



**GROUP OF FIFTEEN**  
**The Summit Level Group of Developing Countries**

**G-15/05/PR87/2**

Date issued: 15 June 2005

Distribution: GENERAL

---

**EIGHTY-SEVENTH MEETING**  
**OF THE PERSONAL REPRESENTATIVES OF THE**  
**HEADS OF STATE AND GOVERNMENT OF THE GROUP OF FIFTEEN**  
Geneva, 26 May 2005

**Outcome of the consideration of the Report of the Panel of External Consultants**  
**on the Examination of the Challenges Facing the Group of Fifteen and Evaluation**  
**of its Projects for South-South Cooperation**

1. The 87th Meeting of the Personal Representatives (PRs) of the Heads of State and Government of the Group of Fifteen was convened on 26 May 2005 in Geneva to consider the Report of the Panel of External Consultants on the Examination of the Challenges Facing the Group of Fifteen and Evaluation of its Projects for South-South Cooperation. The Personal Representatives intensively debated the various substantive issues raised in the recommendations put forward by the Consultants and considered the most appropriate procedure for handling the report. The broad and specific comments made on the various recommendations of the Consultants are provided below.

2. In general, the PRs considered the Report useful and timely as it addressed the gap between the Group's expectations and the realities on the ground. Nonetheless, several PRs were of the view that the Report was idealistic and overly ambitious in several regards. It was also observed that while the Panel of External Consultants advanced several recommendations, they however failed to draw out conclusions from their findings, which would have been of relevance to decision-makers in the capitals. In reaction to this observation, the point was made that the responsibility for drawing conclusions as well as deciding which of the recommendations were feasible were the prerogative of member countries of the Group.

**I. Background and Relevance of the Group**

3. There was a broad agreement among the Personal Representatives on the general thrust of the analysis of the prevailing international environment and how its trends and patterns have reinforced the continuing relevance of the *raison d'être* of the G-15. The PRs were therefore of the consensus that the G-15 must adapt itself to the new circumstances and the changed global situation in order to take full advantage of the opportunities presented by globalization and to deal effectively with its discontents, while maintaining its overall purpose and objective. However, several PRs doubted the validity of the claim in the Report that because several members of the G-15 now have significantly enhanced economic weight, the influence of the G-15 in the world economic power structure and its bargaining power in the dialogue on global economic issues have been enhanced. While admitting that the Group was yet to fully tap its immense potential, it was considered equally important for the G-15 to know what it stands for and what it has the capacity to accomplish in order to avoid an over exaggeration of its place and potential in the global equation.

/...

## **II. Political Will**

4. The Personal Representatives, in their majority, did not share the view of the Panel that it did not discern any conspicuous lack of political will among the G-15 governments. They contended that the mere fact that no country has withdrawn from the G-15 since its establishment and that even those that have not met their financial and other obligations insist on remaining in the Group, were insufficient reasons to conclude that political will was not the real issue. On the contrary, it was maintained that the problems experienced with the timely payment of contributions, effective participation in the Group's activities as well as the implementation of collaborative projects were strong indicators of waning political will, a subject that has been of serious concern to PRs and Foreign Ministers of late. Some PRs observed that if these difficulties were adequately addressed and the Group became more energized, the required level of political support from the capitals of member countries would be more forthcoming.

## **III. Expansion of the Membership of the Group**

5. Personal Representatives acknowledged the Panel's observation that new actors from among developing countries, particularly South Africa and China, have emerged on the world economic scene with significant economic and political weight. While there was consensus on the advantages of associating both countries with the G-15, it was however generally felt that it would seem improper for the Group to invite them to join its membership in the absence of any expression of interest from them. Without prejudice to the foregoing consideration, a point was made that the Group could nonetheless attempt to approach them informally. It was also mentioned that once the Group became energized and more credible internationally, its attraction to such countries would be self-fulfilling. It was cautioned that, while it may be desirable to consider the principle of expansion of membership in terms of its necessity and feasibility, account must be taken of the original idea of making the G-15 a small group.

6. Some PRs objected to the recommendation to suspend any member country that had failed to pay its initial contribution or was in arrears of annual contributions beyond two years, noting that this would not be a realistic solution to the problem. It was therefore suggested that other effective means of encouraging such member countries should be explored to enable them meet their financial obligations to the Group.

