



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

**G-15/02/FM23/2**

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**REPORT BY THE CHAIRMAN OF THE MINISTERS OF FOREIGN AFFAIRS  
OF THE GROUP OF FIFTEEN ON THEIR TWENTY-THIRD MEETING**

New York, 15 November 2001

1. The 23<sup>rd</sup> Meeting of the Ministers of Foreign Affairs of the Group of Fifteen was held on 15 November 2001 in New York under the Chairmanship of His Excellency, Mr. Luis Alfonso Davila Garcia, Minister of Foreign Affairs of Venezuela. The Chairman remarked that it was a great honour for him to chair the meeting, taking place in the aftermath of the events of 11 September 2001 that have fundamentally changed the world. He reiterated that Venezuela categorically condemned the terrorist attacks against New York and Washington. Several Ministers also condemned the phenomenon and restated the position of their countries as well as that of the Group on terrorism.

2. The Ministers expressed their deepest sympathies and solidarity with the Government and people of Algeria for the recent flood incident that led to unimaginable loss of life and property. Similar condolences were extended to the Government and people of the Dominican Republic in the wake of the 12 November 2001 air disaster in New York that led to the death of several of their nationals.

**Item 2 – Report by the Chairman of the Personal Representatives on the follow-up of the implementation of the decisions of the XI Summit and other activities of the Group**

3. The Ministers received an oral report by the Chairman of the Personal Representatives, Ambassador Werner Corrales Leal, the Personal Representative of the President of Venezuela, on the activities undertaken by the Group to follow-up on the implementation of the decisions of the XI Summit and other decisions and activities of the Group. Details of these activities, as well as those related to preparations for the XII Summit are contained in document **G-15/01/FM23/3**. At the request of the Ministers, the Chairman of the Personal Representatives briefed the meeting on the outcome of the Doha Ministerial Conference of the World Trade Organization (WTO). He noted in particular that the issues of textiles, agriculture, environment, as well as TRIPs and public health were very contentious. These issues were eventually resolved and paved the way for the successful conclusion of the Ministerial Conference.

4. In response to the Report by the Chairman of the PRs, the following comments and

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observations were made:

- Acknowledgement of the progress made by the PRs in the implementation of decisions and activities of the Group since the XI Summit in Jakarta;
- The Group should undertake joint evaluation of the outcome of the Doha Ministerial Conference of the WTO and consult on the impending negotiations in the WTO to protect the interests of member countries; to this end, the urgency for the establishment of the proposed Working Group on International Trade Matters to facilitate consultations and coordination was highlighted;
- Expression of appreciation and general support for Iran's offer to host the XIV Summit in 2004 and agreement to recommend same to the XII Summit.

With the foregoing comments and observations, the Ministers expressed appreciation to the Personal Representatives for their commendable efforts and took note of the Report of the Chairman of the PRs.

**Item 3 – Report by the Chairman on the Progress of Consultations on the Decision of the XI Summit establishing a Commission aiming to increase the efficiency of the G-15 in the implementation of its decisions**

5. The Chairman observed that the Government of Venezuela felt gratified on the significant progress made on the establishment of the G-15 Commission. He informed that consultations were held at three levels: first, President Hugo Chávez sent direct notes to a number of the Heads of State and Government of the Group; second, Special Envoys of the President delivered communications addressed to the Heads of State and Government, presenting the Venezuelan proposal on the mechanisms of the Commission; in parallel with this and as the third level of consultation, the Personal Representative of the President of Venezuela held individual consultations in Geneva with his counterparts. He noted that the Venezuelan proposal on the Commission was significantly enriched by the contributions of all member countries.

