

STATEMENT BY H.E. MR. DAUDI N. MWAKAWAGO, PERMANENT REPRESENTATIVE OF THE UNITED REPUBLIC OF TANZANIA TO THE UNITED NATIONS, CHAIRMAN OF THE GROUP OF 77, AT THE OPENING CEREMONY OF THE SOUTH-SOUTH CONFERENCE ON TRADE, INVESTMENT AND FINANCE

San José, Costa Rica, 13 January 1997

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Mr. President,  
Excellencies,  
Distinguished delegates,  
Distinguished guests,  
Ladies and Gentlemen,

I have the distinct honour and privilege to address this South-South Conference on Trade, Investment and Finance. I would like to express on behalf of the Group of 77 and China our deep gratitude to the government and people of Costa Rica for their warm welcome, hospitality and excellent arrangements made for this meeting. Their generous offer for hosting this sectoral meeting is a testimony of their commitment to the cause of development of developing countries.

I wish to recall also our gratitude to all G-77 Chapters, the South Centre, UNDP, UNCTAD and UNIDO for their valuable contribution and support in the preparation of this meeting. It is a particular pleasure for me to welcome all participants to this Conference.

Excellencies,  
Ladies and Gentlemen,

This sectoral meeting which coincides this year with the scheduled 10<sup>th</sup> session of IFCC is expected to enhance the coherence of our approaches and positions, to bring about strength, cohesion and harmony in our respective endeavours for the benefit of the developing countries' objectives and aspirations for development and prosperity.

I am convinced that the prospects of achieving such objectives and aspirations are closely related to our capacity to maintain and strengthen our coordination of the activities that the Group of 77 and China undertake in the various centres of the United Nations. The multilateral character of our Group makes it imperative that such efforts should be harmonized and strengthened at the interregional, regional and subregional levels.

Excellencies,  
Ladies and Gentlemen,

Economic and technical cooperation among developing countries represents an urgent need that is becoming more imperative than ever. Follow-up and implementation of the Caracas Programme of Action call for continuous coordination on the part of our National Focal Points for ECDC/TCDC.

With the increasing obstacles faced in our economic development, with the North-South dialogue still to get under way, and the emerging complementarities within developing countries, the scope of economic and

technical cooperation among developing countries is even more today than it was at the beginning of the decade when the Caracas Programme of Action was adopted. While it is true that we must provide greater momentum to TCDC/ECDC activities we should guard against the risk of undertaking projects without fully assessing their potential. Indeed, this can greatly harm the very cause that we seek to promote. We must at all times remember that TCDC/ECDC projects must provide mutual benefits to developing countries and should be economically viable.

The holding of technical meetings such as the San Jose conference represents also an instrument of great importance for the reactivation of South-South cooperation. In accordance with the decision of IFCC-VIII, two sectoral review meetings were held in 1995 and 1996. A sectoral review meeting on energy was held in September 1995 in Jakarta, Indonesia, and a asectoral review meeting on food and agriculture was held in Georgetown, Guyana, in January 1996. Today, we are holding another sectoral review meeting in the field of trade, investment and finance. We are very grateful to the Government of Costa Rica for hosting this meeting. On behalf of the Group of 77 and China, I would like also to express our sincere gratitude to the governments of Guyana and Indonesia for hosting these meetings and congratulate them for their successful preparation and outcome.

In this respect, I would like also to highlight once again the importance of holding such meetings, particularly on some critical issues for developing countries such as trade and finance. It is my sincere hope that our Group will be able to hold other sectoral review meetings during the next IFCC meeting (IFCC-X), which remains the primary body and mechanism for policy-making, follow-up and monitoring of all sectoral activities undertaken within the framework of the Caracas Programme of Action.

I would also encourage both Member States and Chapters in close cooperation with the South Centre and of various UN institutions to support the holding of sectoral meetings in other priority sectors of activities as identified by the Caracas Programme of Action.

Excellencies,  
Ladies and Gentlemen,

The IFCC meetings, as you are aware, are an important occasion for developing countries to assess their cooperation in the context of the Caracas Programme of Action (CPA). It is an occasion which we value dearly, as it allows for the Group to come together to reinforce its solidarity and commitment for the cause of development of our countries. Today's meeting will certainly contribute to strengthening ECDC/TCDC activities carried out under the Caracas Programme of Action in the fields of trade, finance and investment.

