



GROUP OF FIFTEEN
The Summit Level of Developing Countries

SUMMARY RECORD OF THE CHAIRMAN
TENTH MEETING OF G-15 FOREIGN MINISTERS
New York, 27 September 1995

The meeting was chaired by H. E. Mr. Guido di Tella, Minister for Foreign Affairs in Argentina.

The list of delegates appears as **Annex A**.

1. Logistical and organisational aspects of the Summit.

At the request of the Chairman, H. E. Ambassador Alfredo Chiaradia, Under Secretary of International Economic Negotiations and responsible for the organisation of the G-15 Summit in Buenos Aires and to the document submitted by Argentina, briefed the meeting on this item and referred to the Summary Record of the Chairman of the meeting of Personal Representatives which provided a summary of the responses provided by Argentina to questions raised during a comprehensive discussion on this issue at that meeting.

The meeting agreed that the G-15 continued to have importance as a forum for consultation and cooperation and the progress that has been made in this context should be recognised. Argentina was commended for the timely and comprehensive arrangements made for the convening of the 5th Summit Meeting.

The delegation of Senegal requested that a reference be made in the Summary Record of the PRs meeting to the convening of the World Food Conference in 1996 under the auspices of FAO as H. E. President Diouf has indicated that he would like to see this issue discussed in Buenos Aires. Furthermore, it was reiterated that Senegal will be organising a G-15 forum on business opportunities some time in 1996. It was agreed that this too would be reflected in the section dealing with projects in the Summary Record of the PRs meeting where both these issues were referred to.

The delegation of Senegal also suggested that H. E. President Menem should be invited to the next G-7 Summit Meeting to be held in Lyon, France, to speak on behalf of the G-15 and the rest of the South following the Buenos Aires Summit. In this context, the meeting was informed that President Chirac of France had indicated at the last ECOSOC meeting that Heads of the World Bank, IMF and the United Nations would be invited to attend the next G-7 Summit.

2. Initial discussions on Substantive Issues to be considered by the Summit and the Summit Communiqué.

At the request of the Chairman, H. E. Ambassador Juan Carlos Sanchez Arnau, Chairman of the PRs meeting, reported to the meeting on the commendable work done by the drafting group convened in Geneva on the Draft Substantive document titled "Economic Cooperation

for the year 2000 and Beyond- An Agenda for Discussion". This document had been reviewed by the meeting of PRs who had concluded that it was a good basis for a draft Summit Communiqué. Recognising however that there was a need for further drafting, to improve the wording of some paragraphs, include some new ones following recent developments and attempt to make it more concise and action oriented, the PRs had suggested the following:

- Delegations could submit drafting suggestions in writing to facilitate the drafting of a Rev. 6 by the Chairman prior to the re-convening of a drafting group in Geneva which will work on this version.
- At the same time, the Chairman will also submit for consideration to the drafting group a more concise and action oriented version based on the above mentioned Rev. 6.
- Further drafting and finalisation of the document would take place in Buenos Aires if necessary.

H. E. Ambassador Sanchez Arnau also informed those present that the drafting group would be reconvened in Geneva to work on this document which would be submitted to the next meeting of Foreign Ministers for consideration just prior to the Summit. In addition, there would be a second document that would be produced at the end of the Summit which would reflect all decisions taken during the Summit and to be transmitted to the press by the President of the Host Country.

The meeting congratulated the Chairman on a well prepared document which it was agreed was an excellent basis for the formulation of a Summit Communiqué. The suggestion made by the PRs to refine this document with a view to making it more action oriented was supported, although, it was pointed out that the substance of the present version should not be diluted in the process. It was felt that the communiqué should be both economic and political in nature although it was also felt that the Summary of the Chairman at the end of the Summit could be a more political document. Some specific points which should be taken into consideration in the subsequent draft in exercises were highlighted as follows:

- The document should reflect both North-South and South-South dimensions of integration, cooperation and collective security.
- The most timely and relevant issues at the time of the Buenos Aire Summit should be incorporated.
- The draft should reflect G-15 vies on the establishment of the WTO and developments since the Marrakesh meeting last year, particularly with regard to the emphasis placed by developing countries on the need for a commitment for the provision of adequate resources for development, the removal of non-tariff barriers, and the avoidance of new conditionalities in terms of social clauses, environment and human rights issues.
- The issue of global portfolio investment flows should be addressed together with the inherent risks to national economic systems in the possibility of sudden withdrawal of

these investments. This should be incorporated as one of the surveillance tasks mandated to the IMF.

- The problem related to the UN system and its perceived relationship with the Bretton Woods Institutions and the WTO requires focus.
- There should be clear articulation of the G-15's own perception of its role for the year 2000 and beyond with a special emphasis on how to strengthen Cooperation particularly South-South in keeping with the Group's overall objectives.

