



GROUP OF FIFTEEN
The Summit Level Group of Developing Countries

G-15/04/PR83/2

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EIGHTY-THIRD MEETING
OF THE PERSONAL REPRESENTATIVES OF THE
HEADS OF STATE AND GOVERNMENT OF THE GROUP OF FIFTEEN
Geneva, 22 June 2004

SUMMARY RECORDS

1. The 83rd Meeting of the Personal Representatives (PRs) of the Heads of State and Government of the Group of Fifteen was held on 22 June 2004 in Geneva, under the Chairmanship of Ambassador Mohamed-Salah Dembri, the Permanent Representative of Algeria to the United Nations Office and other international organizations in Geneva.

2. The Chairman welcomed the PRs to their first meeting under the Chairmanship of Algeria. The Chairman was joined by the PRs in welcoming both Ambassador Luis Alfonso de Alba of Mexico and Ambassador Joseph Ayalogu of Nigeria who have been appointed as the Personal Representative of their respective President to the G-15. Against the background of their diverse knowledge and experiences, the meeting acknowledged the positive contributions that both Ambassadors would make to the work of the Group. In response, both Ambassadors thanked the meeting for the kind sentiments expressed and pledged to do their utmost to advance the work of the Group. The Chairman was also joined by the PRs in commending the immediate Chairperson of the PRs, Ambassador Blancanieve Portocarrero, the Personal Representative of the President of Venezuela, for the able manner in which she steered the affairs of the Group under the chairmanship of Venezuela as well as for the successful hosting of the XII Summit in Caracas. The Chairman, on behalf of the Group, also congratulated Brazil for the successful conclusion of UNCTAD XI and also expressed appreciation to Ambassador Ransford Smith, the PR of Jamaica, for his admirable performance as Chairman of the G-77 UNCTAD XI Prepcom. Furthermore, in their various interventions, Personal Representatives expressed confidence in the leadership of Algeria and pledged their full support and cooperation in ensuring the successful hosting of the 13th Summit in Algiers in 2005.

Item 1 – Adoption of the Agenda

3. The meeting adopted its Provisional Agenda, without amendment, as contained in Document **G-15/04/PR83/1/Rev 1**.

Item 2 - Stocktaking and exchange of views on the results of the XII Summit (i.e., a review of the Decisions and Proposals arising from the Summit).

4. The Chairman recalled that some important decisions and proposals were adopted at the 12th Summit of Heads of State and Government held in Caracas in February 2004, aimed at galvanizing and re-launching the Group as it prepares for the challenges ahead. In light of the central role of the

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PRs in this regard, the Chairman invited Personal Representatives to appraise the decisions and proposals arising from the XII Summit with a view to facilitating appropriate follow-up actions on their implementation. He noted that the TSF had kindly prepared and circulated a useful summary of those decisions in a document entitled, *Specific Decisions requiring follow-up action by the Group as contained in the XII Summit Joint Communiqué and the Caracas Declaration on Energy and Development* (Document **G-15/04/PR83/3**). With respect to the various Summit proposals, he referred the meeting to the useful paper also prepared and circulated by the TSF with the title, *South-South Cooperation Proposals Emanating from the Plenary of the XII Summit* (Document **G-15/04/PR83/4**). The Chairman also drew attention to Venezuela's paper on the establishment of the proposed University of the South.

5. The Chairman observed that crucial to the effective follow up of the XII Summit decisions and proposals were the two series of events agreed upon in Caracas by the Heads of State and Government. He noted that the first was related to the Summit's decision that the Troika will assume greater responsibility to ensure that the Group vigorously pursued plans, projects and programmes jointly identified by it, and that there were effective actions taken for the follow-up of Summit decisions. To this end, Heads of State/Government (HOSG) decided that the Ministers of Foreign Affairs of the Troika will meet, as early as possible, to submit a Plan of Action drafted by the High Level Officials Commission on the various proposals, including their feasibility and financial implications, to enable the Heads of State and Government of the Troika to make recommendations for their implementation to the XIII Summit to be held in 2005 in Algiers. The Chairman therefore stated that the first step in this regard was to consider the modality for convening a meeting of the High Level Officials Commission to draft a Plan of Action on the various proposals, including their feasibility and financial implications, for submission to a meeting of the Foreign Ministers of the Troika countries. He pointed out that the second event on the implementation of the Summit's decisions and proposals related to the offer by the Government of Venezuela to host, during 2004, a G-15 Meeting of Energy Ministers that would allow for the development of cooperative programmes and projects to fulfil the spirit of the Caracas Declaration on Energy and Development. The Chairman therefore invited comments and suggestions from the PRs on the practical modality for convening the Commission, including a date and venue, as well as an appraisal of the decisions and proposals to be followed up. Before the general exchange of views, the Personal Representative of Venezuela was invited to brief the meeting on plans for the hosting of the G-15 Meeting of Energy Ministers in Caracas this year and to introduce the Venezuelan paper on the establishment of the proposed University of the South.

