



**STATEMENT BY AMBASSADOR MUNIR AKRAM PERMANENT,  
REPRESENTATIVE OF PAKISTAN TO THE UNITED NATIONS, ON THE  
OCCASION OF THE HANDING-OVER CEREMONY OF THE CHAIRMANSHIP  
OF GROUP OF 77 AND CHINA (New York, 11 January 2008)**

H.E. Mr. Winston Baldwin Spencer,  
Prime Minister of Antigua and Barbuda

H.E. Mr. Ban Ki-moon,  
Secretary-General of the United Nations

H.E. Mr. Srgjan Kerim,  
President of the General Assembly

H.E. Mr. Kemal Dervis,  
Administrator UNDP

H.E. Mr. Sha Zukang,  
Under-Secretary-General, UN DESA

Distinguished Delegates,

Ladies and Gentlemen,

It has been a singular honour and privilege for Pakistan to have chaired the Group of 77 and China during the past year. This was the third time Pakistan was entrusted with this responsibility. Each of these occasions was important in development history. In 1976, when the General Assembly sought the implementation of the New International Order, in 1992, when the UN Conference on Environment and Development adopted Agenda 21 and the Rio Principles; and again, in 2007, which encompassed efforts to implement the MDGs, build coherence in UN development cooperation, prepare for the review of the FfD and adopted the historic Bali Roadmap on Climate Change and Development.

2. The Group of 77 emerged in conjunction with the first UNCTAD Conference, to enhance the ability of the developing countries to advance and defend their common interests in an unequal international trading and financial system. The Group of 77 and China, despite frequent and pre-emptive forecasts of its demise, has demonstrated its resilience and exercised its influence in defending the common interests and objectives of the developing countries. The diversity of our Group - which includes some of the richest and some of the poorest countries; the most dynamic and the most troubled economies - has increased over the decades. Yet, this very diversity has also proved to be our strength - creating economic complementarities and the capacity for mutual solidarity and cooperation. Today, following a period of dynamic growth, the global economy confronts the threat of recession, principally due to financial imbalances and a credit crisis in the largest economy. The principal hope of avoiding recession is the continuation of dynamic growth in the developing world where the World Bank forecasts growth at 7.1% as compared to 2.2 in the OECD economies.

3. With the proven record of its influence in international forums specially at the UN, the scope and resilience of our solidarity has enlarged to cover not only economic but also social, human rights,

humanitarian, environmental and administrative issues. The record of the results of our unity this year is well-known. Yet, the Group of 77 was never meant to be a union of the poor; it was always designed to be an alliance of the principled. The essential organizing principle of this Group remains the commitment to equity and equal opportunity for all in our increasingly globalized world.

4. In this context, the Group of 77 and China, in my view, confronts imposing challenges in 7 areas.

5. First, among these is the crisis of the poor. Many of our members are caught in the trap of poverty. Unless their plight is addressed directly and frontally, the politics of scarcity could spread further suffering, marginalization, extremism and conflict. Implementation of global commitments to fulfill the internationally Agreed Development Goals, including the MDGs, is essential to address the development crisis. During 2007, the Group has continued to press for the creation of mechanisms to monitor the implementation of the IADGs and the MDGS, specially at the Annual Ministerial Review under ECOSOC. We have asked to set benchmarks to assess the implementation of all these goals. We should seek to effectively utilize the Annual Ministerial Review and the Development Cooperation Forum to secure effective monitoring and implementation of these goals.

6. Second, the current financial crisis. It is now clear that neither governments nor international financial institutions can effectively influence the instability and uncertainty in financial markets, despite the direct impact and implications for the destiny of billions of common people in the South and the North. Governments need to actively consider how we can reconstruct a financial system that serves the central objectives of providing stability and liquidity to those who need it. Current plans within the markets and the Bretton Woods institutions are unlikely to achieve either objective. Meanwhile, the magnitude of financing required for sustainable development will increase manifold, in part to address climate change. The forthcoming review of the Monterrey Conference on Financing for Development will provide a unique and timely opportunity to address and evolve answers to these fundamental issues. The Group of 77 and China is satisfied that the General Assembly has called for this Conference to be held at the highest level, including the Summit level. We must prepare adequately for this important Conference.

7. Third, the multilateral trading system. Although world trade has continued to expand, there is a growing potential for a trade crisis. The vote in the Assembly's Second Committee - for the fourth consecutive year - on the resolution on international trade reflected the deep differences between the South and the North. The continuing impasse in the Doha Round is another signal. There are also growing manifestations of a new protectionism in the North as it loses the competitive edge in a growing number of industrial and service sectors - complaints about exchange rates; outsourcing; anti-dumping; food, environmental, labour and human rights conditionalities; political restraints on investment flows. Demands relating to climate change could be another instrument in this neo-protectionist armoury. Meanwhile, the poorest countries continue to be further marginalized, specially in the absence of effective measures to address the problems of commodities. Clearly, the WTO, given its working methods and orientation, is unable, so far at least, to address these present and emerging threats to a liberal and fair multilateral trading system. The Group of 77 and China will need to evolve a comprehensive strategy to address these issues and protect and promote the collective interests of its entire membership.

