

STATEMENT ON BEHALF OF THE GROUP OF 77 AND CHINA BY MARWA KISIRI, PERMANENT MISSION OF THE UNITED REPUBLIC OF TANZANIA TO THE UNITED NATIONS, IN THE SECOND COMMITTEE OF THE 52<sup>ND</sup> SESSION OF THE GENERAL ASSEMBLY, ON ITEMS 96(A): INDUSTRIAL DEVELOPMENT COOPERATION 96(B): BUSINESS AND DEVELOPMENT

New York, 28 October 1997

---

Mr. Chairman,

On behalf of the Group of 77 and China, permit me to briefly highlight our overall position on the two items before the Committee today, namely item 96(a): Industrial Development Cooperation: Industrial Development Decade for Africa as per document A/52/480, and 96(b): Business and Development contained in document A/52/428. Concerning these documents, the Group expresses its disappointment on the delay which faced us in the issuing of these documents.

Regarding Industrial Development Decade for Africa, we wish to underscore the following:

Firstly, we reemphasize the importance of industrial development cooperation promoting, diversifying and modernizing the productive capacities of developing countries.

Secondly, we note the ongoing work on Implementation of the Programme for the Second Decade for Africa as briefly summarized in the Secretary-General's report on the item.

Thirdly, we appreciate the reorientation of the Second Decade, including recommendations of Mid-Term Evaluation of the Second Decade. We appreciate common role of UNIDO and other UN system, ECA and OAU in implementation of the Decade.

Lastly, we call for increased collaboration and support from the international community towards the goals of the Decade. In this context, we reiterate the continuing need for technical and financial assistance from the UN system and from bilateral and multilateral donors to complement African efforts.

Mr. Chairman,

Regarding item 96(b): Business and Development. We note the report of the Secretary-General contained in document A/52/428 on this subject.

We wish to underscore that the state still has a critical role in creating a favourable and enabling environment for the establishment, consolidation, growth of SME's as well as providing a legal framework, inter alia, and regulatory framework required for entrepreneurship development.

The favourable regulatory framework facilitate the free and fair competition among all the enterprises within the market economy. The state also has a key function in deregulating the macro-economy through some policy tools such as trade, financial and budgetary policies. This is essential in reducing the business and commercial risks of SME's.

Furthermore, the state has an important role in protecting and nurturing new and fragile industries in order for them to grow. The state can also provide institutional and infrastructure support with respect to market information, sustainable human resource development. A free and unregulated market cannot on its own provide certain services in the market. It is for this reason that there is a compelling need for the state and other agencies and partners to support entrepreneurship development and the strengthening of the private

sector in the developing countries.

Mr. Chairman,

We express appreciation for the work being undertaken by various development UN agencies such UNCTAD, UNDP, and UNIDO and development partners to support SME's in developing countries and we urge that this process be strengthened. In particular, developing countries should be supported to enable them to exchange country experiences and undertake networking by the enterprises themselves and promote South-South cooperation. We reiterate the importance of implementing previously agreed decisions in the UN conferences concerning strengthening business and development including those in chapter 30 of Agenda 21.

In addition to privatization, the reform of state enterprises and the public sector still important for many developing countries. To this end, the state has an important role in promoting a conducive climate for market restructuring.

Mr. Chairman,

Finally, we note with interest the recommendations contained in Section IX of Secretary-General's report on this agenda item including those concerning further assistance required from the UN system, follow-up of the Microcredit Summit as well as the significance of the implementing the agreed conclusions of the Economic and Social Council on fostering an enabling environment, in particular as they relate to national and international action to make the environment conducive to investment and trade. We look forward to further discussions in this Committee on how to effectively implement the foregoing recommendations of the Secretary-General report with a view to strengthening Entrepreneurship and privatization for economic growth and sustainable development.

Thank you.