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Agenda Items 29, 40, 79, 80 and 143

CRITICAL ECONOMIC SITUATION IN AFRICA

LAUNCHING OF **GLOBAL** NEGOTIATIONS ON **INTERNATIONAL** ECONOMIC  
CO-OPERATION FOR DEVELOPMENT

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

OPERATIONAL ACTIVITIES FOR DEVELOPMENT

EXTERNAL DEBT CRISIS AND DEVELOPMENT

Letter dated 2 October 1986 from the Permanent Representative  
of Yugoslavia to the United Nations addressed to the  
Secretary-General

On behalf of the Group of 77, I have the honour to enclose **herewith** the declaration adopted on 1 October 1986 by the tenth annual **meeting** of the **Ministers** for Foreign Affairs of the Group of 77, held at **United Nations Headquarters in New York**.

The declaration **covers** a number of important economic **issues in the** field of multilateral co-operation for development, as well as various important items of **interest** to the General Assembly at its forty-first session. Specifically, the declaration will have **direct bearing** on deliberations under agenda **items** 29, 40, 79, 80 and 143.

I would highly **appreciate** it if you would arrange for the declaration of the Ministers of Foreign Affairs of the States members of the Group of 77 to be circulated as an official document of **the General Assembly under** the above-mentioned items.

(Signed) Ignac GOLOB  
Ambassador Extraordinary and Plenipotentiary  
Permanent Representative of the  
Socialist Federal Republic of Yugoslavia  
to the United Nations

## ANNEX

Declaration of the Ministers for Foreign Affairs of the Group of 77

1. The Ministers for Foreign Affairs of the Group of 77 held their 10th annual meeting at United Nations Headquarters from 29 September to 1 October 1986.
2. The Ministers welcomed the important initiatives and recommendations adopted at the eighth Conference of Heads of State or Government of Non-Aligned Countries, held at Harare from 1 to 7 September 1986, with a view to resolving the major problems besetting the world economy, and particularly the developing countries.
3. The Ministers were convinced that the activities of the Group of 77 would greatly benefit from those decisions and guidelines and decided to pursue those relevant to its work at the forty-first session of the United Nations General Assembly.
4. The Ministers expressed grave concern at the deepening of the world economic crisis and its devastating consequences for the economies of developing countries.
5. They regretted that the absence of political will on the part of some developed countries had prevented the United Nations from dealing effectively with the urgent world economic problems and issues confronting the international community, and developing countries in particular. The development problem was sought to be relegated to the background, to the detriment of the interests of the developing countries and to the neglect of their most pressing concerns. There was an increasing tendency on the part of a small group of developed countries to take decisions that are of concern to the entire world economy without taking due consideration of the interests of developing countries and also outside of the multilateral framework of the United Nations system and from the perspective of their national policies. In this context, they called for the full and effective participation of the developing countries in the international process of decision-making in the resolution of the world economic problems. They also called upon developed countries to undertake urgent steps and measures to ensure that their macro-economic policies are compatible with the goals and objectives of the development of developing countries.
6. The Ministers reiterated the importance of the United Nations as the central forum for dialogue and negotiations on issues relating to international co-operation for development and called upon all States to respect the democratic principles as embodied in the Charter of the United Nations. The Ministers therefore called upon developed countries to enter into serious and meaningful negotiations with the developing countries, within the framework of the United Nations, in order to overcome the present economic crisis and to achieve the goals and objectives of the international consensus for development through, inter alia, the implementation of the Declaration and the Programme of Action on the Establishment of a New International Economic Order, General Assembly resolution 34/138 on global negotiations relating to international economic co-operation for development and the International Development Strategy for the Third United Nations Development Decade, and in order to ensure full compliance with the provisions of the Charter of Economic Rights and Duties of States.

7. The **Ministers expressed deep concern** at the **financial crisis** of the United Nations, which had placed in jeopardy the ability of the **Organization** to carry out its mandated programmes and undermine the very **essence** of **multilateralism**. They called upon all States to fulfil their obligations flowing from the Charter. They noted the **efforts** made to overcome the **crisis**. They also noted that the Group of **High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations** had concluded its work and submitted its report. They urged all members of the United Nations to work **constructively** during the forty-first session of the General Assembly to achieve the common goal of improving the overall administrative and financial efficiency of the Organization.

8. The Foreign **Ministers** were of the view that the **persistence** of the world economic **crisis** underlined the **urgency** of pursuing efforts aimed at the restructurinq of International **economic** relations in order to achieve sustainable world economic growth and development, **especially** in the **developing countries**. In this regard, the **Ministers** reiterated the **necessity** that every effort should be made in order to rapidly **establish** the new **international economic order**. They **stressed** that the **increasing** interdependent character of the world economy and the **interrelationship** of problems urgently require the exploration of **various options** for reaching agreement at the political level between developed and **developing** countries in order to promote co-operative action, thus contributing to a **balanced** and **equitable** world economic growth and development.

9. Taking into account the gravity of the prevailing **situation**, **urgent action is required** on the problems currently confronting the international economy, including the reform of the international monetary, financial and trading systems in the **interest** of both developed and developing **countries**. An **integrated** approach would be **necessary** in the interrelated areas of money, finance, external debt, **resource** flow, trade and development. The **Ministers stressed** the need for the immediate initiation of the preparatory process for the convening of the International Conference on Money and Finance for **Development** and called upon developed countries to be forthcoming in their **responses** towards this proposal.

