

RESOLUTION ON THE EXTERNAL DEBTS OF
AFRICAN COUNTRIES

The Assembly of Heads of State and Government of the Organization of African Unity, meeting in its Twentieth Ordinary Session in Addis Ababa, Ethiopia, from 12 – 15 November, 1984,

Having examined the serious debt problem of African countries,

Considering that the external debts of African countries have, in recent years, experienced a continuous and alarming progression coupled with high interest rates, fluctuation of exchange rates and increase in the average ratio of debt servicing,

Underlying the fact that the external debt burden of the African countries is not likely to imperil the international financial system but rather the servicing of those debts represents for each African country a burden and, therefore, requires an urgent solution,

Recalling that despite the adjustments and heavy sacrifices made, export earnings of non-oil producing developing countries will not be enough to alleviate this debt burden,

Considering that the respect of the debt maturity dates and the concomitant exigency of growth as well as real development are authentically related in the present situation,

Aware of the fact that a mutual commitment of African debtors and creditors of the industrialized countries as well as better utilization of the available resources will enhance growth and development,

Noting that in this area, the responsibility is shared between the debtor countries, the industrialized countries and the financial and banking institutions:

- 1. INVITES all creditor countries and the debtor African countries to establish contacts and direct negotiations so as to consider in a spirit of mutual benefit the debt problems of African countries;**
- 2. CALLS on creditor countries and the African debtor countries to assess, within this context, their respective situations with a view to defining ways and means of restoring the credit worthiness of African countries, necessary condition for a lasting recovery of the economy of the industrialized countries;**
- 3. BELIEVES that the gradual restoration of the credit worthiness of the African countries lies particularly in exceptional priority financing, together with preferential repayment conditions for projects that are economically viable and socially worthwhile as well as for projects designed to ensure food self-sufficiency;**
- 4. DRAWS the attention of the creditors to the advantages in treating each debtor country individually and according to its specifications, when establishing on a multi-annual basis, the objective criteria for fixing ceiling percentages for the export earning earmarked for debt repayment;**
- 5. DIRECTS the Secretary-General, in co-operation with the Executive Secretary of ECA to monitor the implementation of this resolution and report to the 21st Assembly of Heads of State and Government.**

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