



GROUP OF FIFTEEN
The Summit Level Group of Developing Countries

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EIGHTY-FOURTH MEETING
OF THE PERSONAL REPRESENTATIVES OF THE
HEADS OF STATE AND GOVERNMENT OF THE GROUP OF FIFTEEN

1st Session, Geneva, 9 July 2004

***-SUMMARY RECORDS**

1. The First Session of the 84th Meeting of the Personal Representatives (PRs) of the Heads of State and Government of the Group of Fifteen was held on 9 July 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 last meeting before the traditional summer vacation period and informed them that the meeting will focus mainly on the preparations for the annual Meeting of Foreign Ministers in September in New York and the consideration of the Proposed Budget for the year 2005.

Item 1 – Adoption of the Agenda

3. The meeting adopted its Provisional Agenda, without amendment, as contained in Document G-15/04/PR84/1.

Item 2 – Consideration of the proposal to convene the 26th Meeting of the Foreign Ministers in September 2004 in New York and substantive preparations for the meeting:

(a) Exchange of views on the proposed date for the meeting

4. The Chairman informed the meeting that the 26th Meeting of G-15 Foreign Ministers, coinciding with the 59th Session of the U.N. General Assembly in New York, would be held between 15th and 30th September 2004. He stated that it was always preferred to hold the meeting back-to-back with the Annual Meeting of the Ministers of Foreign Affairs of the G-77, also in September, to facilitate maximum participation. He therefore remarked that, in line with past practice, Permanent Missions of G-15 member countries in New York will be requested to consult, under the coordination of the Permanent Mission of Algeria, with a view to identifying the most convenient date for convening the Meeting of the Foreign Ministers. He said that once the definitive date was determined, this would be conveyed to the PRs in Geneva. The PRs took note of the proposed date.

* This Draft Summary Records is provisional and will be updated, as appropriate, with the outcomes of the 2nd and concluding Sessions of the 84th PRs Meeting to be held in September 2004. This will form part of the Report to be submitted by the Chairman to the 26th Meeting of the Foreign Ministers in September 2004 in New York.

(b) Consideration of the Draft Provisional Agenda of the 26th Meeting of the Ministers of Foreign Affairs

5. The Chairman observed that the Draft Provisional Agenda of the 26th Meeting of the Ministers of Foreign Affairs mainly contains the traditional substantive issues usually considered by our Foreign Ministers in the inter-sessional New York meeting, namely, Report by the Chairman of the Personal Representatives on the activities of the Group; Briefing by the Chairman on the preparations for the XIII Summit of the G-15 and other activities to be undertaken by Algeria; and Consideration of the Proposed Budget for 2005. In addition, and if still necessary, the Ministers will also consider the question of finding a possible host country for the 14th Summit in 2006. The PRs endorsed the Draft Provisional Agenda for onward transmission to the 26th Meeting of the Ministers of Foreign Affairs.

Item 3 - Status of consultations on a possible host country for the 14th Summit in 2006

6. The Chairman informed PRs that further to the discussions at their last meeting, he held a meeting with PRs of Asian member countries of the Group on 2 July 2004 with a view to finding a possible host country for the XIV Summit to be held in 2006, from among their ranks. He disclosed that it was agreed that the incumbent G-15 Chairman would continue, at the appropriate political level, its consultations with the Asian member countries, in particular the two of them who were yet to host a Summit. He expressed the hope that progress would be made on the matter through appropriate diplomatic channels before the New York Meeting of Foreign Ministers in September.

Item 4 – Consideration of Financial Matters:

(a) Consideration of the Draft Proposed Budget for 2005

7. The Chairman formally presented the Draft Proposed Budget of the Group for the year 2005, indicating the estimates of expenditure for 2005, as well as recommendations for its financing. He noted that, the Proposed Budget amounted to US\$ 911,877, which in comparative terms approximates those of the budgets for the preceding years, except for the inclusion of a new item of expenditure to cover the costs of engaging external consultants to carry out specific studies. He recalled that this requirement was envisaged by the Foreign Ministers at their 24th Meeting in September 2003 in New York and reiterated at the 83rd PRs Meeting held on 22 June 2004. The Chairman observed that, in line with the practice in all international organizations, the engagement of external consultants would enhance the intellectual capacity of the Group as well as provide fresh and independent perspectives on how to better attain its objectives. He explained that this new item therefore accounts for the slight increase in the annual contribution from US\$ 25,000 to US\$ 26,619 per member country.