10. The **Ministers expressed deep concern** at the deteriorating debt **situation** of developing countries, which has become one of the **most critical** problems of the international economy. They welcomed the **inscription** of the Item "External debt crisis and development" on the agenda of the forty-first session of the General Assembly and **expressed** their confidence that a **substantive** and in-depth **discussion** of this issue would facilitate concerted action involving debtor developing **countries** and creditor developed countries as well as financial and banking **institutions** that would contribute to the achievement of a **global political solution** to the external debt **crisis** of **developing** countries, which would also avoid its **aggravation** and prevent future recurrence and spread, and would promote growth and development.

11. The Ministers expressed grave concern over the alarming **levels** reached in the net **transfer** of resources from developing countries to developed countries and stressed the **urgent need** to reverse this trend. They emphasized that the need to promote sustained growth and development in developing **countries** in order to **overcome** the fundamental problems of poverty, unemployment and **indebtedness** would

require active steps towards increasing capital flows of development finance, with a view to at least doubling present levels of the financial flows by the end of the decade and reversing the deflationary process which has resulted in the contraction of the world economy.

12. The agreement on the new round of multilateral trade negotiations recently reached at Punta del Este by the Contracting Parties to the General Agreement On Tariffs and Trade and the agreement on the immediate implementation of the commitments on stand-still and roll-back of protectionist measures should be reinforced by parallel developments conducive to the restructuring of the international monetary and financial system in order to provide stable and supportive monetary conditions and to promote the sustained growth and development of the world economy, particularly of developing countries.

13. The Ministers reaffirmed the important role of the United Nations Conference on Trade and Development in international economic co-operation in trade and development and stressed that the Conference at its seventh session should address key international economic issues of money, finance, development, commodities, international trade, external debt, including their interrelationship, and achieve concrete progress through action-oriented measures in these and other areas of its mandate. They urged all countries to promptly agree on the agenda, date and venue of the Conference so that it takes place during 1987.

14. The Ministers emphasized that the continued severity of the socio-economic situation of the least developed countries demanded intensified efforts from the international community directed towards both short-term recovery and long-term development. They appealed to the international community and relevant multilateral organizations to take effective and time-bound measures for implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, including the conclusions and recommendations agreed at the mid-term global review meeting.

15. The Foreign Ministers noted with satisfaction that during the special session of the General Assembly on the critical economic situation in Africa, the international community recognized the need to provide the additional external resources necessary for Africa's economic recovery. In this context, they appealed to the international community and regional and interregional financial and monetary institutions to urgently mobilize the necessary funds and take appropriate measures for the total and effective implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990. The Ministers supported the call contained in the decision of the twenty-second Conference of Heads of State and Government of the Organization of African Unity for the holding of an international conference on Africa's external debt.

16. The Ministers reiterated their continued and unswerving support for the struggle against apartheid and expressed their solidarity with its victims and with those neighbouring countries suffering from aggression and economic destabilization by the racist régime of Pretoria. They once again urged the international community to impose comprehensive and mandatory economic sanctions against the racist régime of Pretoria, in accordance with Chapter VII of the Charter of the United Nations. In this connection, the Ministers welcomed the establishment by

the eighth **Conference** of Heads of State or Government of Non-Aligned Countries of the 'Action for resisting invasion, colonialism and apartheid Fund', and urged the international community to support and generously contribute to the Fund. The Ministers reaffirmed that urgent, more vigorous and concrete steps and actions should be taken individually and collectively **by** all the members of the international community to end without delay colonialism, occupation, domination and exploitation, which constituted major obstacles to the economic emancipation of the developing countries and peoples. The Ministers also reaffirmed the rights of **all** countries, territories and peoples subjected to or affected by those condemned practices to restitution and full compensation for the exploitation, depletion, loss or damages to their natural and all other resources. They reiterated their unswerving support for the heroic struggle of the peoples of Namibia, South Africa, Palestine, Lebanon and the occupied Arab territories to achieve their liberation and **regain** full and effective sovereignty and control over their natural and all other resources and economic activities. The Ministers further Called upon the international community to adopt urgent and effective measures in order to eliminate the use of coercive measures against developing countries, which have **been on the rise** and have taken new forms.

17. The Ministers reaffirmed the pivotal role of collective self-reliance. **Its** achievement has gained greater urgency in the context of the unfavourable international economic environment. They expressed their full support to the conclusions and recommendations **of** the High-level Meeting of the Group of 77 on Economic Co-operation Among Developing Countries, held at Cairo, Egypt from 18 to 23 August 1986, as embodied in the Cairo Declaration and the final report, which emphasized **that** perceived economic benefits must become the basis of economic co-operation among developing countries so that it can become self-sustaining, self-generating and self-financing. The Ministers expressed their satisfaction at **the results** of the Ministerial Meeting of the Negotiating Committee on the Global System of Trade Preferences, held at Brasilia on 22 and 23 May 1986, and reaffirmed their conviction that the conclusion of the negotiations on the global system of trade preferences within the agreed time-frame will **offer** a significant opportunity to enhance **trade** among developing countries. The Ministers also emphasized the need for integrating economic co-operation among developing countries in national policy-making. They stressed that economic co-operation among developing Countries is both an integral part of, as well as a vehicle **for, the establishment** of a new international economic order. In this regard, they affirmed their determination to urgently and energetically work to this end.

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