

**Sixty-ninth session**

Agenda item 17 (c)

**Macroeconomic policy questions: external debt
sustainability and development****Report of the Second Committee****Rapporteur:* Mr. Borg Tsien **Tham** (Singapore)**I. Introduction**

1. The Second Committee held a substantive debate on agenda item 17 (see [A/69/466](#), para. 2). Action on sub-item (c) was taken at the 30th and 37th meetings, on 5 November and 5 December 2014. An account of the Committee's consideration of the sub-item is contained in the relevant summary records ([A/C.2/69/SR.30](#) and 37).

II. Consideration of proposals**A. Draft resolution [A/C.2/69/L.3](#)**

2. At the 30th meeting, on 5 November, the representative of the Plurinational State of Bolivia, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "External debt sustainability and development" ([A/C.2/69/L.3](#)).

3. At its 37th meeting, on 5 December, the Committee was informed that the draft resolution had no programme budget implications.

4. At the same meeting, the Committee adopted draft resolution [A/C.2/69/L.3](#) by a recorded vote of 128 to 4, with 46 abstentions (see para. 11, draft resolution I). The voting was as follows:

* The report of the Committee on this item is being issued in four parts, under the symbol A/69/466 and Add.1-3.



In favour:

Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Bhutan, Bolivia (Plurinational State of), Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Democratic People's Republic of Korea, Democratic Republic of the Congo, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, India, Indonesia, Iran (Islamic Republic of), Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Lesotho, Libya, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Micronesia (Federated States of), Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nauru, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Russian Federation, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, South Sudan, Sri Lanka, Sudan, Suriname, Swaziland, Syrian Arab Republic, Tajikistan, Thailand, Togo, Trinidad and Tobago, Tunisia, Tuvalu, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela (Bolivarian Republic of), Viet Nam, Yemen, Zambia, Zimbabwe.

Against:

Canada, Israel, Japan, United States of America.

Abstaining:

Albania, Andorra, Australia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland.

5. Before the vote, a statement was made by the representative of the Plurinational State of Bolivia, on behalf of the Group of 77 and China, and a statement in explanation of vote was made by the representative of the United States of America; after the vote, a statement in explanation of vote was made by the representative of Japan, and a statement was made by the representative of Colombia (see [A/C.2/69/SR.37](#)).

B. Draft resolutions [A/C.2/69/L.4](#) and Rev.1

6. At the 30th meeting, on 5 November, the representative of the Plurinational State of Bolivia, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Modalities for the intergovernmental negotiations and the adoption of a multilateral legal framework for sovereign debt restructuring processes" ([A/C.2/69/L.4](#)), which read:

“The General Assembly,

“Recalling its resolution 68/304 of 9 September 2014, in which it decided to define the modalities for the intergovernmental negotiations and the adoption of the text of the multilateral legal framework for sovereign debt restructuring processes at the main part of its sixty-ninth session, before the end of 2014,

“Recalling also the United Nations Millennium Declaration, adopted on 8 September 2000, and the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,

“Recalling further the 2005 World Summit Outcome and the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

“Recalling the International Conference on Financing for Development and its outcome document, in which sustainable debt financing is recognized as an important element for mobilizing resources for public and private investment, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and its outcome document, the Doha Declaration on Financing for Development, as well as General Assembly resolution 68/204 of 20 December 2013,

“Recalling also its resolution 68/279 of 30 June 2014 on the convening of the third International Conference on Financing for Development to assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, reinvigorate and strengthen the financing for development follow-up process, identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, as well as actions and initiatives to overcome these constraints, and address new and emerging issues, including in the context of the recent multilateral efforts to promote international development cooperation, taking into account the current evolving development cooperation landscape, the interrelationship of all sources of development finance and the synergies among financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015,

“Recalling further the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled ‘The future we want’,

“Recalling its resolution 63/303 of 9 July 2009, in which it endorsed the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009,

“Stressing the need for effective coordination and coherence in order to build synergies with other relevant United Nations intergovernmental processes,

“Recognizing the roles of the United Nations and the international financial institutions in accordance with their respective mandates, and encouraging them to continue to support global efforts towards sustainable development and a durable solution to the problem of the debt of developing countries,

“1. *Decides* to establish an ad hoc committee, open to the participation of all Member States and observers of the United Nations, to elaborate through a process of intergovernmental negotiations, as a matter of priority during its sixty-ninth session, a multilateral legal framework for sovereign debt restructuring processes with a view, inter alia, to increasing the efficiency, stability and predictability of the international financial system and achieving sustained, inclusive and equitable economic growth and sustainable development, in accordance with national circumstances and priorities;

“2. *Also decides* that the ad hoc committee shall hold at least three meetings of a duration of four working days each during the months of February, April and June 2015;

“3. *Further decides* that the ad hoc committee shall meet at United Nations Headquarters in New York;

“4. *Requests* the President of the General Assembly to make the necessary organizational arrangements to ensure that the ad hoc committee completes its work in a timely manner, including the appointment of two co-chairs;

