

## THE WORLD

# Commonwealth ministers want banks to get tough with South Africa's debt

CANBERRA (CP) — Eight Commonwealth foreign ministers agreed yesterday to ask banks to put pressure on South Africa by imposing tough repayment terms on the billions of dollars the country owes them.

The ministers said banks should exert as much pressure as possible without making South Africa default on its loans. The proposals were made in light of South Africa's need to reschedule its foreign debt by June 1990.

The Commonwealth committee of foreign ministers on southern Africa discussed the possible measures as part of an attempt to force Pretoria to end apartheid.

External Affairs Minister Joe Clark, chairman of the meeting, said the Commonwealth will propose meetings with officials of the banks

involved in rescheduling the debt.

"The world knows that the rescheduling question is urgent," Clark told reporters. "We think that it's possible for some of our people to get in touch with banks in the United States and Europe so that perhaps we can have some effect on these financial links."

The ministers also said banks should impose the highest possible interest rates and not allow South Africa to extend debt repayment over 10 years.

The ministers also said they would lobby governments to stop granting credit to South Africa for trade deals, which they said cushioned Pretoria's balance of payments.

Banks should also demand from borrowing companies outside South Africa the details of any South African ownership links and insist that

the loan not be used to circumvent sanctions.

The ministers also agreed to consider an independent report that suggests imposing more sanctions on South Africa. But South Africa urged the ministers to reject the report, saying most of the country's blacks reject sanctions as a political tool.

The scope and timing of economic sanctions dominated the meetings.

Speaking as Canada's representative, Clark said he could not foresee new Canadian trade sanctions "in the short term" against South Africa. But he also said "it's absolutely essential to keep sanctions in place until real reform happens."

Nigerian Foreign Minister Maj.-Gen. Ike Nwachukwu added, "I see that we need to have new sanctions in order to continue to show South Africa that we mean business."