6. Responding, the PR of Venezuela informed the meeting that she was yet to receive any information on the Meeting of Energy Ministers. She however undertook to contact Caracas in this regard. On the Venezuelan paper on the establishment of the proposed University of the South, she remarked that the main goal of the University of the South is to provide high level academic support and networking among G-15 member countries. She noted that the proposed University would have a central headquarters for coordination and branches in other G-15 member countries. She further remarked that the Venezuela Branch of the University would be experimental. She therefore invited all member countries to contribute ideas on how to make the University work as proposed in the paper.

7. In the various interventions on the substance and the practical modality for the implementation of the range of Summit decisions and South-South Cooperation proposals, the Personal Representatives made the following comments and suggestions:

- It was noted that very important decisions arising from the Summit set what could be considered a global agenda in the relevant fields for the G-15 to pursue, for which sufficient political will and pragmatism should be demonstrated to ensure the desired results. To this end,

it was advised that issues involved should be separated, analysed and prioritized in terms of relevance and practicability, taking into account the fact that some of these issues were being dealt with in other fora. The need for identifying areas of synthesis or collaboration was stressed to ensure that concrete results were obtained. Examples could include what kind of cooperation to be initiated with African countries; the concrete contributions that the Group could make in the area of public health, especially HIV/AIDS, to assist affected countries; how to strengthen the Group's strategic vision and articulation of thematic issues to enhance the dialogue with the G-8; the concrete proposals that the Group could put forward to enhance South-South trade and energy cooperation; the resources at the disposal of the Group for engaging the services of qualified experts on trade, education, health, etc, to produce actionable studies on what is being done in the relevant international organizations and a clear definition of the role that the G-15 could play in this regard. In light of the foregoing, it was observed that the political context of the Algiers Summit should be kept in the right perspective by approaching issues with the desired political vision, pragmatism and a clear Action Plan;

- That, against the background of the difficulties experienced in the past in relation to certain G-15 projects, careful consideration should be given to the imperative of determining the feasibility, financing and sustainability of the various South-South Cooperation proposals;
- With respect to the proposals to establish a South Bank, a University of the South, a South Television Network and a G-15 Africa Fund, it was advised that special care must be taken to differentiate between the projects that could only be realistically implemented at the level of the larger community of developing countries and those that the G-15 has the capacity and resources to carry out. It was mentioned in this regard that, except for the proposed G-15 Africa Fund, the other proposals, seemingly ambitious, had been considered in the past, without success, at the level of the larger community of the developing countries. As a result therefore, it was considered necessary to source information from the South Centre, UNCTAD and the G-77 on why these initiatives could not take off the ground. There was a strong caution on the need to be realistic and in avoiding unnecessary duplication of efforts among developing countries;
- On the proposed University of the South, it was suggested that the matter should be considered by the Education Ministries of G-15 member countries for critical analysis, before being further considered at the High Level Officials Commission, taking into account its feasibility and funding;
- It was observed that the proposed South Television Network would duplicate the South-South Information Gateway, an initiative being considered in the NAM, to serve as a central news depository for the countries of the South;
- The proposed G-15 Africa Fund was broadly favoured. While it was observed that the modalities for its establishment should be discussed with the African countries, a call was nonetheless made to the countries that had made pledges in Caracas to fulfil their commitments with a view to operationalizing the Fund;
- As a precursor to holding a Business Forum back-to-back with the Algiers Summit as agreed in Caracas, it was suggested that G-15 countries should participate actively in the recently launched 3rd Round of GSTP negotiations;
- In relation to the Summit decision enjoining the Group to actively participate in the Phase II to the World Summit on the Information Society (WSIS), it was observed that PRs, along with their respective delegation, were already actively involved in the negotiations taking place in Geneva. What was required for the Group therefore was how to increase efficiency and effective coordination of the position of the South. To this end, it was agreed to establish a G-15 Expert Working Group on the WSIS, under the chairmanship of Algeria, to articulate the Group's position. The meeting was reminded that the Chairmanship of the G-15 ICT Task Force is to be assumed by the current Chairman of the Group;