## **IV. Agenda of the G-15**

### **A. The G-15 must confine itself to Development Agenda**

7. While it was generally agreed that the G-15 should focus on development issues as recommended by the Panel, several PRs however were of the view that this should not be exclusive of political issues, particularly as the latter tend to have development dimensions. Furthermore, it was observed that it would be difficult or impracticable to attempt to preclude a Summit of Heads of State and Government from discussing political issues of concern to them. In order to accommodate the foregoing concerns, it was suggested that to avoid becoming overly political, the Group should affirm, without being prescriptive, that its primary focus would be on development agenda. It was noted that since other fora of developing countries, such as the G-77 and the South Summit, were also pursuing development agenda, that of the G-15, to make a difference, should add value to this preoccupation.

## **B. Revamping the agenda of the G-15**

8. On the whole, several Personal Representatives considered the recommended blueprint for revamping the agenda of the G-15 as either overly ambitious or idealistic. There was consensus on the importance of forging common positions and strategies on key issues of interest to the G-15 on the agenda of dominant international organizations like the World Bank, the IMF and the WTO, as well as the need to strengthen consultations and coordination in these fora and on the current debate on the reform of the United Nations. However, some PRs raised questions on the realistic chances of acting together on these fronts. With respect to a possible G-15 Agenda in the WTO, some PRs stated that the list of issues identified by the Panel as the most important for negotiations should not be considered exclusive as there were other equally compelling issues that should have been included. With respect to other important issues that should be on the G-15 Agenda as itemized in Paragraph 19 (a) - (m), a good number of PRs expressed the view that, while most of the identified issues were of significance to the G-15, the list appeared to be rather too long and overly ambitious, in addition to the absence of any real attempt to justify or prioritize them.

## **V. Relationship of the G-15 with other Groupings of Developing Countries**

9. It was generally agreed that rather than attempting to compete with other groupings of developing countries, the G-15 should seek to forge alliances with them in the pursuit of common goals. It was however advised that the first step in this direction would be for the G-15 to strengthen its internal coordination and cohesion as well as elicit the desired level of political support from its entire membership.

## **VI. Summit Procedures**

### **A. Annual Summits**

10. Most PRs agreed on the justifications given by the Panel on the desirability of holding annual Summits. Several of them however stressed that recent difficulties associated with quorum informed the need for some flexibility and the increasing support for introducing biennial Summits as a practical necessity. In addition, it was observed that in the world of today, Heads of State and Government have various competing demands on their time that it would continue to prove problematic to adhere to the practice of annual Summits. Those in support of annual Summits pointed out that the practice had worked very well for several years until the recent difficulties experienced with the hosting of the 12th Summit.

### **B. Summit Venue**

11. Some PRs welcomed the idea of applying alphabetical order in hosting Summits. However, several others did not feel that the introduction of the principle would, in reality, resolve the recent difficulty experienced in hosting Summits because in their view, a country whose turn it was to host one could still find one reason or the other to avoid the obligation. Rather than apply the recommended alphabetical order on a country basis, some PRs suggested that the principle should be applied on a regional basis. According to this model, if the responsibility to host the Summit fell on a particular region, then the alphabetical order on a country basis could apply within that region with a view to choosing the country whose turn it was to host the Summit. While the need for some flexibility in special circumstances was emphasized, some PRs remarked that member countries that were yet to host a Summit should step forward to assume the obligation. It was pointed out that in situations where only the willing countries were prepared to host Summits, the Group would become further weakened.

### **C. Enhancing the global impact of the Group's pronouncements**

12. There was a general agreement on the need for G-15 declarations/communiqués to have a real impact on world public opinion and policy makers and for them to be succinct, practical and to the point. However, opinion remained divided on the Panel's recommendation that such pronouncements should evolve at the Summit rather than being drafted ahead of time in Geneva. It was also advised that the practice of choosing a particular theme for each Summit was useful and should be sustained.

### **D. Quorum**

13. While some PRs agreed with the Panel's recommendation not to fix a quorum for the Summit, others were however of the contrary view due to the difficulties experienced in this regard in addition to the fact that in the absence of a quorum, a Summit would find it difficult to make binding decisions. Some PRs found it contradictory for the Panel to contend that it may not be desirable to fix a quorum for the Summit while in the same breath prescribing quorum for the meetings of Foreign Ministers and Personal Representatives. In all, several PRs considered the problematic of quorum as a symptom of insufficient political will.

### **E. Summit Retreats**

14. While there was general consensus on the recommendations relating to Summit Retreat and its relevance, it was however observed that its fate depended on whether or not the desired quorum for a Summit was attained. The advocates of fixing a quorum for the Summit therefore considered this as a good justification for their position.