8. Fourth, the challenge of climate change and sustainable development. During 2007, the single largest challenge for the Group was to evolve and maintain a common vision and approach on the vital and complex challenges posed by climate change. I must express my profound satisfaction at the unity and solidarity achieved by the Group in preparation for and specially at the Bali Conference. Indonesia must be congratulated for its leadership that led to the successful

conclusion of the difficult negotiations on the Bali Roadmap. We were able at Bali to preserve and reaffirm the primacy of the UNFCCC, and the Kyoto Protocol and principles they embody, specially the principle of common but differentiated responsibilities and respective capacities. The Bali Roadmap is designed to secure full, effective and sustained implementation of the Convention through an integrated approach based on the four building blocks - integration, adaptation, technology transfer and financing. Yet, Bali was only the beginning of what will be a complex and difficult negotiating process. The Group must build on the achievements at Bali. It must muster the resources and expertise of the South to negotiate effectively. Above all, the Group must maintain the unity and solidarity it manifested at Bali.

9. Fifth, the challenge of technology. To achieve sustained economic growth and sustainable development in a knowledge driven world economy, access to technology, especially advanced technologies, is critical. We need to agree on how access to, and transfer of, technology can be best secured by the developing countries, including through steps to overcome the constraints of the global IPR regime. Conscious measures are also required to focus on Research and Development on the problems and priorities of the developing countries including through appropriate incentives to the private sector.

10. Sixth, the challenge of energy growth and development cannot happen without the enhanced use of energy. Projections are needed to energy supply and demand; the different sources of energy that are likely to be available, on affordable terms, in the coming decades; and the steps required to ensure the realization of the goals of sustainable development within the context of these projections. To this end, we need to evolve an internationally agreed strategy on "Energy for Sustainable Development.

11. Seventh, the challenge and the opportunity of South-South Cooperation. Clearly, today there is growing economic complementarity and capacity for developing countries to advance their development through mutual cooperation. Indeed, this is happening already, through regional economic integration in Asia, Africa and Latin America. Many developing countries are investing their surpluses in other developing countries; many are engaged in extensive development cooperation. The 2009 Conference on South-South Cooperation will be an important opportunity to consolidate these positive trends. We hope the UNDP's South-South Unit will be adequately strengthened. The Group must also consider steps to institutionalized mutual cooperation e.g. through a Development Cooperation Committee of the South; a network of the South's think-tanks; a South Business Forum.

12. Finally, the Group of 77 and China shall need to continue to seek equity and fairness in the governance of international economic relations. The rich cannot continue to determine the policies and parameters of the global financial, monetary, trade and technology regimes which impact so significantly on the destinies of billions in the developing countries, including the poorest among them. The international community needs to agree on ways and means to ensure equity in international decision-making on economic and social issues, including the governance of international financial and developmental institutions, specially the Bretton Woods Institutions.

13. In our globalized world which presents us with inter-related challenges and opportunities, decisions and action can be best taken within the framework of the only universal organization - the United Nations. It is only within this organization that the interests of all are represented directly and equally. The Group of 77 and China cannot endorse the approach that such decisions and actions are the prerogative of the restricted forums of the few and powerful.

14. We therefore welcome the commitment of our Secretary General, Mr. Ban Ki-moon to intensify



the UN's role in development. It has been a privilege to have worked closely with him during his first year in office. We thank the Secretary General for his presence here with us today and for his personal commitment to advancing the global development agenda. The Group is confident that the Secretary General will soon advance concrete recommendations on steps to strengthen the Department of Economic and Social Affairs as well as the UN Conference on Trade and Development. It should be recalled that the analyses and presumptions of DESA and UNCTAD on international economic trends have been more prescient than organizations where power and money were more heavily invested.

15. The Group of 77 and China also have a vested interest in the success and coherence of the UN's Development Cooperation System. We will support the system, and the UNDP's leadership role in this, pursued within the framework of the principles of the UN Charter. The agreement on the TCPR is a good beginning.

Excellencies, ladies and Gentlemen,

16. Developing countries, as many have demonstrated, have a great potential and prospects for dynamic growth and development. Yet, as an economic analyst observed recently, politics has an unfortunate capacity to impede economic growth. In today's circumstances, the economic prospects of our countries can be adversely affected by incorrect decisions and policies that are propelled by policies, power and prejudice. It is therefore vital that each country be allowed and enabled to chart its own path to development and not be pushed into positions preconceived by external political or economic values and objectives.

17. Let me also express our 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 Mr. Edwin Perez for their tireless efforts, assistance and co-operation.

18. Also, our sincere thanks go to the Special Unit for South-South Cooperation and to various UN Agencies, particularly, UNDP for their valuable support to the Group during 2007.

Excellencies, ladies and Gentlemen,

19. Today, the leadership of the Group will pass to Antigua and Barbuda. This transition epitomizes not only the diversity of our Group but also its unity. Not only is Antigua and Barbuda a more beautiful country, it is an important and active member of our Group. It is great pleasure and honour to welcome the distinguished Prime Minister of Antigua and Barbuda who has come here specially for this ceremony. I am sorry that politics have intervened to prevent a more eminent representation from Pakistan.

20. The Group must be most satisfied with the visible importance which our next Chair attaches to the leadership they are assuming. We have full confidence in their excellent team which they marshaled in New York, led by my friend Ambassador John Ashe. May I, with your permission, invite Prime Minister Spencer and the delegation of Antigua and Barbuda to come and assume their office at the podium.