



GROUP OF FIFTEEN
The Summit Level Group of Developing Countries

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EIGHTY-FIFTH MEETING
OF THE PERSONAL REPRESENTATIVES OF THE
HEADS OF STATE AND GOVERNMENT OF THE GROUP OF FIFTEEN
Geneva, 18 January 2005

SUMMARY RECORDS

1. The 85th Meeting of the Personal Representatives (PRs) of the Heads of State and Government of the Group of Fifteen was held on 18 January 2005 in Geneva, under the Chairmanship of Ambassador Idriss Jazairy, the Personal Representative of the President of Algeria to the Group of Fifteen.
2. The Chairman welcomed the PRs to the first meeting since his assumption of responsibilities in the G-15. He solicited the invaluable support and cooperation of the PRs in the task of successfully managing the affairs of the Group and in particular, the substantive preparations for the 13th Summit of G-15 Heads of State and Government to be held later in the year. In light of the tasks to be accomplished in the latter regard, he stressed the importance of commencing work immediately. In welcoming the Chairman, Personal Representatives acknowledged his renowned qualities and experience and expressed their readiness to cooperate fully with him in the tasks ahead.
3. Before proceeding to the business of the day, the Chairman, on behalf of the meeting, expressed sympathies and solidarity with the governments and peoples of the fraternal and sister countries of South Asia and parts of Africa that were devastated by the recent Tsunami disaster. The meeting observed a minute's silence in homage to the victims of the Tsunami disaster that led to the sad loss of many lives and large-scale destruction of the property, livelihoods and habitat of entire populations. Personal Representatives joined the Chairman in praying for the repose of the souls of the departed and implored that the affected governments and peoples should have the fortitude to bear the losses suffered. A suggestion was made that the Group should consider giving a collective assistance to the affected countries and the creation of a G-15 solidarity fund. This, it was explained, would promote the forging of a closer bond among member countries and enhance the international visibility of the G-15. However, several PRs stated that member countries had already undertaken such efforts at the bilateral level, in addition to their contributions to the efforts of the international community to address the disaster. In response to the show of concern and solidarity, the PRs of affected member countries expressed their appreciation for the out-pouring of kind sentiments at the meeting.

Item 1 – Adoption of the Agenda

4. The meeting adopted its Provisional Agenda, without amendment, as contained in Document **G-15/05/PR85/1**.

Item 2 – Preparations for the 13th Summit in 2005:

(a) Substantive preparations

5. A representative of Algeria briefed the meeting on the preparations being made in Algeria for the successful hosting of the 13th Summit in Algiers on a date to be set as soon as the country that will host the 14th Summit was known. While consultations continue in the latter regard, it was stated that the Government of Algeria was ready to continue the coordination of the Group's affairs until the final resolution of the pending matter of the next Chairman of the Group. This question, he underlined, was crucial to upholding the principle of transferring Chairmanship only at a Summit meeting as well as the survival of the Group as witnessed recently. While expressing the wish of the Algerian government that a decision will be taken quickly on the matter in order to ensure timely and orderly preparations for the Algiers Summit, the Algerian representative expressed hope that the pledge by Iran to reconsider its position on the matter after its general elections in May 2005 would lead to a favourable decision. The Algerian representative emphasized the urgency accorded by his government to the priority attached by the Caracas Summit to the task of revitalizing the Group through a systemic review of its objectives, method of work, functioning and means. He therefore urged PRs to speed up the process of engaging the services of external consultants to ensure that the report of the independent experts was ready for use at the Algiers Summit.

6. With regard to specific preparations being made in Algiers for the Summit, the meeting was informed that a programme of work outlined by an Inter-Ministerial Committee established by the government of Algeria for the purpose would involve the convening of two main expert meetings. The first, a workshop on "*e.governance and ICT applications and industry*" is scheduled for 18-19 April 2005. While an Aide-mémoire on its objectives will be made available soon, it was disclosed that the Algerian government had completed the technical studies and layouts for the creation of a 100 ha zone Cyber Park for promoting ICT research and development. For the elaboration and operation of this facility, the government of Algeria extended invitation to all G-15 member countries to express interest in contributing to and cooperating on the project. Secondly, Algeria will host a seminar on the two sub-themes of the main theme of the Summit, namely, "*Management of the demand for water in urban areas and for agriculture to address all aspects of the economy of water* " as well as the "*Protection of agricultural land against erosion and desertification*". It was disclosed that relevant background notes, being drafted with assistance from IFAD and FAO experts, along with tentative dates for holding the seminar, would be made available to member countries soon. It was mentioned that, based on the outcome of the seminar, the government of Algeria could consider organizing a Ministerial Meeting aimed at preparing a preliminary draft Declaration on the theme of the Summit. To this end, consultations would be held with PRs on the best period to hold such a meeting. PRs were also informed that the government of Algeria would bear the costs of transport and accommodation of one expert from each member country participating in the above-mentioned workshops. Finally, the meeting was informed that the usual consultations on the Draft Joint Communiqué would be launched in the coming weeks on

