23 per cent of the national income of the country. In implementing the recommendations of the United Nations my country's policy devotes particular attention to economic assistance to the African countries. The fact that much of the assistance provided by Bulgaria to developing countries goes to countries of the African continent demonstrates this policy, since it accounts for 0.92 per cent of the national income for that same year.

I should like to stress, in conclusion, that in the future as well Bulgaria will continue to support, within the context of its possibilities, the African countries in their efforts to secure an independent socio-economic development.

Mr. FONDER (Belgium) (interpretation from French): The representative of Denmark has expressed here the point of view of the European Community and of its member States. In speaking now my objective is to illustrate his comments through a brief description of our national actions in Africa.

For obvious reasons, Africa occupies a privileged place in our bilateral and multilateral actions for the developing countries. Allow me to cite some facts in support of that affirmation. On the bilateral level, more than 80 per cent of our public development assistance is focused on Africa; at the present time that represents an annual sum of more than \$200 million. The major sectors benefiting from our co-operation are, in order, development of human resources, agriculture, and public health. To this public assistance is added the co-financing of projects, through non-governmental organizations, in which Africa receives more than half of the budgetary allocations.

(Mr. Fonder, Belgium)

In addition, Africa is an important beneficiary of State-to-State concessional loans made by Belgium. For 1987, Africa's share in this credit programme also amounts to more than 50 per cent. These credits are granted on extremely favourable terms with regard to the grace periods, the length of time for reimbursement and interest rates not exceeding 2 per cent.

(Mr. Fonder, Belgium)

To those actions we should add Belgium's establishment of a Survival Fund in 1983. That Fund, which amounts to 10 billion Belgian francs - \$260 million - is not designed for simple, short-term emergency actions but rather for combating the causes of hunger and malnutrition. The Survival Fund is associated, to this end, with the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP), the World Health Organization (WHO), the United Nations Children's Fund (UNICEF) and non-governmental organizations. Actions undertaken in the field in Africa by means of the Fund deal in particular with integrated rural development and the struggle against desertification. The approach taken by the Fund reaffirms that in our overall co-operation with the African countries the priorities of the Programme of Action for African Economic Recovery and Development, adopted at the thirteenth special session of the General Assembly, are being taken duly into account.

With regard to the multilateral financial sector, I would mention Belgium's participation in the Eighth Replenishment of the funds of the International Development Association (IDA) by a sum of \$193 million; the tripling of my country's participation in the increase of the capital of the African Development Bank; our participation in negotiations on a fifth replenishment of the resources of the African Development Fund; and, finally, Belgium's positive reaction to proposals aimed at tripling the resources of the Structural Adjustment Facility of the International Monetary Fund (IMF).

At the thirteenth special session of the General Assembly, on the critical economic situation in Africa, my Government announced specific initiatives to provide debt-servicing relief. Those proposals were later spelt out at the seventh session of the United Nations Conference on Trade and Development (UNCTAD) and, more recently, at the annual meetings of the IMF and the World Bank in Washington.

(Mr. Fonder, Belgium)

They are designed to meet the precise needs of African countries, in particular the poorest of them.

First, Belgium was one of the countries vigorously to support the proposal to link the debt-servicing of developing countries with fluctuations in the prices of the raw materials produced by them. We continue to regard that approach as fruitful, even if its application causes problems.

A second Belgian initiative consists in allowing the reimbursement of certain public or private debts in local currency, the resources thus realized then being allocated to development projects financed in local currency. That Belgian proposal to UNCTAD was aimed particularly at low-income countries that had agreed to carry out consistent structural adjustment programmes with the assistance of the IMF and the World Bank. The proposal is, however, applicable to other categories of countries to varying degrees, depending upon the ratio between debt servicing and public assistance to development.

In our view the major advantages of such measures would be that they would contribute to maintaining in good working condition the infrastructures and basic public services essential to the success of structural adjustment programmes and would bring about an increase in the effectiveness of public assistance for development by adapting it in a flexible manner to the priorities of the country receiving assistance and enabling it, in particular, to make use of local human resources.

Those are our actions and priorities in our co-operation with Africa. We are fully aware of the seriousness of the continent's economic problems. However, we are equally convinced that the spirit of shared responsibility to which we are trying to give effect will enable Africa get back on the path of growth and prosperity.

Mr. NOWORYTA (Poland): A little more than a year has elapsed since the adoption of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. The thirteenth special session of the General Assembly was a unique occasion for presenting the critical economic situation prevailing in Africa against the background of the roots of the emergency in question. The Programme of Action adopted at the special session relies on an original concept of co-responsibility in international economic co-operation, a concept that should also guide us in coping with other acute economic problems, including that of global indebtedness.

It is true that even in this relatively short period of time a number of important trends in the Programme's implementation have become visible. While some of those trends are positive, there are also grounds for serious concern.

