



**STATEMENT BY THE FOREIGN MINISTER OF THE REPUBLIC OF SOUTH AFRICA,
H.E. DR. NKOSAZANA DLAMINI ZUMA, CHAIR OF THE GROUP OF 77, ON
THE OCCASION OF THE HANDING OVER CEREMONY OF THE
CHAIRMANSHIP OF THE GROUP OF 77
(New York, 10 January 2007)**

Your Excellency, Mr. Makhdum Khusro Bakhtyar, Minister of State for Foreign Affairs of Pakistan,
Your Excellency Mr. Ban Ki-moon, Secretary-General of the United Nations,
Your Excellency Ambassador Frank Majoor, Acting President of the General Assembly
Your Excellency Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD
Excellencies,
Ladies and Gentlemen,

Allow me to begin by wishing you all a happy and prosperous New Year. Also I wish to extend a warm welcome to H.E. Mr. Ban Ki-moon, Secretary-General of the United Nations and to congratulate him for his election to lead the Organization and I wish to assure him of our full support and cooperation. I wish to particularly thank the Secretary-General for appointing Dr. Asha-Rose Mtengeti-Migiro as Deputy Secretary-General. Dr. Migiro is not only well qualified for this important post but will bring with her the perspective of the developing countries. Dr Migiro is one of three women among the top five senior appointments made by the Secretary General since taking office. Clearly, this is a welcome improvement to gender representivity in the Secretariat that has been sorely lacking and our Group commits to supporting the Secretary-General and his team in their important tasks.

Let me also acknowledge the presence of Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD and welcome him to this meeting.

Your Excellencies,

In January 2006 when South Africa assumed the Chair of the Group of 77 and China we stated that South Africa looked forward to reaffirming the principles of the Group and to strengthen our unity, cohesion and vision of a fair and equitable multilateral system. We also assured you that South Africa would spare no effort in ensuring that we collectively enhance the development agenda of the South.

We hope that we have fulfilled this pledge during our tenure as Chair of the Group of 77 and China.

Throughout 2006, there have been intense, hard and lengthy negotiations with the developed countries that resulted in positive outcomes for the Group of 77 and China. This has been due to the solidarity and collective spirit of our Members to articulate and promote our collective interests and enhance our joint negotiating capacity on all major issues, including those pertaining to the follow-up to the 2005 World Summit Outcome. It is worth recalling that the Group achieved these successes often under extreme pressure.

Your Excellencies,

We live in a world in which international economic relations are marked by uncertainty, imbalances and recessions that result in the continued marginalization of developing countries, in particular the

least developed countries. The collapse of the Doha Development Round has been a setback for developing countries in that it has perpetuated the high tariffs, trade distortions and the continued forbidden access to the markets for developing countries. Our Group must remain steadfast in its commitment to see the resumption in the Doha negotiations as one way to realize a just and equitable global economic and social regime - in order to achieve a better life for all.

With the adoption of the resolution strengthening the Economic and Social Council, and another General Assembly resolution on the Development Follow-up, together with the ECOSOC Ministerial Declaration, the Group succeeded in maintaining a strong central theme of enhancing the global partnership for development, and the necessity of strengthening international obligations, commitments and their full and timely implementation of commitments already made.

The Group has furthermore continued to emphasize that the United Nations system, including the Bretton Woods institutions and the World Trade Organization, must translate all commitments made at the major United Nations Conferences and Summits in the economic, social and related fields into action.

We have continued to call for concerted multilateral action to achieve the internationally agreed development goals, including the Millennium Development Goals (MDGs) as a means towards solving economic and social problems and promoting peace and security. We have also worked for the creation of an enabling international economic environment in order to support developing countries efforts to achieve sustained economic growth and sustainable development.

On achieving the Millennium Development Goals, we have stressed the fact that in spite of appropriate measures taken, and the tremendous efforts made by developing countries to build enabling environments for development, the support received from development partners is still insufficient for substantial economic growth and economic development. We emphasized the imperative need for the full and timely implementation of all the outcomes of all major conferences and summits in the economic, social and related fields in order to meet the MDGs target date of 2015.

