



GROUP OF FIFTEEN

The Summit Level Group of Developing Countries

Date issued: 5 July 2011

G-15/11/PR102/2

Distribution: GENERAL

**ONE HUNDRED AND SECOND MEETING
OF THE PERSONAL REPRESENTATIVES OF THE
HEADS OF STATE AND GOVERNMENT OF THE GROUP OF FIFTEEN**
Geneva, 21 June 2011

SUMMARY RECORDS

1. The One Hundred and Second Meeting of Personal Representatives (PRs) of the Heads of State and Government of the Group of Fifteen was held in Geneva on 21 June 2011 under the Chairmanship of Ambassador Kshenuka Senewiratne, Personal Representative of the President of Sri Lanka to the Group of Fifteen. Before taking up the agenda, she noted that the main purpose of convening this meeting was to enable PRs receive and review the outcome of the work by the two Working Groups established, namely, the Working Group on Sectoral Cooperation and the Working Group on Institutional Mechanisms.

Item 1 – Adoption of the Agenda

2. The meeting adopted its Provisional Agenda, without amendment, as contained in Document G-15/11/PR102/1.

Item 2 – Presentation of Progress Report by the Chairperson of the Working Group on Sectoral Cooperation

3. The Progress Report of the Working Group on Sectoral Cooperation (WGSC) was presented by its Chairperson, Judith Arrieta Munguia of the Permanent Mission of Mexico, who informed PRs that three meetings of the Working Group were held under her Chairmanship. The first meeting was held on 20 April 2011, which introduced in a general manner, a tentative Programme of Work of the G-15 for 2011; the terms of reference (TOR) of the WGSC for Sectoral Cooperation and for Consultation and Coordination on Key International Issues/Political Dialogue; reviewed past G-15 projects that have been phased out, identifying those that lasted longer, and ongoing projects in order to identify historic main sectors for sectoral cooperation, besides the new areas agreed at the 14th Summit in Teheran in 2010; and existing Guidelines for the Selection and Implementation of G-15 Projects since 1997. The second meeting held on 25 May 2011, discussed the proposed draft TOR for Consultation and Coordination on Key International Issues and revised the Indicative Programme of Work of the G-15 for 2011. The

third meeting of the WGSC, held on 15 June 2011, centered on the sectoral cooperation tasks, noted 10 best cooperation practices received from 4 member countries and further adjusted the Indicative Programme of Work.

4. The Chairperson of the WGSC informed the PRs that the Indicative Programme of Work lists the meetings of the Group held/or to be held during the year, including those of the WGSC, the WGIM, the PRs, the Foreign Ministers meeting in 2011 and other technical meetings, such as those for the preparation of the IV LDC's statement and the FAO Ministerial Meeting during the first semester of 2011, along with future tentative dates for 2011. Besides the Indicative Programme of Work, a list of International Conferences of Possible Joint Participation by the G-15 had been prepared under the mandate of Policy Consultation and Coordination/Political Dialogue. She remarked that the PRs' meeting was the appropriate forum to decide on the convenience and manner of the participation of the G-15 in each of the proposed international meetings. A further list of other meetings in Geneva had also been prepared that contained those that the G-15 countries have participated in or could participate in the future because of their interest either for the political dialogue or for sectoral cooperation.

5. The Chairperson of the WGSC informed PRs that so far only three countries, Algeria, Mexico and Sri Lanka had nominated their participants for the Meeting of the Working Group on Water Resources Management to be held in Tehran on 19-21 July 2011, while ten countries had communicated the coordinates and officers-in-charge of the nodal department for water resources management.

6. With regard to sectoral cooperation projects, she stated that the WGSC had identified renewable energy, water, agriculture and rural development, climate change, health, training, trade and business as well as the Africa Fund as main issues of interest from among past and ongoing initiatives. With regard to new projects, each member country had been invited to submit three Best Practices that could be shared with other G-15 countries as potential projects of sectoral cooperation. So far 10 Best Practices had been submitted including three each from Brazil, Mexico and Venezuela and one from Indonesia.

7. The WGSC had also noted that at the 33rd Foreign Ministers meeting, a suggestion was made for the establishment of a Joint Business Council (JBC). PRs were requested to clarify on the respective roles to be played by the said JBC vis-à-vis the already existing Federation of Chambers of Commerce, Industry and Services (FCCIS).

8. Finally, the Chairperson of the WGSC informed the PRs that the WGSC had agreed to meet every month and that its Chairmanship should rotate yearly among member countries.

9. While complimenting the WGSC on the excellent progress made thus far, Personal Representatives took some action and made some observations and suggestions as follows:

- The Indicative Programme of Work for 2011 was approved. It was observed that the regular meetings now being held in fulfilment of the mandate given by the High Level Task Force in Colombo were proving to be very useful in invigorating the Group. It was

agreed to retain the word “Indicative” in view of the fact that the programme of meetings was subject to change during the course of the year.