“5. *Requests* the Secretary-General to invite Member States and observers to submit their comments on the necessary elements of the multilateral legal framework for sovereign debt restructuring processes no later than three weeks before the first meeting of the ad hoc committee, and to make such comments available electronically;

“6. *Invites* relevant bodies and organizations of the United Nations system, as well as other relevant stakeholders, including intergovernmental and non-governmental organizations, the private sector and academia, with an interest in the matter to make contributions to the work entrusted to the ad hoc committee, based on the established practices of the United Nations;

“7. *Calls upon* the regional commissions to contribute to the work of the ad hoc committee, as appropriate;

“8. *Requests* the Secretary-General to provide all appropriate support to the work of the ad hoc committee, including through ensuring inter-agency cooperation and effective participation and coherence within the United Nations system, in particular by taking advantage of the technical expertise of the United Nations Conference on Trade and Development and regional and international financial institutions, as appropriate, and in accordance with their respective mandates;

“9. *Also requests* the Secretary-General, in order to enhance the active participation of representatives from developing countries, particularly countries in special situations, in the work of the ad hoc committee, to make efforts to use the available resources for that purpose, and also invites international and bilateral donors, as well as the private sector, financial institutions, foundations and other donors in a position to do so, to support the work of the ad hoc committee through voluntary contributions, including coverage of economy-class air tickets, daily subsistence allowances and terminal expenses;

“10. *Requests* the ad hoc committee to present to the General Assembly at its sixty-ninth session a proposal for a multilateral legal framework for sovereign debt restructuring processes for consideration and appropriate action.”

7. At its 37th meeting, on 5 December, the Committee had before it a revised draft resolution entitled “Modalities for the implementation of resolution 68/304, entitled ‘Towards the establishment of a multilateral legal framework for sovereign debt restructuring processes’” (A/C.2/69/L.4/Rev.1), submitted by the Plurinational State of Bolivia on behalf of the States Members of the United Nations that are members of the Group of 77 and China.

8. At the same meeting, the Committee had before it a statement of the programme budget implications of draft resolution A/C.2/69/L.4/Rev.1 submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly (A/C.2/69/L.59).

9. Also at the same meeting, the Committee adopted draft resolution A/C.2/69/L.4/Rev.1 by a recorded vote of 128 to 16, with 34 abstentions (see para. 11, draft resolution II). The voting was as follows:

In favour:

Afghanistan, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Bhutan, Bolivia (Plurinational State of), Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Democratic People’s Republic of Korea, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, India, Indonesia, Iran (Islamic Republic of), Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People’s Democratic Republic, Lebanon, Lesotho, Libya, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Micronesia (Federated States of), Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nauru, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Russian Federation, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, South Sudan, Sri Lanka, Sudan, Suriname, Swaziland, Syrian Arab Republic, Tajikistan, Thailand, Timor-Leste, Togo, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, United Arab Emirates, United Republic of Tanzania, Uruguay, Vanuatu, Venezuela (Bolivarian Republic of), Viet Nam, Yemen, Zambia, Zimbabwe.

Against:

Australia, Belgium, Bulgaria, Canada, Czech Republic, Denmark, Finland, Germany, Hungary, Ireland, Israel, Japan, Netherlands, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining:

Albania, Andorra, Austria, Bosnia and Herzegovina, Croatia, Cyprus, Estonia, France, Georgia, Greece, Honduras, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Montenegro, New Zealand, Norway, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Ukraine.

10. Before the vote, statements were made by the representatives of the Plurinational State of Bolivia (on behalf of the Group of 77 and China), Argentina, India, Egypt and the Sudan, and a statement in explanation of vote was made by the representative of the United States of America; after the vote, statements in explanation of vote were made by the representatives of Italy (on behalf of the European Union), Japan and Australia, and statements were made by the representatives of Ecuador, Chile, Mexico and Singapore (see [A/C.2/69/SR.37](#)).

III. Recommendations of the Second Committee

11. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I **External debt sustainability and development**

The General Assembly,

Recalling its resolutions 58/203 of 23 December 2003, 59/223 of 22 December 2004, 60/187 of 22 December 2005, 61/188 of 20 December 2006, 62/186 of 19 December 2007, 63/206 of 19 December 2008, 64/191 of 21 December 2009, 65/144 of 20 December 2010, 66/189 of 22 December 2011, 67/198 of 21 December 2012 and 68/202 of 20 December 2013,

Recalling also the United Nations Millennium Declaration, adopted on 8 September 2000,¹ and the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,²

Recalling further its resolution 57/270 B of 23 June 2003 on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields,

Recalling the 2005 World Summit Outcome,³

Recalling also its resolution 60/265 of 30 June 2006 on the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,

Recalling further the International Conference on Financing for Development and its outcome document⁴ and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and its outcome document, the Doha Declaration on Financing for Development,⁵

Recalling the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,⁶

Recalling also the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled “The future we want”,⁷

Recalling further its resolution 68/279 of 30 June 2014 on the modalities for the third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015,

¹ Resolution 55/2.

² Resolution 65/1.

³ Resolution 60/1.

⁴ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

⁵ Resolution 63/239, annex.

⁶ Resolution 63/303, annex.