The Group of 77 and China identified the promotion of gender equality as one of the most effective ways to eradicate poverty and to achieve development, peace and security. We furthermore supported the central role of the Commission on the Status of Women (CSW) in the follow-up to, and review of, the implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session and its broad mandate in covering women's human rights and its social and economic dimensions.

The overall result of our solidarity and collective positions throughout 2006 has resulted in a greater understanding and respect for the positions of developing countries, and also our positions, interests, needs and aspirations. This has placed international economic, financial and social development obligations and commitments firmly on the United Nations Agenda and has once again reinforced the vital role of multilateralism and, in particular, the important role of the United Nations system in promoting economic and social development.

Your Excellencies,

The past year will also be remembered as one in which the United Nations focused on the implementation of the 2005 World Summit Outcome. We have strongly supported the request by the Secretary-General for additional resources to implement the World Summit decisions. This we did despite the obstacle we faced with the spending cap being imposed on the Organization by the

largest contributors, and the fact that the voice and participation of developing countries in the United Nations was being challenged.

Yet, 2006 will also be remembered as the year in which we developing countries successfully withstood numerous attempts to divide us. Through our unity, we ensured that Member States adopted decisions that guaranteed the smooth and effective functioning of the United Nations and reflected the interests of developing countries.

As mandated by the Ministerial Meeting in Putrajaya, the Group of 77 and China ensured that the spending cap was lifted by consensus in June 2006. The lifting of the spending cap guaranteed the continued financial solvency of the United Nations and enabled the Secretary-General to implement programmes and activities for the remainder of 2006 and 2007.

The Group of 77 and China also upheld the right of every Member State to pronounce on administrative and budgetary matters, irrespective of the size of their contributions, as enshrined in the Charter of the United Nations by sponsoring a resolution that our partners did not support. Through further dialogue and negotiation, we also managed to ensure that the General Assembly adopted a second resolution on governance and oversight by consensus.

On Secretariat and Management Reforms, the Group of 77 and China ensured the adoption of no fewer than five General Assembly resolutions addressing various issues including the increase in the representation of developing countries in the Secretariat, in particular at senior levels; the increase in access for vendors from developing countries in the United Nations procurement market; and the improvement of accountability by the Secretariat towards Member States in the use of resources and the implementation of mandates.

Our Group was instrumental in ensuring that the refurbishing of the ageing and unsafe United Nations Headquarters in New York could proceed without further delay. We further ensured that additional resources were provided to the Development Account, which was one of the first reform measures introduced by Secretary-General Kofi Annan in 1997, his first year in office. The Group furthermore contributed towards ensuring the provision of adequate financing to the two International Tribunals, several peacekeeping operations and twenty-seven special political missions for 2006 and 2007.

We supported the establishment of a peacebuilding support office, the provision of resources required for the functioning of the Human Rights Council, the adoption of new accounting standards for the United Nations, improving the information and communication technology system of the United Nations, strengthening the procurement function of the Secretariat, increasing the level of the Working Capital Fund, and strengthening the oversight functions. We also set a framework for the consideration in 2007 of measures to reform the human resources management system and policies, oversight and accountability structures, and the procurement system.

For this reason, we welcome the steps taken by Secretary-General Ban Ki-moon to enhance accountability and ensure that staff acts in an ethical manner. By disclosing his own financial assets to the public, the Secretary-General has already shown that he will be leading by example. Also, the G77 and China has consistently called for greater transparency and dialogue between Member States and the Secretariat. So, the willingness of the Secretary-General to share his vision for the Organization with the G77 and China bodes well for future reform efforts.

We also made sure that the interests of developing countries are reflected in the scale of assessment that will determine the apportionment of the expenses of the United Nations from 1

January 2007 to 31 December 2009. Throughout difficult negotiations on the scale of assessment the Group remained united and at the General Assembly ended up adopting a scale of assessments that maintains the adjustments for developing countries, thereby reflecting the fundamental criterion of the “capacity to pay”.

