



OPENING STATEMENT BY HIS EXCELLENCY SHEIKH MOHAMED BIN AHMAD BIN JASSIM AL-THANI, MINISTER OF ECONOMIC AND TRADE OF THE STATE OF QATAR, CHAIRMAN OF THE SPECIAL MINISTERIAL MEETING TO COMMEMORATE THE 40TH ANNIVERSARY OF THE ESTABLISHMENT OF THE GROUP OF 77 (São Paulo, Brazil, 11 June 2004)

Your Excellency Minister Amorim, Minister of Foreign Affairs of Brazil,
Mr. Rubens Ricupero, Secretary-General of UNCTAD,
Honourable Ministers,
Distinguished Delegates,
Ladies and Gentlemen,

It gives me great honour and privilege to declare open the Special Ministerial Meeting of the Group of 77 to commemorate our 40th Anniversary.

Forty years ago, the Group of 77 was born in Geneva. This coincided with the establishment of the United Nations Conference on Trade and Development, UNCTAD. Thus, two key institutional frameworks were created for advancing the development process. This was a response by the developing countries to the failure to create the international trade organization envisaged in 1949 in Havana.

The birth of the Group of 77 forty years ago was not an easy endeavour. It was the result of determined struggle by the founding fathers to create an international economic framework supportive of development. The creation of the Group was perhaps one of the most significant political phenomena of the post Second World War era. For the first time in history the marginalized nations found a common voice. By joining their forces the developing countries acquired the moral, economic and political strength to safeguard their interest and promote greater equity and justice in the world economic order. The Group was created to change this status quo, which was skewed in favour of the developed countries.

The Group called for equity in international trade and adoption of the necessary corrective measures from a development perspective. This was the thrust of our joint expression of solidarity at the first session of UNCTAD I. Since then our collective voice has spread to every institution and international organization representing the hopes and aspirations of the majority of humanity. The creation of the Group of 77 forty years ago was, therefore, in the words of one of our founding fathers Julius Nyerere, an opportunity for "developing countries, be the prime movers of their own destiny".

The sceptics then derided our movement considering it only a temporary phase not realizing its magnitude and historic proportions. They pointed out our diversity of economic and political systems and degrees of development.

What they do not realize is that the cohesion and the political unity of the Group of 77 relied on fundamental identity of major economic interests. It is rooted in the common perception of the inequitable nature of the economic order and the need for major changes. This common perception is not incompatible with considerable differences in the level of economic development and performance of the individual members of the Group. Nor does membership of the Group imply equal gain. The necessity to change the rules of the game in international economic relations remains the central bond of solidarity.

The effective role played by the Group of 77 in defending and projecting the interests of developing countries is a testimony to its continued relevance in the global development dialogue. The Group having no institutional structure or constitution, no written rules of procedure, with a pragmatic rotational leadership, a minimum of secretariat support has managed to work through difficult negotiations, analyse issues and propose solutions. Its role in generating global consensus on the issues of development has been widely acknowledged.

This is not the time to enumerate the unique achievements and contribution of our group. The list is long. The Group of 77 has been a major instrument in the international economic and social governance. It has influenced the international policy and impacted on the international division of labour. Just in UNCTAD alone, we pioneered a number of ideas, programmes and schemes.

In doing so, we brought to light the inequities, imbalances and anomalies prevailing in the various components of the world economic system. It has been an uphill struggle. In some cases, we were unable to play a dynamic role. There

were concerted attempts and efforts to weaken and undermine our unity. We had to face over the decades intransigent conditionalities, policies of graduation and forms of bilateral pressure. The vulnerabilities of our members to the debt and development crisis of the eighties – considered as a lost decade for development – impacted on our capacities to promptly respond to the new challenges.

However, the Group of 77 over the years has proven to be dynamic. It did not avoid self-examination and accepted that the Group system itself is not perfect. But it was and remains the only viable and workable mechanism in multilateral diplomacy. We should be truly proud of the achievement in our forty years of solidarity. Our solidarity is not only aimed at strengthening our collective bargaining but it is the most potent instrument in the cooperation among developing countries themselves.

We took the courageous step in Havana by convening our first Summit in April 2000, at the dawn of the new Millennium. We adopted the Havana Programme of Action geared to implementing a number of high priority initiatives within a specified timeframe. The Summit revitalized and rejuvenated the Group of 77 and China.

Despite our untiring efforts to defend the interest of our people, it is evident today that the agenda of our founding fathers still remains unfulfilled. Many of the challenges are still before us. These have been compounded by new and emerging crisis, narrowing of economic policy space and impositions of new realities. They relate to:

- The need to strengthen the multilateral system. There has been some erosion of the role of the United Nations in the economic area. The development agenda remains crucial for developing countries and the United Nations is the best mechanism for an equitable decision-making process corresponding to the needs, interests and concerns of developing countries. Efforts should be made to reinforce the role of the UN General Assembly in economic issues, in particular on macro-economic policy questions.
- The processes of globalization and liberalization have produced uneven benefits among and within countries. There is a need for a global strategy aimed at integrating the development dimension into global processes. This would require greater coherence between national development strategies, on the one hand, and international obligations, on the other, to create an enabling external environment for development. There is a need for managing globalization in order to realize the right of development for the vast majority of the people on the planet. Development needs to be placed at the very centre of global dialogue and decision-making.
- The issue of development finance, encompassing the debt problem, ODA and FDI, is of critical importance to the development process. Both public and private flows of capital impinge on developing countries' decision-making and sovereignty in different ways. The situation has deteriorated to the extent that many developing countries sense a loss of control over their own destinies. In this respect, the implementation of the commitments made at Monterrey is essential.
- The importance of a development-friendly international trading system has been repeatedly underscored. This is an essential requirement for realizing fully the benefits of the positive linkages between trade, development and poverty eradication. Developing countries have made strenuous efforts at trade liberalization under very difficult circumstances. Yet, they have not reaped the promised benefits. There is a need for a multilateral trading system which is truly “open, equitable, rule-based, predictable and non-discriminatory”, and which takes on board the core interests and concerns of developing countries. A major contribution of the Doha Ministerial Declaration was to place the needs and interests of developing countries at the heart of the Doha Work Programme. This important objective needs to be continuously pursued and it should bring about identifiable gains from multilateral trade negotiations in key areas of interest to developing countries.
- The continuing decline and volatility in commodity prices pose a serious constraint on sustained economic growth, poverty eradication and sustainable development in many developing countries, particularly in the LDCs and in the African countries. This issue need to be addressed comprehensively.

Thus, as we meet today, proud of our past, confident in our present, we remain more determined than ever to meet the challenges of the future.