As can be learned from the report of the Secretary-General, African countries have reaffirmed their primary responsibility for the development of their own continent. A large number of African Governments have undertaken policy reform and structural adjustment measures aimed at bringing about the accelerated recovery of their economies. At the same time as those enormous efforts are being made, the external economic environment has become even more aggravated. The financial requirements indicated in the Programme of Action are increasing, while commodity and other export earnings are inadequate, and debt-servicing problems have worsened, often becoming unmanageable.

Against such a background it is necessary to stress that a positive role in the implementation of the Programme of Action is being played not only by individual Governments but also by institutions at the regional and subregional levels.

(Mr. Noworyta, Poland)

Similarly, serious efforts have been made by different organizations of the United Nations development system, namely, the United Nations Development Programme (UNDP), the United Nations Fund for Population Activities (UNFPA), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO), the United Nations Children's Fund (UNICEF) and the World Bank. Those activities have greatly contributed to the assessment of the external needs of African recovery and development. At the same time, the aforementioned organizations have undertaken many action-oriented activities, often of a novel character. As an example, I would mention FAO expertise on assistance-in-kind for African agriculture. It seems that activities in this direction should be further developed.

In the report of the Secretary-General (A/42/560 and Corr.1) emphasis is put on the development of agriculture and food production as a special measure to overcome the present economic crisis in Africa. I would recall that at the thirteenth special session of the Assembly my delegation expressed its opinion that one of the effective measures that could contribute to the attainment of that goal would be the adoption of the principle of the free flow of experience, technology and organizational arrangements in the area of food production, processing and storage. As a follow-up to such action that proposal was fully reflected in paragraph 14 of General Assembly resolution 41/191. I am deeply convinced that this idea is of even higher relevance today when, according to FAO reports, severe food shortages are predicted for some African countries.

(Mr. Noworyta, Poland)

Poland, for its part, could share with African countries its experience in the manufacturing of farming machinery and make available the results of research in high-yield plants adapted to dry climates. We would be ready to assist the interested countries in the adaptation of technology and organizational arrangements to local conditions on a bilateral basis or in co-operation with United Nations specialized agencies. It is also our intention to support FAO's efforts in fighting the desert locust in Africa.

It is rightly pointed out in the aforementioned report that human resources development is a pre-condition of the successful implementation of the Programme of Action for African Economic Recovery and Development. As Poland's contribution to that end, thousands of top-class specialists in different fields from African countries have been educated in our universities as Polish Government fellowship holders. Every year several vocational training courses are organized especially for participants from Africa.

On the other hand, many Polish experts are working in Africa in various sectors of agriculture, industry and construction. There is growing co-operation in science and technology. Within the limits of our possibilities, we have been extending emergency aid to African countries.

Earlier this year Poland expressed its support for the noble objectives of the Fund for Africa, which constitutes an important supplement to the assistance rendered through bilateral channels and regional programmes to the nations and the front-line States of southern Africa struggling against apartheid. In our assistance programmes we shall make provisions for the priority projects identified in the Plan of Action for the Africa Fund, particularly in the field of technical assistance, personnel training and the supply of chosen goods and services.

(Mr. Noworyta, Poland)

Poland recognizes a number of important initiatives undertaken by the United Nations Secretary-General, such as the placing of the Programme of Action on the agenda of the Administrative Committee on Co-ordination, the establishment of a steering committee composed of the executive heads of key United Nations departments and agencies and chaired by the Director-General for Development and International Economic Co-operation, and - last but not least - the convening of the Advisory Group on Resource Flows to Africa.

In conclusion, I wish to stress that the Programme of Action that emerged from the special session provides an appropriate framework for a new partnership for African development, a partnership based on mutual commitment and shared responsibility between Africa and the international community. Poland stands ready to be involved in such a partnership and to express in deeds its sympathy for the African people.

Mr. ABDUL HADI (Malaysia): For the past few decades the African continent has been experiencing traumatic events. The period after the Second World War saw the emergence of most of the nations in the continent as sovereign States. Many won their independence through peaceful change, but some fought wars of liberation to gain their freedom.

Independence, of course, does not necessarily guarantee economic progress. Many African States had to struggle to put their economic priorities in order. For some it has been a major task to build a basic infrastructure for growth. These difficulties have been constantly aggravated by natural calamities, which in some instances put the clock back as regards economic progress and development. The international community is only too aware of disasters in the African continent, particularly in the drought-stricken Sudano-Sahelian region. Many nations have responded to these calamities with commendable speed, saving hundreds of thousands of the inhabitants of the region from hunger, misery and death.