⁷ Resolution 66/288, annex.

Recalling its resolution 68/304 of 9 September 2014, in which it decided to define the modalities for the intergovernmental negotiations and the adoption of the text of the multilateral legal framework for sovereign debt restructuring processes at the main part of its sixty-ninth session, before the end of 2014,

Stressing the need for effective coordination and coherence in order to build synergies with other relevant United Nations intergovernmental processes,

1. *Takes note* of the report of the Secretary-General;⁸
2. *Emphasizes* the special importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries to promote their economic growth and development;
3. *Stresses* the importance of the continued substantive consideration of the sub-item entitled “External debt sustainability and development”;
4. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a comprehensive report on the issue;
5. *Decides* to include in the provisional agenda of its seventieth session, under the item entitled “Macroeconomic policy questions”, the sub-item entitled “External debt sustainability and development”.

⁸ A/69/167.

Draft resolution II
Modalities for the implementation of resolution 68/304, entitled
“Towards the establishment of a multilateral legal framework for
sovereign debt restructuring processes”

The General Assembly,

Recalling its resolution 68/304 of 9 September 2014, entitled “Towards the establishment of a multilateral legal framework for sovereign debt restructuring processes”,

Recalling also the United Nations Millennium Declaration, adopted on 8 September 2000,¹ and the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,²

Recalling further the 2005 World Summit Outcome³ and the follow-up to the development outcome of the 2005 World Summit, including the Millennium Development Goals and the other internationally agreed development goals,⁴

Recalling the International Conference on Financing for Development and its outcome document⁵ and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and its outcome document, the Doha Declaration on Financing for Development,⁶ as well as General Assembly resolution 68/204 of 20 December 2013, and the upcoming third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015,

Recalling also the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled “The future we want”,⁷

Recalling further its resolution 63/303 of 9 July 2009, in which it endorsed the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development, held in New York from 24 to 30 June 2009,

Stressing the need for effective coordination and coherence in order to build synergies with other relevant United Nations intergovernmental processes, including in particular the preparatory process for the third International Conference on Financing for Development,

Recognizing the work carried out by the International Monetary Fund, the United Nations Conference on Trade and Development, the Department of Economic and Social Affairs of the Secretariat and the Paris Club on sovereign debt restructuring,

¹ Resolution 55/2.

² Resolution 65/1.

³ Resolution 60/1.

⁴ Resolution 60/265.

⁵ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

⁶ Resolution 63/239, annex.

⁷ Resolution 66/288, annex.

Recognizing also the roles of the United Nations and the international financial institutions in accordance with their respective mandates, and encouraging them to continue to support global efforts towards sustainable development and a durable solution to the problem of the debt of developing countries,

1. *Decides* to establish an ad hoc committee, open to the participation of all Member States and observers of the United Nations, to elaborate through a process of intergovernmental negotiations, as a matter of priority during its sixty-ninth session, a multilateral legal framework for sovereign debt restructuring processes with a view, inter alia, to increasing the efficiency, stability and predictability of the international financial system and achieving sustained, inclusive and equitable economic growth and sustainable development, in accordance with national circumstances and priorities;

2. *Also decides* that the ad hoc committee shall hold at least three meetings of a duration of three working days each late in January and in May and June/July of 2015, and that the ad hoc committee may hold additional consultations and drafting sessions as required;

3. *Further decides* that the ad hoc committee shall meet at United Nations Headquarters in New York;

4. *Requests* the President of the General Assembly to make the necessary organizational arrangements to ensure that the ad hoc committee completes its work in a timely manner;

5. *Requests* the Secretary-General to invite Member States and observers to submit their comments on the necessary elements of the multilateral legal framework for sovereign debt restructuring processes no later than 10 days before the first meeting of the ad hoc committee, and to make such comments available electronically;

6. *Invites* relevant bodies and organizations of the United Nations system, as well as other relevant stakeholders, including regional and international financial institutions, in particular the World Bank and the International Monetary Fund, as well as other intergovernmental and non-governmental organizations, the private sector and academia, with an interest in the matter to make contributions to the work entrusted to the ad hoc committee, in accordance with the established practices of the United Nations;

7. *Calls upon* the regional commissions to contribute to the work of the ad hoc committee, as appropriate;

8. *Requests* the Secretary-General to provide all appropriate support to the work of the ad hoc committee, including through ensuring inter-agency cooperation and effective participation and coherence within the United Nations system, in particular by taking advantage of the technical expertise of the United Nations Conference on Trade and Development and regional and international financial institutions, as appropriate, and in accordance with their respective mandates;

9. *Also requests* the Secretary-General, in order to enhance the active participation of representatives from developing countries, particularly countries in special situations, in the work of the ad hoc committee, to make efforts to use the available resources for that purpose, and also invites international and bilateral donors, as well as the private sector, financial institutions, foundations and other

donors in a position to do so, to support the work of the ad hoc committee through voluntary contributions, including coverage of economy-class air tickets, daily subsistence allowances and terminal expenses;

10. *Requests* the ad hoc committee to submit to the General Assembly at its sixty-ninth session a proposal for consideration and appropriate action.
