

ADDRESS BY HON. JAKAYA M. KIKWETE, MP, MINISTER FOR FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION OF THE UNITED REPUBLIC OF TANZANIA, AT THE FORMAL HANDOVER CEREMONY OF THE CHAIRMANSHIP OF THE GROUP OF 77 TO INDONESIA

New York, 12 January 1998

Your Excellencies,
Ladies and Gentlemen,

We are gathered here on this happy occasion to pass over the gavel of leadership of the Group of 77 from Tanzania to Indonesia. Let me, therefore, begin by congratulating the Hon. Ali Alatas, Minister of Foreign Affairs of Indonesia, for accepting, on behalf of his country, to shoulder the heavy responsibilities of providing stewardship to the Group of 77 for the year 1998.

We all have full confidence in you because of your renowned diplomatic skills and the role your country has played in championing the cause of developing countries in both the Group of 77 and Non-Aligned Movement. There is thus no doubt, whatsoever, that under the competent leadership of Indonesia the concerns of the Group of 77 will be very well articulated and secured in different fora. We wish you success in all your endeavours.

I wish also to pay tribute to the Secretary-General, Mr. Kofi Annan for the able manner in which he has led the United Nations especially at this time when the Organization is undertaking major reforms. We also appreciate your cooperation and support to the various activities of the Group of 77.

In the same vein, I should like to express our appreciation to Mr. James Gustave Speth, Administrator of the United Nations Development Programme (UNDP) for the assistance extended through TCDC to the support team in the Office of the Chairman of the Group of 77. This important support greatly contributed to the smooth functioning of our delegation throughout Tanzania's Chairmanship. We hope the cooperation between the UNDP and the Group of 77 will continue in the years to come.

Excellencies,

Last year was full of major events for the Group of 77. In September 1997 when we held the Twenty-first Annual Ministerial Meeting of our Group, I presented a summary of activities undertaken by the Group in the course of 1997. A Ministerial Declaration was also issued indicating the important issues of concern to the Group of 77. During my country's Chairmanship, the Group was able to formulate common positions on a number of issues which were articulated in different fora. Some of these issues require further follow up and will continue to demand the attention of the Group.

Fostering an enabling environment which is conducive to rapid and sustained economic growth and development is indispensable for developing countries, particularly the Least Developed Countries (LDCs)., Poverty, hunger, disease and ignorance cannot be overcome unless the production of goods and services is greatly increased in developing countries.

Developing countries as a whole are still confronted with many shared and common problems and challenges arising from the deepening interaction among nations and through accelerated globalization and liberalization of the world economy. In this regard, all developing countries are vulnerable to the unfavourable external environment which calls for increased international support, including concerted South-South cooperation. Furthermore, efforts at the national level to improve the environment for development in developing countries can be enhanced through the provision of resources for development by developed countries,

including technology transfer, investments and increasing the share of developing countries in international trade. To build a consensus on how to resolve these issues, the developing countries should continue to press for full and effective participation in all the fora deliberating on world economic problems.

The Agenda for Development, which was concluded and adopted in May 1997, provides a comprehensive and fundamental framework on principles, objectives, policy actions and institutional arrangements on international cooperation for development. What is needed now is political commitment on the part of all countries to effectively implement and operationalize this agenda. In the same vein, there is a pressing need for the renewal of dialogue on strengthening international economic cooperation for development.

The conclusion of the Agenda for Development was not an easy task. It took four years of protracted negotiations to conclude. As you are all aware, there were a number of contentious concepts. One such concept was whether the notion of sustained economic growth could be substituted by the concept of sustainable development. The argument in this regard being that the latter concept contains economic, social and environmental elements which are a comprehensive approach to economic sustainability. Our Group has always maintained that the notion of sustainable development as emphasized by our developed partners is restrictive. Furthermore, the Group stresses that for any development process to be meaningful in developing countries economic growth which is sustainable over a period of time is crucial and critical. It is gratifying to note that this position prevailed in the Agenda for Development. However, in spite of this understanding, it is regrettable that some of our developed partners reopened the debate on this matter in the economic and social committees of the 52nd General Assembly. Once again the Group restated its position on the use of the concept of sustained economic growth and methodically worked for adoption.