the basis of elements to be proposed by Algeria. The meeting welcomed the programmes unveiled in preparation for the successful hosting of the 13th Summit.

7. Recalling the outcome of the 26th Meeting of the Ministers of Foreign Affairs held in September 2004 relating to some possible areas of cooperation that could be developed collectively, namely, ICT, energy, generic drugs and public health, medical research and human resource training, the Chairman invited Personal Representatives to make suggestions in this regard. Responding, several PRs cautioned on the need to avoid unnecessary duplication of efforts being made in other fora on these themes. On ICT, for instance, it was advised that the Group should seek to make the best use of the opportunities and results provided by the WSIS processes. It was also acknowledged that the G-15 could not realistically act alone on some of these areas. On the objective of further promoting South-South trade, it was mentioned that this objective could be pursued, inter alia, within the framework of the recently launched 3rd Round of GSTP Negotiations. It was also mentioned that the proposed Meeting of G-15 Energy Ministers would provide the appropriate framework for cooperation in the field of energy, in addition to other regional efforts in ensuring energy security. Reacting to the interest shown on the need to convene the Meeting of G-15 Energy Ministers, the representative of Venezuela assured the meeting that her government was working on the matter. It was also advised that cooperative initiatives in human resource training could be pursued with capitals. In light of the sad experience of the proliferation of G-15 projects, several of which have become moribund, the Group was cautioned on the need to ensure that any new project must be relevant and of interest to the generality of member countries, with minimum financial implications, as well as being viable and sustainable. To conclude the foregoing discussions, the Chairman invited member countries interested in organizing an activity in any of the identified areas of cooperation above to come forward.

(b) Further consultations on the host country for the 14th Summit in 2006

8. The Chairman underlined the correlation between the successful hosting of the 13th Summit in 2005 and the pending issue of finding a host country for the 14th Summit in 2006. He stated that the government of Algeria therefore considered it very important to find an early resolution of this matter. This, it was emphasized, would enable Algeria to fix a firm date for holding the 13th Summit as well as the necessity of upholding the principle of the rotation of the Group's Chairmanship during a Summit. He therefore invited the Personal Representative of Iran to brief the meeting on the current status of Iran's position on the hosting of the 14th Summit in 2006. Responding, the PR of Iran disclosed that intensive consultations at high political levels were going on between Tehran and the capitals of some member countries of the Group on the matter. He specifically mentioned consultations between Tehran and Algiers and discussion on the matter in the course of the recent official visit of His Excellency, President Hugo Chavez to Iran. He assured the meeting that the government of Iran took the matter seriously and that progress in this regard would be conveyed to member countries in due course. The Chairman welcomed the intensive consultations undertaken and urged Iran to provide an early indication of its acceptance to facilitate Algeria's preparations for the 2005 Summit.

Item 3 – Consideration of possible Terms of Reference and Selection Criteria for the Panel of External Consultants to examine the situation of the Group.

9. The Chairman recalled that the 26th Meeting of the Ministers of Foreign Affairs had mandated Personal Representatives to elaborate appropriate terms of reference and criteria for

the selection of Panel of External Consultants to examine the situation of the Group. He noted with gratification that, to ease the task, the Technical Support Facility had prepared and circulated a "*Background paper on the reflections on the situation of the Group as well as possible Terms of Reference and Selection Criteria for the Panel of External Consultants to examine the matter*". Personal Representatives duly considered the proposed Terms of Reference and Selection Criteria as well as related procedure for the Panel of External Consultants and adopted them, with slight amendments. The additions in this regard included the requirement that the Panel's recommendations should be viable and pragmatic and that the Troika should consult with the PRs in selecting the best or appropriate candidate from each of the three regions of the G-15. The meeting underscored the imperative of revitalizing the Group and called for urgent action on the appointment of the external consultants. To this end, the PR of India announced that India's nominee was Professor Muchkund Dubey. Several speakers joined the PR of India in acknowledging the quality of the nominee. Also mentioned in this regard by a representative of Egypt was Mr. Samir Amin, whose candidacy was being considered along with others. Several speakers informed the meeting that they were still expecting instructions from their capitals on the nomination of independent experts. A suggestion was however made that, since some excellent candidates had already been identified, immediate action could be taken to rapidly constitute the Panel of External Consultants for the early accomplishment of this priority assignment. The Chairman enjoined member countries to communicate their nominations to the TSF within 15 days of the date of this meeting.