- Even though past experience had shown certain grey areas with regard to the participation of the Group in G-20 and UNFCCC meetings, it was agreed that participation in the form of a joint statement could be attempted, given that there was ample time for undertaking the necessary consultations for these meetings during the current year. The plan to invite a Sherpa from Brazil for a briefing on the G-20 and a meeting with the South African mission on the UNFCCC COP 17 were welcomed.
- That the Group should be realistic, practical and flexible in deciding which of the conferences it should participate in.
- It was agreed to attempt to organize a brief G-15 meeting aiming at consultation and coordination in the educational sphere on the sidelines of the ECOSOC meeting. In this regard, the meeting was informed that the Minister of Education of Indonesia would be addressing the plenary session on 4 July 2011. The TSF was asked to look into the logistics of organizing such a meeting.
- The delegate of the Islamic Republic of Iran informed the meeting of the communication he had received from his country’s Ministry of Energy indicating that thus far, nine countries had communicated their focal points and only two had sent in their nominations for the forthcoming meeting of the Working Group on Water Resource Management. The meeting was informed that three experts from Indonesia will participate in the meeting. Member countries were urged to expedite their nominations.
- With regard to the possible overlap between the proposed G-15 Joint Business Council and the FCCIS, the TSF was asked to prepare a paper based on past experience with the FCCIS and other similar initiatives to facilitate discussion in the next meeting of the WGSC to be held on 27 July 2011. It was noted that, in spite of the existence of the FCCIS, the Group has not been able to make significant progress in promoting trade and business among G-15 member countries. It was therefore considered useful to evaluate what the FCCIS had accomplished and to see if the proposed JBC could do more in this regard. Furthermore, it was mentioned that the Chairmanship of the FCCIS should rotate with the Chairmanship of the Group.
- The list of national Best Practices in sectoral cooperation compiled so far was welcomed. Member countries were encouraged to submit further proposals as soon as possible for the consideration of the WGSC. Member countries were also requested to send in their suggestions about the operationalization of the Africa Fund to the WGSC.
- The Terms of Reference (TORs) on Policy Consultation and Coordination and on Sectoral Cooperation proposed by the WGSC were approved as they were already couched in agreed language.
- That the question of the rotation of the chairmanship of the Working Group should be left open for now.

Item 3: Presentation of Progress Report by the Chairperson of the Working Group on Institutional Mechanisms

10. The Chairperson invited Mr. Mushin Syihab, of the Permanent Mission of Indonesia, the Chair of the Working Group on Institutional Mechanisms (WGIM), to present the progress report to the PRs on the outcome of the efforts of the Working Group.

11. The Chair of the WGIM, recalled that altogether 3 meetings had been held under the current Chairmanship to discuss issues assigned to the Working Group under its terms of reference. He further explained that at the first two meetings, delegates had reviewed the mandate of the TSF and considered the personnel and financial matters of the Group. It had been observed that the TSF's mandate had both administrative and technical support as its elements, though in recent times the administrative support had been more prominent. With regard to personnel matters, delegates had discussed whether the TSF staff be streamlined according to the present low level of activities or according to the needs of a reinvigorated G-15. With respect to financial matters, the Working Group had reviewed the trend in the value of the Group's assets and the sustainability of the budget. The Chair of the Working Group presented a number of recommendations as decided at the third WGIM meeting, for PRs consideration and further action.

1. Financing of the Group's Budget

Option 1: Maintaining the level of contributions at \$25,000 and progressively decreasing the budget deficit to create a balanced budget for the future.

Option 2: Maintaining the level of contributions at \$25,000 with zero growth budgeting

2. The Mandate and structure of the TSF

Option 1: Reviewing the existing mandate and structure of the TSF in order to prevent any future financial crisis.

Option 2: Retaining and enhancing the existing mandate and structure of the TSF so as to better manage the increasing responsibilities arising from ongoing efforts to revitalize the Group.

Option 3: Await the final outcome of the ongoing attempts to revitalize the Group's activities before reviewing the mandate and structure of the TSF.

3. Relocation of the TSF

Option 1: Relocating the TSF to a member country or a less expensive multilateral location such as New York or Nairobi, Kenya which already hosts some of the international organizations.

Option 2: Adopting the D-8 staffing model in which member countries provide the required staff at their own expense.

Option 3: Adopting the G-77 or G-20 staffing model in which the country chairing the Group provides the technical and organizational support.

12. The Chairperson thanked the Chair of the WGIM and the experts for the commendable work undertaken to facilitate the work of PRs. She invited PRs to review the recommendations placed before the meeting, taking into account the advantages and disadvantages, to decide on proposing the relevant action to be taken which needed to be transmitted to the Foreign Ministers for approval in September 2011 in New York. She further mentioned that the choice of options presented will also form the basis for the preparation of a draft proposed budget for the year 2012.