Excellencies,

Issues of sustainable development became very prominent last year following the nineteenth special session for the overall review and appraisal of Agenda 21 (UNGASS). The Group of 77 negotiated effectively all the proposals for the implementation of Agenda 21 in the future. As you will recall, some of the proposals which were initially tabled before UNGASS were very controversial. For example, on the cross-cutting issues relating to the provision of financial resources and technology transfer for the implementation of Agenda 21 programs, there was an attempt by some developed countries to change the agreements reached at UNCED in Rio in 1992. In particular, instead of accepting to meet their obligation to provide 0.7% of their GNP as ODA to developing countries, they argued that the responsibility to finance environmental programs should primarily rest with the countries themselves. In this regard, the Group of 77 stressed that agreements reached at Rio on financial arrangements should be respected and that developed countries should meet their obligations as agreed.

It was agreed that a number of process which require follow-up such as forests, freshwater and energy should be discussed in special intergovernmental fora to be organized by the Commission on Sustainable Development this year. All these issues are important for developing countries and the Group of 77 is expected to participate fully in the forthcoming process.

In October last year the first Conference of the Parties (COP) for the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, took place in Rome. In that Conference important decisions were reached on the critical issue of the establishment of a financial mechanism which will be hosted by IFAD with the collaboration of UNPD and the World Bank. The Group of 77 played a major role in ensuring that this Convention is treated on an equitable basis as other environmental conventions, especially by having its own financial mechanism. However, effective implementation of this Convention will depend on the contribution of adequate resources

by the donors and the financing institutions, as well as the transfer of requisite technologies and technical assistance to the affected countries.

It will also be recalled that in November last year the COP on the Framework Convention on Climate Change met in Kyoto in which the Group of 77 played an important role in shaping the outcome of that Conference. In this regard, the developed countries agreed to the significant reduction of emissions by 7 percent by the year 2012. This outcome was generally positive since it underscored the important fact that developed countries should assume greater responsibility for redressing emission problems on the basis of the "polluter pays principle" and "common but differentiated responsibilities" as stipulated in Agenda 21.

Excellencies,

The problem of debt has been cross-cutting in most processes which the Group of 77 covered. It was raised during the UNGASS, the ECOSOC session in Geneva and in the current Assembly. The debt burden continues to be a major problem in most developing countries. It is clear that so far the various debt relief measures have not gone deep enough to alleviate substantially the debt stock and debt servicing of developing countries. In all the processes above, the Group of 77 stressed that there is an urgent need for an effective equitable development-oriented and durable solution to the external debt and debt servicing problems of developing countries which includes deep reduction of debt stocks and outright cancellations. This position should be reflected in all the debt initiatives of the major creditors including international financial institutions.

The issues of external debt have a direct bearing on financial needed for development. Debt service alone is currently consuming up to 40% of the budget of some developing countries. The debt repayment obligations are seriously hampering the development efforts of these countries. Apart from the debt relief measures that developing countries are seeking, developed countries should also increase resource flows to developing countries through improving terms of trade for commodities particularly, and increase ODA flows to the agreed target of 0.7 percent. Furthermore, an international conference on financing of development should be convened as soon as possible.

While addressing development and environment problems, the international community should pay adequate attention to the problems of the LDCs who are the weakest partners in the international community with the most formidable development problems. We should continue to appeal to the international community to implement fully the Programme of Action for the LDCs for the 1990s and the donor community to increase ODA flows and technical assistance to LDCs in order to accelerate economic growth and the development process in these countries. In the coming period, it is also necessary to initiate preparations for the third United Nations Conference on LDCs proposed to be held in 2000.

Apart from LDCs, the international community should also given special attention and support to the special development problems and needs of the land-locked developing countries. In the same context, the Small Island Developing States (SIDS) should also be supported, especially in the implementation and follow-up of the Barbados Programme of Action. The Group of 77 ensured that the interests of the SIDS were secured at the Kyoto Conference and in the relevant resolutions of the 52nd General Assembly. We have to keep up that good work.

