

that major lenders have in the past deliberately left Africa out of the debt negotiation mechanism established for the developing countries and that the international community continues to give low priority to Africa's external debt crisis. This situation has been aggravated by the fact that 26 of African Member States are categorized as a Least Developed Countries (LDCs), the majority of whose people are living below subsistence level; thus the external debt of many individual African countries is now beyond their capacity to service and pay.

13. We are fully aware of the fact that shortcomings in development policies have contributed to the present debt crisis. However, it is evident that the major causes of our countries' debt servicing problems are external ones and such causes are unfortunately beyond our control. These include, *inter alia*, the deteriorating terms of trade and the consequent reduction in export earnings for debt servicing, unprecedented rise in interest rates, sharp exchange rate fluctuations, deteriorating terms of borrowing and the reduction in the flow of concessional resources, the combined effects of which result in net capital outflow from most of our Member States. In this regard, the 26 African LDCs have been the most seriously affected.

14. We recognize that the external debts are obligations that our Member States have individually contracted, and which they have to honour. But in view of the negative developments in the international economic environment, we call on the international community to genuinely work towards an urgent and lasting solution to Africa's growing indebtedness.

15. We urge developed countries and the multilateral financial institutions to increase, substantially, the transfer of concessional financial resources, including grants, to African countries. In particular, we call on the developed donor countries to urgently implement, without discrimination, United Nations Conference on Trade and Development (UNCTAD) Resolution 165 (S-IX) on debt and development problems of developing countries.

16. We also call on the developed donor countries to urgently implement, without discrimination, the provisions of the United Nations General Assembly Resolution 39/29 on the Critical Economic Situation in Africa, which, *inter alia*, calls for total or partial conversion of Official Development Assistance (ODA) debts into grants.

17. We call for an International Conference on Africa's external indebtedness to be convened as a matter of urgency to provide the forum for international creditors and