### **F. Commencement of Chairmanship**

15. There was a general consensus on the Panel's recommendation that Chairmanship of the Group should be handed over to the Head of State or Government of the country that will host the next Summit, at the end of the previous Summit.

### **G. Participation as observers**

16. There was no objection to the idea of inviting the chairpersons of the NAM and the G-77 to G-15 Summits as observers.

### **H. Dialogue with the G-7**

17. There was no objection to the recommendations in this regard.

## **VII. Revamping the institution of Personal Representatives**

18. There was no disagreement with the Panel's evaluation of the important role of the institution of the Personal Representatives in the workings of a Summit-level group and the identified shortcomings of using the Geneva-based Permanent Representatives as Personal Representatives of G-15 Heads of State and Government, rather than high caliber political figures from the capitals as originally conceived. However, consensus could not be reached on the Panel's recommendation that Personal Representatives should be persons at the level of Permanent Secretaries or Vice Ministers from the capitals. With a view to revamping the institution, several PRs welcomed the idea of high-level and authoritative representation from the capitals, with the Geneva-based Ambassadors serving as alternates. It was suggested in this regard that they could

hold regular meetings every three months either in Geneva or in the capital of the country currently chairing the Group, during which the Secretariat would report to them on the activities of the Group. Other PRs however noted that the same problem of attendance at meetings, in addition to the high cost of traveling from the capitals, would make the recommendation impracticable. In making their case for the retention of the current practice, these PRs advised that, due to the very busy schedules of Ambassadors in Geneva, the frequency of PRs meetings should be reduced while at the same time conducting more consultations before the scheduling of PRs meetings in order to ensure maximum participation. Another view that was mooted was that each country should be at liberty to decide who represents it in the Group.

### **VIII. Institutional Structure of the G-15 and; IX. Resources at the disposal of the G-15**

19. The PRs, in their majority, rejected the conversion of the Technical Support Facility (TSF) into a full-fledged Technical Secretariat because it would entail additional financial obligations on member countries. They considered the recommendation unjustifiable in the face of the inability of a significant number of member countries to pay up their contributions. It was also noted that the TSF had already intimated that annual contributions would have to be revised upwards in 2006 due to the inability of the current level of reduced contributions and interests from investments to fund the operating expenses of the Group. Several PRs contended that, in recommending a full-fledged Secretariat that would commission out studies and projects, undertake research, network with international organizations, research institutions and civil society organizations as well as replace the intergovernmental processes of the Commission and the Committee on Investment, Trade and Technology (CITT), the Panel erred fundamentally by equating the G-15 with an international organization. They maintained that since the G-15 was as a member-based Group of like-minded countries, characterized by informality and flexibility, it should concede such structured functions and mandates to conventional international organizations imbued with the required competence and resources. It was generally acknowledged by PRs that the present Technical Support Facility, though small and facing resource constraints, was functioning efficiently and that what was required was how to further strengthen it in the discharge of its important responsibilities.

20. There were however some PRs who agreed with the recommendation to have a proper Secretariat in order to ensure effective implementation of decisions, noting that the doubling of annual contributions would still bring it to a figure much less than the amount paid by members in the early years of the Group. These PRs noted the disproportionality between the ambitions of member countries and how much they were willing to pay. They therefore remarked that if agreed by all, their countries would accept the recommendation, as it was essential to empower the Secretariat. In acknowledging the importance of having an adequate institutional backup system, some PRs called for a detailed financial cost of establishing a proper Secretariat.

21. On the recommendation to scrap the CITT and the Commission, it was noted that, in addition to the observed duplication of functions, the arrangements in relation to both organs were very complicated as well as expensive as their proper functioning required participation of high-level officials from the capitals. It was therefore asserted that, with a proper Secretariat in place, the CITT and the Commission could be dispensed with.

### **IX. Projects for South-South Cooperation (SSC)**

#### **A. Projects under implementation**

22. Against the background of the glaring evidence of the low performance and proliferation of ongoing G-15 projects, several PRs remarked that they could not find any justifiable reasons for the Panel's conclusions that projects have by and large achieved their purposes and that they were not

too many. It was mentioned, for instance, that some of the projects acclaimed by the Panel as successful could not even attain their ultimate objectives due to lack of support or interest from member countries. Several PRs therefore called for a firm decision on the rationalization of ongoing projects. Without prejudice to the foregoing considerations, it was suggested that the current Chairman of the Group could explore, in collaboration with regional or international organizations, the possibility of launching a specific project that would attract enthusiastic participation and thus help in energizing and making the Group more attractive.