Among the important activities of the Group of 77 are those pertaining to empowerment and development of women. In this regard, the Group of 77 supports the full participation of women on the basis of equality in all spheres of society and the initiatives of mainstreaming a gender perspective into all activities. The international community should also support governments in the implementation and follow-up of the Beijing

Declaration and Platform of Action adopted by the Fourth World Conference on Women. This position of the Group on gender issues was well articulated at the 1997 regular session of ECOSOC in Geneva and during the discussion of relevant agenda items of the Third Committee of the 52nd session of the General Assembly.

Excellency,

My last comments are on the reform of the United Nations. When we met in September last year, this was the main agenda of the General Assembly. However, it was still unclear how the reform proposals contained in the Secretary-General's report were going to be discussed. We thus gave instructions to our negotiators to thoroughly examine the Secretary-General's proposals and evolve the Group's position on each of them.

It appears this strategy worked well since the Group was able to chart out a common position on all the actions and recommendations contained in the Secretary-General's report. The negotiations with other groups were quite tough. However, it is gratifying to note that after almost three months of hard negotiations, it was possible to have two resolutions, one on actions, and another on recommendations, mandating the Secretary-General to proceed with the implementation of the agreed proposals. There were three important caveats:

1. The implementation of these resolutions should take fully into consideration the comments made by the major negotiating group such as the Group of 77.
2. To send back to ECOSOC all those recommendations which are being considered under Resolution 50/227.
3. Issues with long-term implications should be discussed further before the General Assembly takes a definitive position on them.

The Secretary-General has remarked that reform is an ongoing process. It is therefore important that the Group of 77 should continue following up these negotiations on reforms to ensure that the concerns of the Group are well secured. However, these reform measures will be jeopardized if the financial crisis facing the United Nations is not urgently addressed. Member States, in particular some major contributors that have been withholding their contributions, should pay their contributions, including arrears, unconditionally, in full and on time.

Excellencies,

There are many issues which are of concern to developing countries. Any attempt to list them cannot be exhaustive. However, I do sincerely hope that some of these issues I have mentioned here are critical and will continue to preoccupy the Group of 77 for the foreseeable future.

During Tanzania's Chairmanship our delegation took the lead and tried to articulate and secure the interests of the Group of 77 as best as it could. Whatever success was achieved was due to the unity of the Group as well as the full support we received from all of you. The unity of the Group was further consolidated in the course of many negotiations which we had to undertake together throughout last year. This is the greatest asset that the incoming Chairman, Indonesia, inherits from us. This is the key to the success of our Group and it is my hope that it can be consolidated further in future. Nobody could ignore the common position of 132 developing countries! However, the Group needs to improve its preparedness for the various negotiations. Our experience has shown that the Group negotiated more effectively when it had a common position.

I should like to express my appreciation to all the Group of 77 Member States for supporting my delegation throughout the period of our Chairmanship.

The work of the Group of 77 was substantially enriched by the inputs of various institutions. In this regard UNCTAD has been very supportive in providing analysis of the issues which are critical for developing countries. UNCTAD has also provided invaluable assistance to the Office of the Chairman, especially in its coordinating role of the Chapters of the Group of 77.

The inputs by the South Centre and Third World Network were very important and helpful. The South Centre in particular made major contributions, especially during UNGASS and the United Nations reforms debate. I should like to express my sincere appreciation to the Chairman of the Centre, H.E. Mwalimu Julius K. Nyerere, and all the Staff for their invaluable contribution to the work of the Group of 77. The Centre still needs further strengthening. The Group of 77 may wish to explore ways and means of strengthening the existing cooperation with this institution.

As for the Third World Network, I should like to express our sincere appreciation for their positive contribution to the work of the Group of 77 and China through various activities such as roundtable discussions on issues of importance to the developing countries. The Third World Network also articulates the South issues through its publications.

When accepting the Chairmanship in September 1996 on behalf of my country, I appealed to all members of the Group of 77 to ponder seriously how to strengthen the institutional back-up to the Group of 77 activities. This might also provide continuity, particularly since the Chairmanship changes every year and the incoming Chairman needs some time for transition. I have no concrete proposals but I pass on to Indonesia and all of us gathered here to work on it.

Finally, I would like to express my delegation's appreciation to the very significant contribution made by the small staff of the Office of the Chairman. Their work is invaluable.

Once again, I wish our successor all the best in their new and difficult role. On behalf of my delegation, I pledge my full support and cooperation.

I thank you.

