

emerged as a main factor in the economic stalemate in the developing countries. Continued vigorous implementation of the evolving international debt strategy is aimed at restoring debtor countries' external financial viability and the resumption of their growth and development would assist in achieving sustainable growth and development. [In this context, additional financial resources in favour of developing countries are essential.]

Objectives

22. [The specific requirements for the implementation of the sectoral and cross-sectoral programmes included in Agenda 21 are dealt with in the relevant programme area and in the related discussion of financial resources and mechanisms. However, in order to provide an efficient macroeconomic framework that would restore the ability of developing countries to invest for sustainable development, it is necessary to ensure substantial financial resources to developing countries. To this end, donors to developed countries should implement the undertakings they have made to attain the agreed international target of devoting 0.7 per cent of GNP to ODA. There should also be continued improvements in the quality of aid as well as its utilization. Furthermore, the continuation of the process of debt and debt-service reduction is required.]

Activities

(a) Meet international targets of official development assistance funding

23. [Developed countries should implement the undertakings they have made to attain the agreed international target of devoting 0.7 per cent of gross national product to official development assistance and 0.15 per cent to the least developed countries. Developed countries should enhance the quality and the quantity of their aid (para. 27 of General Assembly S-18/3).]

(b) Address the debt issue

24. In regard to the external debt incurred with commercial banks, the progress being made under the strengthened debt strategy is recognized and a more rapid implementation of this strategy is encouraged. Some countries have already benefited from the combination of sound adjustment policies and commercial bank debt reduction or equivalent measures. The international community encourages:

(a) Other countries with heavy debts to banks to negotiate similar commercial bank debt reduction with their creditors;

(b) The parties to such a negotiation to take due account of both the medium-term debt reduction and new money requirements of the debtor country;

(c) Multilateral institutions actively engaged in the strengthened international debt strategy to continue to support debt-reduction packages related to commercial bank debt with a view to ensuring that the magnitude of such financing is consonant with the evolving debt strategy;