8. With respect to the practical working method for organizing the task at hand, the following suggested approaches emanated from the discussions:

- It was stated that the participation of relevant experts and technocrats from the capitals in the meeting of the High Level Officials Commission was indispensable for a professional examination of the feasibility of the various decisions and proposals, as well as the task of elaborating a Plan of Action for the Group;
- There was a suggestion that it would be necessary to engage the services of external consultants with grand vision and fresh perspectives to critically examine the various decisions and proposals, the Group's method of work, as well as to hold consultations with PRs with a view to submitting a concrete Action Plan to be presented to the Foreign Ministers and Heads of State/Government. This course of action, it was observed, had financial implications that the Group may not be able to bear, except if the services could be provided on a goodwill basis;
- Without prejudice to the foregoing, it was suggested that the Group should distinguish, based on comparative advantage, between the issues or assignments that could be handled immediately at the level of Expert Meetings in Geneva; those to be handled by experts and technocrats from the capitals within the framework of the Commission taking into account the feasibility of the various proposals; and those to be undertaken by external consultants taking into account the costs involved. It was therefore recommended to commence the process with Expert Meetings in Geneva, under the Chairmanship of Algeria, to present courses of action in the areas that were being dealt with in Geneva, taking into account the difficulty of holding meetings in the months of July and August. An example in this regard is the consensus reached at the meeting to commence a process of Expert Group Meetings on the WSIS under the Chairmanship of Algeria. Others, it was proposed could involve meetings of G-15 experts in the ILO, WHO, WTO, UNCTAD, etc, and with the technical support of relevant officials of these international organizations, to ensure appropriate follow up on the implementation of the Group's decisions. Such horizontal cooperation was considered a practical step in forging genuine and pragmatic cooperation among G-15 member countries.

9. In summing up the key recommendations that emerged from the discussions, the Chairman remarked that the perspectives on dealing with the decisions and proposals of the XII Summit could be summarized as follows:

- i. The need for a differentiated treatment of the various issues, decisions and proposals in terms of those that could be handled immediately at the level of experts in Geneva, those to be referred to the High Level Officials Commission as well as external consultants, as the case may be;
- ii. That proposals, such as the South Bank, the University of the South and the South Television Network, which require detailed feasibility studies and the mobilization of resources, should be referred to the High Level Officials Commission for critical examination and as appropriate, with inputs from external consultants with a view to preparing a Plan of Action. The involvement of such independent experts would provide a fresh perspective to the Group's work. Additional efforts could be made to get resource persons from international organizations and regional institutions that could provide free consultancy services in this regard. In light of the ever present need for the services of external consultants and its financial implications, it was considered necessary that henceforth, the Group's Annual Budget should have a provision for the engagement of the services of consultants, as is the practice in all international organizations.
- iii. Agreement to immediately establish an Expert Working Group, under the Chairmanship of Algeria, with the mandate to articulate the Group's position and enhance its active involvement in the WSIS process, in collaboration with the G-15 ICT Task Force if

possible. In addition, to explore the possibility of establishing similar Expert Working Groups in other international organizations to follow up relevant Summit decisions;

- iv. With respect to the preparatory activities for the Algiers Summit in 2005, under the theme of Rural Development and Water Resources, the Government of Algeria will give consideration to organizing thematic expert meetings and other preparatory activities in Algiers. Other member countries could also offer to host other activities in this regard.

10. The Chairman promised to present a tentative Programme of Work on the meetings and activities to be held in Geneva and Algiers to ensure a proper follow up in the run up to the Algiers Summit in 2005.

Item 3 - Exchange of views on the host country for the XIV Summit of the Group.

