

4. *Resolves* that the following considerations and guidelines, among others, should be taken into account in the reform of the international monetary order:

(a) The full participation of all interested countries in the process of decision-making with a view to achieving a steady, uninterrupted expansion of commercial and financial flows, especially those of the developing countries;

(b) The restoration and strengthening of the operation and authority of the International Monetary Fund in all matters of concern to the international community as a means of protecting the interests of all countries, especially those of the developing countries;

(c) The establishment of a satisfactory structure of exchange rates maintained within narrow margins;

(d) Adequate provision for the creation of additional international liquidity, through truly collective international action, in line with the requirements of an expanding world economy and the special needs of developing countries and with such safeguards as will ensure that the total supply of international liquidity is not unduly influenced by the balance-of-payments position of any single country or group of countries;

(e) The creation of a link between Special Drawing Rights and additional resources for financing development as an integral part of the new international monetary system;

(f) The establishment of a permanent system of guarantees against exchange losses affecting the reserves of developing countries, combined with the elaboration of appropriate measures to compensate developing countries against the involuntary losses they have suffered because of currency speculations in certain currencies in developed countries;

(g) The introduction of appropriate provisions in the Articles of Agreement of the International Monetary Fund which would increase the voting power of the developing countries.

*2017th plenary meeting,  
14 December 1971.*

#### **2807 (XXVI). The increasing burden of debt services**

*The General Assembly,*

*Noting with concern* that the attainment and maintenance of an adequate rate of economic growth in a number of developing countries is threatened by the burden of increasing debt service repayments,

*Noting also* that this burden is further compounded as a result of the current stagnation in the net flow of external assistance from some donor countries,

*Noting further* that the adverse effects of the deterioration in terms of trade for many developing countries are contributing to the aggravation of this burden,

*Considering* that debt relief can be an appropriate and effective means of increasing the net flow of resources to those developing countries experiencing serious debt service problems,

*Considering* that one of the important causes of the frequent debt crises is the unfavourable terms and conditions on which some financial resources have been provided, and continue to be provided, to the developing countries,

*Considering* that the present proportion of official development assistance in the gross resource transfers to the developing countries has also contributed to the burden of debt servicing,

*Considering also* that the inappropriate use of export credit financing has been in some cases another cause of the burden of debt servicing,

*Recalling* the recommendations contained in annex A.IV.5 of the Final Act of the United Nations Conference on Trade and Development,<sup>13</sup> as well as decision 29 (II) of 28 March 1968 of the Conference,<sup>14</sup>

*Further recalling* its resolutions 2170 (XXI) of 6 December 1966 and 2415 (XXIII) of 17 December 1968 and Economic and Social Council resolution 1183 (XLI) of 5 August 1966,

*Reiterating* the provisions of paragraph 48 of the International Development Strategy for the Second United Nations Development Decade, contained in General Assembly resolution 2626 (XXV) of 24 October 1970, regarding the policy measures required to forestall and alleviate the effects of debt crises,

1. *Urges* the competent international financial and credit institutions, and the creditor countries concerned, to give sympathetic consideration to requests from those developing countries which, in view of their situation, are in need of the rescheduling, refinancing or consolidation of their debts, with appropriate periods of grace and amortization and reasonable rates of interest;

2. *Invites* competent international organizations, in particular the International Bank for Reconstruction and Development, the International Monetary Fund and the United Nations Conference on Trade and Development, to identify urgently the appropriate policies to be pursued by debtors and creditors for long-term avoidance of debt crises;

3. *Further invites* international financial and credit institutions and contributing countries to examine ways of better adapting the conditions and terms on which they provide financial aid to the situation of individual countries, bearing in mind United Nations Conference on Trade and Development decision 29 (II);

4. *Urges also* those developing countries with current or medium-term potential shortages of foreign exchange to take due account of this situation in their use of external credits;

5. *Further urges* developing countries to improve as rapidly as possible their statistics on foreign borrowings in order to provide both themselves and creditor countries with complete and up-to-date information on the time-profile of their debt-servicing obligations, and urges the developed countries and appropriate international institutions, on request, to assist developing countries to this end;

6. *Requests* that it should be kept informed of any progress made in relation to the recommendations set forth in the present resolution.

*2017th plenary meeting,  
14 December 1971.*

<sup>13</sup> See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), p. 46.

<sup>14</sup> *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I and Corr.1 and 3 and Add.1 and 2, *Report and Annexes* (United Nations publication, Sales No.: E.68.II.D.14), p. 40.