The Caracas Programme of Action adopted in 1981, which is unique in concept, remains an important and valid framework for South-South cooperation. It provides a plan of action with clearly laid down mechanisms for support, follow-up and review with diverse components woven together into a precise time-table for implementation. It was a major step in ECDC/TCDC. The adoption of the CPA by the High-level Conference on ECDC fifteen years ago gave practical expression to the Charter of Algiers adopted by the First Ministerial Meeting of the Group of 77 held in October 1967. The two documents provided the vision of the South and dynamism for the promotion of South-South cooperation.

Excellencies,  
Ladies and Gentlemen,

The structural reforms and adjustment programmes carried out by the developing countries in difficult

conditions and with serious negative political, social and economic consequences on our populations, seem to be doomed to not reach their objectives as long as there has not occurred an improvement in the international economic environment which remains as always fundamentally unfavourable to a recovery and take off of the economies of Third World countries.

Thus, financial, commercial and technological constraints which make difficult and problematic the implementation of these reforms must be eliminated. The crisis of the external debt of developing countries, even if it is no longer a major threat to the stability of the international financial system, remains a question of the highest importance and the satisfactory dealing with this issue is absolutely apparent and urgent for the international community.

Despite the adoption of several approaches undertaken over the past decade by the international community, the debt crisis continues to persist as one of the main constraints for the development of developing countries, especially the least developed countries, and for those at the lower, lower-middle and middle-income levels. In this context, I would like to reiterate the urgent need for the international community, particularly the creditor countries and international financial institutions to adopt an effective, comprehensive and equitable, once-and-for-all development oriented and durable solution to the debt problem of the developing countries, including debt reduction and increased grants and concessional financial flows, in particular for the least developed countries and Africa.

It is a matter of urgency to assert the required political will in order to ensure an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable multilateral trading system with the aim of achieving the complete integration of the developing countries into the world economy and the new international trading system. In this regard, I would like to express our deep concern regarding the outcome of the First Ministerial Conference of the World Trade Organization, held in Singapore in December, 1996, which fell short of ensuring the universality of the World Trade Organization.

In this crucial stage of the process of economic reform, the developing countries more than ever need stable, adequate and predictable financial sources as well as guarantees on preferential terms. The financial and monetary system must be reformed so as to release new and additional financial resources to meet the needs of developing countries in the field of development and economic growth.

Excellencies,  
Ladies and Gentlemen,

The role of the United Nations in the field of South-South cooperation should be more effective. United Nations institutions and specialized agencies located at the Group of 77 chapters should play a more active role in the task of promoting and supporting ECDC/TCDC. Furthermore, the role of multilateral institutions, regional economic groupings, is vital for the promotion of South-South cooperation. In my capacity as Chairman of the Group of 77, I am committed to make every effort to involve the UN system in the cooperative activities of developing countries. UNDP, UNIDO, FAO and UNCTAD in particular have been specially receptive to this innovative approach. We will continue our efforts in this area, particularly towards improving the machinery for South-South cooperation at national, regional and the global levels.

It is my conviction that greater attention should be focused on critical sectors which have shown promise in the light of our experience. These include trade, finance, science, technology and technical cooperation. In my view there is an urgent need to intensify South-South cooperation in these areas within the framework of CPA and APEC.

In the rapidly changing climate of multilateral development cooperation, which has witnessed a decline in the resources available for such cooperation, South-South cooperation is likely to assume increased importance as a key instrument of international cooperation for development. I am convinced that the Group of 77 and the Non-Aligned Movement are fully committed to make south-South cooperation a dynamic strategy in support of the development efforts of the developing countries and as a mean of ensuring the effective participation of development countries in the international economic system.

Excellencies,  
Ladies and Gentlemen,

In conclusion, I wish to reiterate my conviction in the continued validity and importance of the Caracas Programme of Action as a vital instrument to articulate and promote the collective interests of developing countries in the economic and social development fields.

The unity of the African, the Asian and the Latin American and the Caribbean countries is essential for the advancement of interests and the promotion of the cause of development of developing countries.

The solidarity of the Group of 77 also rests on its historical bonds and the recognition that despite our diversity, only joint and coherent action will enable it to achieve our principles and objectives of the year 2000 and beyond. Despite the diversity of the countries that constitute it, the Group remains an indispensable negotiating tool within the United Nations.

Recent world economic and political changes have been profound. The perception of problems have changed. While actors also change, the struggle for the right for development remains the same. It is the struggle of all for prosperity, justice and equity in international economic relations.

I wish all success to our deliberations.

Thank you very much.