11. The Chairman recalled the decision of the Government of Iran, made known in the course of the Caracas Summit, to withdraw its offer to host the XIV Summit in 2006. He said this development has made it necessary for Personal Representatives to exchange views on a possible host country for the XIV Summit of the Group to be held in the 2006, from among the Asian member countries of the Group. He pointed out that this unusual situation also has implication for the composition of the Troika, to which a very important responsibility had been assigned by the last Summit. He disclosed that the Algerian Government had contacted some Asian member countries without success. The PR of Malaysia acknowledged that such contact was made with Kuala Lumpur in the course of which Malaysia explained its inability to take on this responsibility because it had assumed the Chairmanship of the OIC, NAM, among others. While urging the Asian member countries to consult among themselves and with their capitals with a view to finding a candidate, the Chairman said that he would soon convene a meeting with PRs from Asia to further consult on the matter. In response to some calls for Iran to temporarily serve as the Asian member of the Troika, the PR of Iran clarified that, in line with the established procedure, it was only the last Asian member, in this case Indonesia, that hosted a Summit that should serve on the Troika. The Chairman confirmed to the meeting that in recognition of this principle, Indonesia had already accepted to continue on the Troika, albeit on a temporary basis. Accordingly, the immediate task, with implications for the survival of the Group, was to find a host from among the Asian member countries for the XIV Summit in 2006. The Chairman remarked that it was important to resolve the matter before the New York Meeting of the Foreign Ministers this year. This, it was advised, should involve further consultations initiated by the Chairman of the Group with the Asian member countries at the level of Foreign Ministers or Heads of State/Government.

Item 4 - TSF Administrative and Financial matters:

(a) Recruitment into vacant positions in the TSF

12. The Head of the TSF informed the meeting that, at its meeting on 12 May 2004, the Troika had given the authorization for the resumption of the recruitment process, begun since 2002, to fill the vacant positions in the TSF. The meeting was informed that the vacancies were for an Economic Affairs Officer and two Secretaries, one full time and the other part-time. The Head of the TSF informed the meeting that the relevant vacancy notices were re-advertised on 26 May 2004 and that some applications had already been received. He noted that the intention was to enable the Troika to expeditiously conclude the recruitment process on the basis of the conditions earlier agreed by the PRs. Further progress in this regard will be conveyed to the PRs.

(b) Maturity of G-15 Merrill Lynch Bond on 25 June 2004.

13. The Chairman informed the PRs that at its meeting of 12 May 2004, the Troika agreed with the recommendation of the TSF to re-invest the proceeds from the Group's Merrill Lynch Bond that will reach maturity on 25 June 2004. He informed that in February 2001, the Group acquired the bond with a nominal value of USD 2,075,000 at an interest rate of 7% p.a. The Chairman then invited the Head of the TSF to present the various investment proposals, as contained in the paper entitled, *Investment Proposal by the TSF – Document G-15/04/PR83/5*. The Head of the TSF informed the meeting that while extensive consultations were held with the Merrill Lynch Bank and the UBS, it was only the latter that showed keen interest and presented substantive proposals.

14. The Head of the TSF gave a brief overview of the merits and downsides of the three categories of investment proposals made by the UBS as analysed in Document **G-15/04/PR83/5**. He gave the investment options as follows: USD Fiduciary Deposit, Investment Grade Bond Portfolios (i.e., USD AA Bonds Portfolio and USD US Agencies Bond Portfolio) as well as a UBS Capital Preservation Structured Product: Groi Mini-Max). A comment was made that it would be useful to watch interest rates movement before re-investing the fund as they were expected to rise soon. The PRs endorsed the investment guidelines and the recommendation to invest the funds, as well as the need to transfer the proceeds from the bond to the UBS, as contained in the paper entitled, *Investment Proposal by the TSF – Document G-15/04/PR83/5*. In response to a couple of comments on why the Group did not consider investing in bonds issued by developing countries, the Chairman recalled that the question had been addressed in the recent past and that the Group was unable to reach consensus.

Item 5 - Any other business

15. The Budget Variance Report for the 1st Quarter of 2004 was formally presented to the PRs. The meeting took note of the Report. In response to the TSF's revelation on the huge arrears of contributions, which could adversely affect the activities of the Group, the Chairman urged member countries to take immediate steps to fulfill their financial obligations to the Group.

16. In the absence of any other matter to be considered, the meeting was adjourned.