## **B. Projects emanating from the XII Summit**

23. Personal Representatives, in their majority, agreed with the recommendations of the Panel on the South-South Cooperation proposals that emanated from the 12th Summit. Some PRs cautioned the Group that it should only take on what it could handle successfully. However, there was a view that the initiatives should be subjected to further professional and objective feasibility studies, rather than accepting the Panel's conclusion that was considered as mere perception. It was mentioned in this regard that Venezuela, Argentina and Brazil have recently started working on the idea of a South Television Network, while India and Venezuela had made pledges towards the establishment of the proposed G-15 Africa Fund. Furthermore, while acknowledging some difficulties on the feasibility of the proposed South Bank, a point was made that G-15 countries were strong enough to create it and that when it becomes operational, it could assist in the funding of G-15 projects and in assisting less developed countries.

24. Some PRs raised philosophical question on the compatibility between the G-15 as a Summit level Group for consultation and coordination, and the prevailing practice of using the Group as a vehicle for undertaking technical collaborative projects. They therefore called for a decision to clarify these two preoccupations.

## **XI. Chairman's Summary**

25. In his summary of the proceedings, the Chairman remarked that the Panel's Report was an unqualified success for having elicited important and stimulating discussions on the way forward for the Group. In response to a comment made, he observed that the Report was not meant to provide conclusions, but rather, to inspire the Group to greater heights. The Chairman summed up the main highlights of the discussions as follows:

- There was consensus on the continuing relevance of the Group and the need to further energize it;
- Broad agreement that the G-15 was essentially a Summit-level Group and not a conventional international organization;
- The vexed question of political will generated different feelings and perceptions. While it was possible to talk it up or talk it down, the important challenge before the Group was to harness it to enable the Group deliver on its responsibilities to its membership;
- While there was no outright objection to the recommendation on the possible expansion of membership by inviting South Africa and China to join the Group, it was agreed that it would be improper to approach them in the absence of an indication of interest from the two countries. It was however recommended that a way out was to approach them informally. Without prejudice to the foregoing considerations, it was observed that the Group needed to prove its vitality and credibility to make it more attractive to the outside world;
- That while the primary focus of the G-15 should be Development Agenda, it should not totally exclude political issues that have development dimensions;
- The need to deregulate G-15 procedures to ensure flexibility and accommodation of special

circumstances in relation to the hosting of Summits;

- There was consensus on the importance of making G-15 declarations and Communiqués short, focused and with the right political message;
- It was agreed that the G-15 should not compete with other groupings of developing countries. However, the importance of maintaining relationships with them was underscored, and to this end, it was recommended that the Chairman, in collaboration with the Troika, could take on this responsibility;
- A question was raised on whether the G-15, a Summit-level Group for consultation and coordination, should continue to engage in project-related activities. It was broadly felt that both preoccupations could be pursued together;
- It was broadly perceived that the Panel was hasty in concluding that most ongoing projects had performed successfully and that their number was not too many. It was therefore agreed to further examine projects with a view to determining those to be terminated or retained, as well as new ones that could be taken on;
- Consensus could not be reached on the recommendations to establish a full-fledged Secretariat and to double annual contributions. It was observed that the Group should further enhance its effectiveness and vitality before considering the conversion of the Technical Support Facility (TSF) into a proper Secretariat. It was acknowledged that the TSF was working efficiently and should continue to do so until the Group's financial situation improved to warrant its expansion;
- It was generally felt that member countries that were in arrears of contributions should be further encouraged by the Troika to meet their financial obligations, without resorting to the threat of suspension from membership of the Group;

## **XII. Procedure for handling the Report**

26. The Chairman invited the meeting to consider if it was necessary and practical to convene a meeting of the High Level Officials Commission to consider the Panel's Report, as earlier envisaged, or to submit it directly to the Foreign Ministers for their consideration. The meeting subsequently agreed with the Chairman's suggestion that the Report of the Panel of External Consultants should be transmitted, along with the present Report, to the 27th Meeting of the Ministers of Foreign Affairs, to be convened in September 2005 in New York. The Ministers, he noted, would be invited to consider and take decisions on the various recommendation, as appropriate, taking into account the comments made by the Personal Representatives.

\*\*\*\*\*