13. It was highlighted that G-15 is facing a severe financial deficit at present and 85% of the Group's budget is being spent on the emoluments of the TSF staff. Further, it was noted that the Group's investments were being withdrawn to maintain the TSF staff, since the annual membership contributions were less than 50% of the budgeted expenses. With regard to the work performed by the TSF it was clearly administrative work at present or mainly facilitating the meetings. The meeting was of the view that there was no indication of needing high involvement of the TSF in the near future as projects implemented by the Working Group on Sectoral Cooperation, will be mainly handled by the respective capitals. Member states expressed their concern with regard to the bleak financial position and emphasized the need for this grave situation to be addressed urgently. In addressing the situation, PRs were of the view that the solutions should be practical, realistic, and efficient, based on factual reality.

14. After seriously considering the recommendations presented, the PRs decided the following options suggested by the Working Group:

1. Recommendations concerning the **financing of the Group's Budget**
Option 1: Maintaining the level of contributions at \$ 25,000 and progressively decreasing the budget deficit to create a balanced budget for the future.
2. Recommendations concerning the **Mandate and Structure of the TSF**
Option 1: Reviewing the existing mandate and structure of the TSF in order to prevent any future financial crisis.
3. Recommendations on **Relocation of the TSF**
 Not to pursue this option, considering the difficulty in managing a head office located in another capital when the Chair is based in Geneva. It was observed that also Geneva is the base for international economic issues whereas New York is for the political issues and the G-15 is an economic grouping.

15. The need for addressing the financial crisis in the Group and the restructuring of the TSF was unanimously agreed. Therefore, based on the selected recommendations referred to above, a clear mandate was given to the WGIM by the PRs, to proceed with the tasks assigned in the following manner:

- a. **Annual membership contributions:** To maintain it at US\$25,000, as members are opposed to any suggestion associated with raising the member contributions as an option in balancing the budget.

- b. **Number of TSF Staff:** Members decided to reduce the number of TSF staff. One Professional level and 2 administrative staff. Also to investigate the possibility of outsourcing activities such as accounting and hiring part time staff to cut down costs in handling administrative work.
- c. **Rankings:** To lower the level of professional rank . Since a very high professional level staff is not needed to carry out administrative work and as the Group is not in a position to bear the related costs.
- d. **Emoluments:** To reduce the scale of emolument package of all staff. Introduce a package affordable for the G-15 Members distancing from the current adopted UN system of payment. The practise of other similar groupings should be examined and TSF to assist in obtaining this relevant information.
- e. **Job descriptions:** It was agreed to review the current job descriptions, in comparison with the activities being performed at present and in this context redefine the job descriptions for the TSF staff, also in keeping with the reduced number of staff.

- f. **Contracts:** Members advised the WGIM to review the present contracts and terminate the contractual obligations at the end of the contract in accordance to the stipulated terms and conditions. There should not be any automaticity in renewing the contracts. Further it was proposed that new contracts should be designed incorporating PRs recommendations.

Until a decision is taken at the Ministerial Meeting, it was proposed to renew the staff contracts, if and when required for a period of 3 months at a time.

- g. **Tenure of duty:** The period and the possibility of extension should be clearly stated in the contract. A maximum tenure including the period of extension needs to be abided.
- h. **Hiring of staff:** It was decided that every job should be on contract basis and should be held only for a definite time period. Jobs should be advertised among the member states in a timely manner. The outgoing staff member may be given an opportunity to re-apply for the post.
- i. **Performance Appraisal:** PRs proposed to implement a performance appraisal to the staff since there is none at present.
- j. To understand the good practices from other similar organizations with regard to employment.

16. The PRs very clearly stated that these decisions are not a reflection on the current incumbents. Further the conditions stated in the present contracts should be respected until the end of the contract.

17. However, PRs agreed that although the TSF should be scaled down to meet the current requirements, it would not preclude from strengthening the TSF in appropriate manner if more activities are assigned in the future.

18. While concluding the meeting, the Chairperson of the PRs, Ambassador Kshenuka Senewiratne of Sri Lanka expressed her gratitude to the PRs for their invaluable contributions to the success of this meeting and also the work of the G-15 during this past year. She observed that the Group had been able to arrive at common positions to be articulated on at least two occasions in the international arena. She further expressed her view that PRs will need to commence substantive preparations for the 34th Meeting of our Foreign Ministers in September 2011 on the flanks of the next UN General Assembly Session in New York. The date of the next PRs meeting would be communicated in due course, by her successor. This meeting being her last, as she returns to the Ministry of External Affairs in Colombo, she took this opportunity to thank all her colleagues and the TSF for the ready cooperation in the work of the G-15 and expressed her hope that this level of cooperation would also be extended to her successor in meeting our common objectives.

19. On that note, the meeting was formally brought to a close.