Item 4 – Administrative and Financial Matters:

(a) Recruitment of Economic Affairs Officer in the TSF

10. The Chairman informed the meeting that nineteen (19) candidates had applied for the post of Economic Affairs Officer, while there were nine (9) candidates for the Secretarial positions to be filled in the TSF. He observed that several of the candidates met the requirements for the advertised positions. He noted that, based on earlier arrangements, the TSF had submitted the necessary documentation to facilitate the constitution of the Selection Panel and for conducting the short-listing of candidates to be invited for interviews. In light of the role of the TSF in the preparations for the next Summit, he considered it important to quickly fill the vacant post of the Economic Affairs Officer in the TSF. He proposed that, since the theme of the 13th Summit was "*Rural and Agricultural Development and the Management of Water Resources*", Personal Representatives could consider the desirability of engaging a candidate with special competence on the Summit theme. He could be recruited for a one-year term unless he possessed the required versatility to handle the themes of subsequent Summits. Otherwise, the following incumbent could be selected in light of his/her expertise to address the theme to be submitted for the following Summit. For the sake of expediency, he therefore suggested the engagement of an expert on this theme, for a one-year term.

11. In their reaction to the proposal, several PRs remarked that the post of an Economic Affairs Officer in the TSF was an established position and that the occupant should be a generalist. It was also pointed out that while the theme for one Summit varied from the other, it would not be very helpful to change the specialist for the post on an annual basis. Furthermore, it was mentioned that documents on the theme of a Summit were usually produced by the country chairing the Group, and subjected to further negotiations among member countries. Besides, it was noted that such documents could be the outcome of expert meetings to be organized by the host of the next Summit. It was further observed that the resource constraints

of the TSF should always be kept in perspective. It was therefore agreed that the recruitment exercise should be expedited as originally conceived. The Chairman assured the meeting that the Troika would move ahead with the recruitment process already on course.

(b) Review of the Group's investment practice

12. The Chairman informed the meeting that, further to recent investment actions taken by the Troika to enhance returns on the Group's investments, the Group still had about US\$2.9 million in fixed deposits with Merrill Lynch, earning a low interest rate of about 1.7% on the average. He expressed his concurrence with the TSF's recommendation that this sum, or a substantial part of it, should be re-invested in better yielding investment portfolios offered by other financial institutions, taking into account, the need for risk diversification and avoidance. Without prejudice to the investment guidelines already in use, he considered it necessary to take additional complementary steps. To this end, he proposed that the Group could reconsider the practice of investing in US dollar-denominated bonds and equities because of the declining value of the US Dollar. He therefore recommended that the new investments to be made should be in Eurobonds or bonds and equities denominated in Swiss Francs to avoid further deterioration of the Group's investments. He remarked that, based on the conclusion of this meeting, the Troika, with the support of the TSF, will commence immediate actions to seek to re-invest the said sum in better yielding investment portfolios offered by other financial institutions. The meeting endorsed the Chairman's investment proposals.

(c) Outstanding financial contributions.

13. The Chairman observed that the significant level of outstanding financial contributions has been a persistent problem and recalled that the last Meeting of Foreign Ministers had urged member countries with arrears to take immediate steps for their early payment. He remarked that in light of the little progress in this regard, he considered it necessary to repeat the same appeal to ensure the smooth functioning of the Group, particularly as outstanding financial obligations to the Group, as shown in the current Table of Financial Contributions, amounted to US\$ 755,750, excluding the contributions for 2005, which were now due. To avoid giving the impression that the Group was on the wane, he urged member countries to match their commitment to the Group with the required financial obligations.

(d) Budget Variance Report for the 3rd Quarter of 2004.

14. Personal Representatives formally took note of the Budget Variance Report for the Third Quarter of the year 2004, indicating the difference between the Approved 2004 Budget and Actual Expenditures for the period in question, submitted by the auditors of the Group.

Item 5 - Any Other Business

15. In the absence of any other matter to be considered, the Chairman thanked the PRs for their constructive participation and adjourned the meeting.
