

2805 (XXVI). Pledging target for the World Food Programme for the period 1973-1974

The General Assembly,

Recalling the provisions of its resolution 2095 (XX) of 20 December 1965 under which the World Food Programme is to be reviewed before each pledging conference,

Recalling the provisions contained in paragraph 5 of its resolution 2527 (XXIV) of 5 December 1969 whereby, subject to the review mentioned above, the next pledging conference should be convened, at the latest, early in 1972, at which time Governments should be invited to pledge contributions for 1973 and 1974 with a view to reaching such a target as may then be recommended by the General Assembly and by the Conference of the Food and Agriculture Organization of the United Nations,

Noting that the review of the Programme was undertaken by the United Nations/FAO Intergovernmental Committee of the World Food Programme at its nineteenth session and by the Economic and Social Council at its fifty-first session,

Having considered Economic and Social Council resolution 1650 (LI) of 29 October 1971, as well as the recommendation contained in the report of the Intergovernmental Committee,¹²

Recognizing the value of multilateral food aid as implemented by the World Food Programme since its inception and the necessity for continuing its action both as a form of capital investment and for meeting emergency food needs,

1. *Establishes* for the two years 1973 and 1974 a target for voluntary contributions to the World Food Programme of \$340 million, of which not less than one third should be in cash and services, and expresses the hope that such resources will be augmented by substantial additional contributions from other sources in recognition of the prospective volume of sound project requests and the capacity of the Programme to operate at a higher level;

2. *Urges* States Members of the United Nations and States members or associate members of the Food and Agriculture Organization of the United Nations to make every effort to ensure the full attainment of the target;

3. *Requests* the Secretary-General, in co-operation with the Director-General of the Food and Agriculture Organization of the United Nations, to convene a pledging conference for this purpose at United Nations Headquarters early in 1972;

4. *Decides* that, subject to the review provided for in General Assembly resolution 2095 (XX), the next pledging conference at which Governments should be invited to pledge contributions for 1975 and 1976 with a view to reaching such a target as may then be recommended by the General Assembly and by the Conference of the Food and Agriculture Organization, should be convened, at the latest, early in 1974.

2017th plenary meeting,
14 December 1971.

2806 (XXVI). The international monetary situation

The General Assembly,

Recalling Economic and Social Council resolutions 1627 (LI) of 30 July 1971 and 1652 (LI) of 29 October 1971 regarding the international monetary situation,

Recognizing that the current international monetary crisis is the result of an imbalance among the developed market economy countries and has severely undermined the international monetary system, adversely affecting the international environment and prospects for the trade and development of the developing countries,

Recognizing further that the restrictions imposed on international trade by some developed market economy countries to resolve their payment imbalances are particularly prejudicial to the economies of the developing countries,

Apprehending that the present situation could degenerate into a trade war among the developed market economy countries which would have disastrous effects on all countries, especially the developing countries,

Stressing that as a general principle balance-of-payments difficulties among developed market economy countries should not be used as a justification for the adoption of any measures which restrict the trade of developing countries, delay the liberalization of trade by developed countries in favour of developing countries or result in a reduction in the flow of development assistance to these countries,

Considering that the uncertainty surrounding the international monetary situation warrants immediate and urgent action in order to eliminate the adverse consequences it has already created for the whole world, especially for the developing countries,

Convinced that it is completely unacceptable for a small group of countries, acting outside the framework of the International Monetary Fund, to take decisions which are vital to the future of the international monetary system and which are of concern to the entire world community,

1. *Recommends* that any reform of the international monetary system must be geared to a more dynamic concept of world trade based on a recognition of the emerging trade requirements of the developing countries, must create conditions appropriate for a continuing expansion of world trade, taking into account especially the needs of the developing countries, and must facilitate, *inter alia*, the transfer of additional development financing to developing countries, in line with the objectives and commitments of the International Development Strategy for the Second United Nations Development Decade, contained in General Assembly resolution 2626 (XXV) of 24 October 1970;

2. *Urges* as a preliminary measure the elimination of all restrictive measures adopted in the context of the international monetary crisis which adversely affect the developing countries;

3. *Calls upon* all developed countries which have not already done so to proceed with the implementation of the Generalized System of Preferences in favour of developing countries in 1971, as provided for in paragraph 32 of the International Development Strategy;

¹² See E/5022; see also E/L.1462/Add.1.

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,¹³ as well as decision 29 (II) of 28 March 1968 of the Conference,¹⁴

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.*

¹³ 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.

¹⁴ *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.