8. He drew attention to Annex IV of the document containing the recommendation on financing the Proposed Budget, which would involve using (a) US\$ 505,769 from member countries' contributions; (b) US\$ 139,882 from projected income from investments; (c) a shortfall of US\$ 266,227 to be financed with savings from previous budgets. The Head of the Technical Support Facility (TSF), in providing further clarifications, explained that due diligence was observed in preparing the draft estimates and that the prevailing low interest rates had drastically reduced the income from the Group's investments that could be applied in defraying the contributions from member countries. He noted further that the significant level of unpaid contributions, amounting close to US\$1 million, did not help matters, as any supposed savings on previous budgets remained essentially nominal. He added that these savings were made possible only because of prudent financial management and the fact that for about two years now, the TSF

had been operating with only 50% of its staff strength, as approved by the Foreign Ministers. He therefore stated that it would be precarious to rely on such nominal budgetary gains in financing a significant portion of the Proposed Budget, particularly as efforts were now underway to fill the vacant positions in the TSF. He concluded therefore that, with the reduced incomes from investments and the mounting levels of arrears of contribution, it would be difficult to maintain the same level of annual contribution in successive budget proposals.

9. The PRs considered the Draft Proposed Budget, together with its recommended financing option, and came up with the following comments and conclusions:

- That while the justification for a modest increase in the Proposed Budget was understandable, the TSF should make further efforts to adjust the draft estimates with a view to maintaining annual contribution at US\$25,000 per member country, as capitals of member countries were always averse to any increase in contributions;
- It was considered appropriate and important to make a budgetary provision for the possibility of engaging external consultants, taking into account the political objectives set out at the last Summit;
- The importance of timely payment of financial contributions was underscored, to avoid placing the TSF in a difficult financial situation;
- That the TSF should indicate the overall political objectives underpinning the Proposed Budget and provide further comparative analysis in the annotations to the budget items where necessary;
- The TSF was commended for maintaining a virtually zero-growth budget in recent years and for its prudent financial management in spite of the difficulties identified earlier.

(b) Outstanding financial contributions

10. The Chairman drew attention to the precarious financial situation of the Group arising from the significant level of unpaid contribution amounting to US\$928,750. It was noted that only four member countries had fully paid their contributions to the current budget, in spite of the regular statutory financial obligations to be met by the Technical Support Facility on behalf of the Group. The Chairman therefore urged PRs to kindly intercede with their capitals to facilitate the timely payment of dues to ensure the proper administration of the TSF, particularly as the Group prepares to re-launch itself. To this end, he informed the meeting that he would soon address a letter to the PRs of member countries still in arrears of financial contributions. Responding, a number of member countries indicated that efforts were underway for the payment of their arrears of contribution shortly.

(c) Financial Report of the Group for the year 2003 prepared by the Auditors

11. The meeting received and formally took note of the Financial Report of the Group for the year 2003 prepared by the Official Auditors, indicating the financial position of the Group as at 31 December 2003. The 26th Meeting of the Foreign Ministers will receive and take note of the Report.

Item 5 - Any Other Business

12. The Chairman disclosed to the meeting that Mr. Kheiredine Ramoul who had been assisting him ably in steering the affairs of the G-15, among others, would be departing Geneva having successfully come to the end of his tour of duty. He described Mr. Ramoul as a pillar of the Algerian Mission who will be sadly missed. The Chairman and the participants in the meeting paid glowing tributes to Mr. Ramoul's invaluable contributions and forthright character and wished him

luck in his future assignment. Mr. Ramoul returned the compliments and thanked the PRs and his colleagues for their support and understanding in the course of discharging his duties in Geneva.

13. On this note, the Chairman suspended the 84th Meeting of the Personal Representative after remarking that it would be resumed in September to continue the consideration of the same agenda items, particularly the preparations for the New York Meeting of the Foreign Ministers.
