



THE GENERAL ASSEMBLY

GA2/I/1

SUBJECT OF RESOLUTION: Macroeconomic Policy Questions: External Debt Crisis and Development

SUBMITTED TO: The General Assembly

1 *The General Assembly*

2
3 *Recalling* its resolutions 55/184 of 20 December 2000, 56/184 of 21 December 2001, and
4 57/240 of 20 December 2002 and 58/203 of 23 December 2003, in which external debt is
5 acknowledged as an impending problem of the international community in which cooperation by all
6 states is needed,

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8 *Recalling* the March 2002 Monterrey Consensus, in which nations committed to promoting
9 an equitable multilateral trading system as a means to development and external debt relief,

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11 *Recalling also* the 13 August 2004 Report of the Secretary General, A/59/219, in which
12 simplification of the procedures and a review of the content of conditionality concerning the HIPC
13 initiative is suggested,

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15 *Recognizing* the interrelatedness of global economic asymmetries, external debt, and
16 development as declared in the 2001 Doha Ministerial Draft,

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18 *Recognizing further* that unsustainable external debt hinders development, serves to limit good
19 governance, and frustrates the achievement of the Millennium Declaration Development goals for
20 2015,

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22 *Fully aware* that debt relief directly affects fund availability for poverty reduction and
23 development programs including education and healthcare,

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25 *Noting* the efforts made by the enhanced HIPC initiative in seeking to alleviate unsustainable
26 external debt while realizing that more action is necessary to reach the Millennium Goal for 2015 of
27 halving the level of poverty in the world,

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29 *Noting with deep concern* that highly indebted poor countries face higher rates of malnutrition,
30 infant mortality, disease and illiteracy than other countries as reported by the UNDP Human
31 Development Report 1999;

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33 1. *Calls upon* the international community, and invites the Bretton Woods institutions and
34 private sector, to take a proactive approach in eradicating the external debt crisis;

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36 2. *Urges* the international community to recognize that the external debt situations of all
37 countries are largely unique and therefore require separate analysis to determine the specific causes
38 faced by each nation;
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40 3. *Calls upon* all states and international financial institutions to utilize more flexible
41 measures in administering the macroeconomic stipulations that accompany debt packages by
42 considering the unique set of circumstances faced by each country such as natural disasters and
43 market conditions;
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45 4. *Recognizes* that while the enhanced HIPC initiative has aided many nations, currently
46 many are still unqualified under the current criteria, yet are drastically impacted by the effects of
47 external debt levels and therefore stresses the importance of expanding the eligibility criteria for the
48 HIPC initiative;
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50 5. *Emphasizes* the need to shorten the timeframe required to meet the completion point of
51 the enhanced HIPC initiative;
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53 6. *Calls upon* countries to expand the sunset clause of the HIPC Initiative to allow highly-
54 indebted countries who have not yet applied for assistance from the program, to apply for
55 eligibility,
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57 7. *Reaffirms* that debt cancellation and other forms of relief do not come at the expense of
58 other forms of development aid;
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60 8. *Recognizes* that global economic trade asymmetries are an element contributing to the
61 external debt crisis;
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63 9. *Calls upon* all states to put into action the words committed to in the Doha Ministerial
64 Draft aimed at alleviating the problem of global economic asymmetries.

Final Vote: Passed by Consensus with Democratic People's Republic of Korea, Democratic
Republic of Congo, Nepal, United Arab Emirates, Saudi Arabia and Somalia Abstaining