The Group of 77 and China also ensured that developing countries, facing large increases in their rates of assessment of the scale, received relief through mitigation by the redistributing of the points received from the Russian Federation. On behalf of our Group, I wish to express our appreciation to the Russian Federation and some Members of our Group for contributing to the mitigation for developing countries.

Your Excellencies,

Our Group was also active away from the United Nations in New York. On 3 September 2006, a meeting of the Ministers of Science and Technology of the Member States of the Group of 77 was held in Angra dos Reis, Rio de Janeiro (Brazil). On that occasion the Ministers successfully launched the G77 Consortium on Science, Technology and Innovation for the South (COSTIS), to fulfill the mandate given us by the Havana Programme of Action and the Doha Plan of Action, both which called for the establishment of “a consortium on knowledge and technology of the South.”

The consortium was launched following the decision adopted by the Third World Network of Scientific Organizations (TWNSO) to transform itself into the Consortium on Science, Technology and Innovation for the South. This launching was made possible through the support and collaboration of the Trieste System, especially TWAS as well as the Brazilian Academy of Sciences which hosted the meeting. The first meeting of the Task Force on the Consortium will be held in Rome on the 19 January 2007.

I am also pleased to report that several countries have responded to my appeal at the Pledging Conference last November for the expansion of the resources for the Perez-Guerrero Trust Fund (PGTF). Last month, a grant agreement of US\$200,000 was signed with the International Fund for Agricultural Development (IFAD) and we hope that other UN organizations will make similar contributions.

The role of the Special Unit for South-South Cooperation has been critical in supporting the implementation of the outcomes of the South Summits, especially in terms of South-South cooperation. Many initiatives were undertaken including the 10th World Summit of Young Entrepreneurs, held in Sao Paulo (Brazil) in March 2006, and the 2006 Global Assets and Technology Exchange System (GATE) Summit and Expo held in Shanghai (China) in May 2006. Other initiatives have taken place such as the preparatory meeting of the Global South Development Forum (GSDF) held in Shanghai in October 2006; the brain-storming session on South-South Cooperation on Biodiversity in Montreal, Canada; and the Forum on Creative Economy for Development held in Rio de Janeiro, Brazil.

Your Excellencies,

As I conclude, allow me to quote from the book by Nobel Laureate for Economics, Professor Joseph E. Stiglitz’s titled “Globalization and its Discontents”:

“The developed world needs to do its part to reform the international institutions that govern globalization. We set up these institutions and we need to work to fix them. If we are to address the legitimate concerns of those who have expressed a discontent with globalization, if we are to

make globalization work for the billions of people for whom it has not, if we are to make globalization with a human face succeed, then our voices must be raised. We cannot, we should not, stand idly by.”

With these words, South Africa wishes to pay tribute to the Member States of the Group of 77 and China whose solidarity and collective spirit ensured that the Group was able to reach important outcomes that are good for the United Nations while protecting the interests of developing countries. We are truly humbled by your support and cooperation during the year in which we served as Chair of the Group of 77 and China.

Furthermore, I wish to express deep appreciation for the work done by the Secretariat of the Group of 77 and China headed by the Executive Secretary, Mr. Mourad Ahmia. It is a small group of professionals, yet they carry heavy responsibilities and work very hard. A special “thank you” to Mr. Arturo Lozano, Mr. Vincent Wilkinson and Mrs. Marcelle Alexandre for their tireless efforts, assistance and co-operation.

Also, our sincere thanks go to the Special Unit for South-South Cooperation and to various UN Agencies, particularly UNCTAD, UNDP, UNIDO, FAO, and IFAD for their valuable support to the Group.

Lastly, it is a great honour and pleasure for me to hand the Chair’s Gavel over to His Excellency Mr. Makhdum Khusro Bakhtyar, Minister of State for Foreign Affairs of Pakistan. We wish Pakistan great success in 2007 and assure you of our continuing support as you assume your responsibilities to the Group.

I thank you.