3. The Terms of Reference of the CITT and the status of implementation of G-15 projects.

At the request of the Chairman, H. E. Ambassador Sanchez Arnau briefed the meeting on the work carried out by an open drafting group in Geneva with regard to the formulation of the Draft Terms of Reference for the CITT. Further discussions on this document had been carried out at the PRs meeting in New York. While accepting the document in principle, the PRs agreed however, that it should be sent to Geneva for refining on a few paragraphs, in order to avoid overlaps, and finalisation before being presented in Buenos Aires for final consideration and approval.

The meeting agreed that the CITT was a timely and important initiative that would provide a workable mechanism for the enhancement of trade, investment and technology cooperation among member countries. It was emphasised that the CITT should be a practical and functional mechanism that would harness the contributions of existing structures and projects of the G-15 and would also involve the participation of the business sectors of member countries. The contribution and commitment of all member countries was required to ensure the success of this initiative. It was also recognised that apart from G-15 networks, other UN and relevant international organisations should also be tapped for support and assistance. It was agreed that the budgetary and financial requirements for the operationalisation of the CITT should be evaluated. However, the meeting noted that the TSF would be in a position to provide the necessary support to the CITT in its initial stages and additional expenditure was not envisaged at present.

It was noted that the Terms of Reference document would also be made available in French and Spanish.

H. E. Ambassador Sanchez Arnau also informed the meeting that the PRs had reviewed and taken note of a report prepared by the TSF on the status of implementation of G-15 projects. It was evident that while some projects were progressing, others lacked the degree of commitment to facilitate their active implementation. In this regard, recommendations of the working group set up in Geneva last May to evaluate the progress of project implementation had been noted. It was also felt that the Buenos Aires Summit should focus on how to overcome the major obstacles to the implementation of agreed projects, particularly that of lack of resources.

Referring to the SITTDEC project in particular, the meeting agreed that it was an important initiative and the Buenos Aires Summit would provide the opportunity for active consideration on how to make this project more effective and operational in the long term. It was also recognised that SITTDEC could provide significant support to the CITT.

The Minister of Indonesia pointed out that G-15 projects were launched on the understanding that they would ultimately be opened to participation by other developing countries in NAM and G-77. As such, although minimal interest had been shown by G-15 member countries in the project on External Debt, this initiative had led to the formulation of an on-going program by NAM and had attracted the participation of 50 of the most highly indebted countries in Africa and Asia. This project could therefore be withdrawn from the G-15 list.

4. Financial and Administration matters- Report of the Steering Committee.

- At the request of the Chairman, H. E. Ambassador Sanchez Arnau briefed the meeting of the deliberations of the 16th meeting of the Steering Committee held earlier in the afternoon and informed that:
- The meeting considered three documents pertaining to the financial and administrative matters of the TSF.
- The “Annual Financial Accounts” of the TSF for the year ended 31 December 1994 duly audited and certified by the external auditors were reviewed and approved by the meeting.
- The Steering Committee reviewed the annual estimated expenditure of the TSF for 1995 and noted that although the activities of the TSF had remained unchanged, the estimated expenditure of Sfr. 1,044,000 was lower than that of prior years. Consequently, the annual equal pledge for 1995 required from each member country is only US\$ 58,000 which is 20% lower than in the previous years. The meeting approved this pledge and agreed to propose it to the Foreign Ministers for their agreement. The meeting further noted that as in the past, the actual expenditure for the current year will be kept within the approved estimates and that available funds with the TSF had been gainfully invested in interest bearing investments.
- In reviewing the status of the financial contributions from the member countries, the meeting noted there remained an unpaid balance of US\$ 1.4 million including US\$ 430,000 from the initial contribution agreed upon in 1990 and felt that all outstanding pledges should be fulfilled as soon as possible and agreed to bring this matter to the attention of the meeting of the Foreign Ministers.
- With regards to the proposed restructuring of the TSF, it was decided that proposals would be made available to the Foreign Ministers of the Group whereby they could be reviewed at the Capital level before the forthcoming Summit in Buenos Aires.

The Report and Annual equal pledge of US\$ 58,000 was agreed upon by the meeting. With regard to the unpaid contributions, the delegation of Senegal informed that it would do its utmost to fulfil its outstanding financial contributions. In response to their request for the report of the Steering Committee meeting for transmission to the capital for appropriate follow up, Ambassador Sanchez Arnau informed that the report will be made available shortly in Geneva.

5. Any other business.

The Chairman suggested to the meeting that the issue of enlarging the membership of the Group merited to be considered and that discussion on this issue had already been undertaken by the Steering Committee. The rationale for expanded membership was very much determined by the need for balanced regional representation, while recognising that the objective of any such exercise should also be the enhancement of the effectiveness and profile of the Group without making it unwieldy.

The issue continued to be a relevant and important one. Recalling the earlier initiatives taken over the past 3 years, the meeting agreed that the Chairman of the Group should pursue this matter on the basis of consultations so that any proposal could be considered by the HOS/G when they meet in Buenos Aires.

The Chairman agreed to pursue this initiative carefully prior to further discussions in Buenos Aires.

Geneva, 6 October 1995.