(Mr. Abdul Hadi, Malaysia)

Malaysia fully appreciates the positive steps taken by the international community through the United Nations. My country's delegation is supportive of all programmes to alleviate the plight of those in the affected areas of the African continent. This is in consonance with the call by the Organization of African Unity (OAU) for a special session of the General Assembly to discuss exclusively the critical economic situation in Africa. It is also timely to make an initial assessment of the first year of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990.

My delegation is very much aware of the disappointment expressed by the Organization of African Unity in its preliminary assessment of the implementation of the United Nations Programme, as annexed to document A/42/614. It is evident that the OAU countries, for their part, have undertaken various actions, at the national, regional and continental levels, to promote this Programme. Therefore it is relevant that outside nations should be more responsive to the plight of the people in that disaster-prone region of the African continent. This is not, of course, to deny the role played by many of the more advanced and industrialized nations of the world in helping substantially to reduce the sufferings of the African people in the disaster-struck region, but much more could be done. The international community can always exercise its discretion and wisdom in channelling humanitarian contributions in the best possible ways. It need not necessarily be restricted on the basis of international or regional groupings in initiating or increasing humanitarian and economic contributions. Nor should members of the international community be inhibited by economic or commercial interests in the African continent in contributing to the well-being of the affected areas. Assistance and contributions of any kind and in whatever form, as long as they are meant to alleviate the critical economic situation in the affected areas, should be welcomed, if not encouraged.

(Mr. Abdul Hadi, Malaysia)

All of us are very much aware that most, if not all, of the newly sovereign African nations continue to enjoy the best of relations with the former colonial Powers. These ties could provide a climate conducive to assistance programmes being channelled to the continent, particularly in times of great need. The former colonial Powers certainly have moral obligations to their former territories, especially in relief activities. With their vast resources, these former colonial Powers have the capacity not only to contribute towards short-term relief programmes but also to provide economic assistance for long-term solutions. Probably they could also influence their own private commercial and financial organizations that have ties with their former territories to be more sympathetic to the plea for economic relief and assistance by the nations of Africa.

(Mr. Abdul Hadi, Malaysia)

When it comes to the four major areas of action envisaged by the international community under the United Nations Programme of Action, Malaysia is in accord with African countries in calling for an improvement in the quality and modality of external assistance and for an increase in the concessionality of development assistance to the African countries.

My delegation joins in the call for an increase in both official and private financial flows to African countries. We agree that multilateral financial institutions could assist in creating conditions conducive to increasing flows of financial resources, in particular from private sources, especially in cases where countries have implemented adjustment and policy reforms. We also fully support urging such multilateral financial organizations as the International Monetary Fund (IMF) and the World Bank to increase substantially their concessional lending to Africa and urging the IMF to relax its conditions in order to increase its assistance to African countries to help reverse the net resource outflow from Africa to the Fund.

With regard to improvements in the external environment, Malaysia is in full agreement with African countries in calling upon the industrial countries, in particular, not to undertake policies hostile to commodity-based economies such as those of African and Asian countries, including Malaysia. We agree that the developed countries of the West must try for greater co-ordination and harmonization of their macro-economic policies and take action to maintain exchange rate stability and reduce real interest rates. In order to improve the external environment and make it supportive of recovery and growth in Africa and the rest of the developing world the Western nations should also take action immediately to increase market access for products from Africa and other developing countries and to withdraw all protectionist measures, as agreed at the 1983 General Agreement on Tariffs and Trade (GATT) Ministerial Meeting. We agree that the improvement and

(Mr. Abdul Hadi, Malaysia)

stabilization of overall commodity export earnings should be given special attention. In this regard we urge that progress be made in the ratification of the agreement on the Common Fund for Commodities to enable the Fund to begin operations.

African countries utilized 35 per cent of their exports of goods and services to service their debts in 1986. Despite the debt-relief measures adopted by some creditor countries, such as the rescheduling of official debts by the Paris Club and the cancellation of other official bilateral debts owed by African countries, the situation has not improved. We fully support the proposal that all initiatives taken to address Africa's external debt be formally submitted, discussed and assessed within a multilateral framework, and in this regard we recall our support in the past for the convening of a conference on the subject.

The crisis in Africa is such that it requires sustained action. This is recognized in part III of the United Nations Programme of Action for African Recovery and Development. At the current session the Assembly is requested to consider and establish the preparatory mechanism for a review session. My delegation will participate actively in the consideration of such mechanisms. In addition, we support the proposal for the General Assembly to meet as a committee of the whole prior to the forty-third session to consider arrangements to bring Africa and the international community together in relation to the evaluation exercise.

For its part, Malaysia will continue to extend whatever assistance it can in accordance with its ability and capacity. We appeal to other nations, in particular the developed countries, to do their utmost to help to bring relief and assistance to Africa, for we share the view that the economic viability of the continent affects the viability of the entire international community.

The meeting rose at 6.25 p.m.