6. The Chairman noted that the establishment of the Commission would have no budgetary implications on member countries and would not duplicate nor limit the functions of the Personal Representatives. Its functions will therefore be on the one hand to monitor closely the implementation of decisions adopted at Summit Meetings and to recommend appropriate measures to improve the effectiveness of implementation of those decisions and, on the other hand, to study and recommend actions aimed at helping to improve the effectiveness of the G-15 in achieving its objectives. He reiterated that Heads of State and Government of the G-15 will evaluate the work of the Commission during their Twelfth Summit Meeting, which will take place in Caracas on 15 and 16 July 2002. The Chairman stated that the Commission will consist of nine Personal Representatives of the Heads of State and Government of the G-15, including the three Personal Representatives making up the current Troika, whose chairman will preside over the meetings of the Commission. Further information in this regard are contained in the Report of the Chairman on the Process of Consultations for the Establishment of the Commission, as well as in the paper entitled, G-15 Commission to Improve the Implementation of the Group's Decisions.

7. In addition to the three members of the Troika, i.e., Venezuela, Indonesia and Algeria, the Chairman announced that informal consultations among member countries have led to the following nominations for the six additional members of the Commission:

- Africa: Nigeria and Zimbabwe
- Asia: India and Malaysia
- Latin America and the Caribbean: Brazil and Peru

8. The Chairman invited the Ministers to adopt the proposed terms of reference of the Commission and to appoint its members as recommended above. In their various interventions, the Ministers voiced their appreciation and support for the new dynamism and seriousness of purpose which President Hugo Chavez has brought to the management of the affairs of the G-15, as well as for the extensive consultations undertaken by Venezuela on the establishment of the Commission. Highlights of further comments and observations made by the Ministers included the following:

- That the terms of reference of the Commission, as reflected in document **G-15/01/FM23/5**, represented an acceptable consensus of the views expressed by member countries on the establishment of the Commission, which should be open-ended;
- While support and approval were given to the appointment of the members of the Commission as recommended, a view was however expressed that it was understood in Jakarta that its membership would be at a higher level of representation;
- Present effort to revitalize the Group was generally welcomed in light of the fact that some important decisions of previous Summits remain largely unimplemented;
- Action required by the Commission to reverse the slow pace in realizing some of the founding objectives of the Group, particularly South-South cooperation for collective self-reliance and prosperity of developing countries and a more credible role by the G-15 in global affairs;
- That the advent of globalization and the declining fortunes of developing countries demand that the Group should play a more active role in forging global consensus on economic cooperation for development.

**Item 4 – Briefing by the Chairman on the preparations for the XII Summit of the G-15 and other activities being conducted by Venezuela during its chairmanship**

9. The Chairman outlined the activities that Venezuela, as Chairman of the G-15, has included in its plan of activities. He stated that President Hugo Chávez intends during his term as Chairman of the G-15 to contribute to enhancing North-South political dialogue. He recalled the meeting that took place on 12 October 2001 between President Chávez and Mr. Silvio Berlusconi, the Prime Minister of Italy and President of the G-8, during which North-South relations and, in particular, the importance of direct dialogue between the G-15 and the G-8 was stressed. Accordingly, both leaders agreed to explore the possibility of a working meeting between the Troikas of the two Groups in May or June 2002 and for which the technical experts would prepare the agenda for the meeting. On the subject of Financing for Development, both leaders considered the importance of creating mechanisms that would enhance the effectiveness

of those resources in the attainment of development objectives. The Chairman also informed the meeting of the efforts being made by President Chavez to sustain this dialogue with the Prime Minister of Canada who will assume the Presidency of the G-8 in the year 2002. Furthermore, he recalled his efforts for an informal meeting between G-15 Foreign Ministers and the Foreign Minister of Italy in the course of this meeting in New York, which could not materialize for reasons already known to all.

10. The Chairman restated that the theme for the XII Summit will be "Energy and Development". It will take a global approach to such aspects as the use of various sources of energy, the relationship between energy and environment, and cooperative relationships between developing countries that are net producers and net consumers of energy. He disclosed that Venezuela was organizing a series of events in response to the mandate that emerged from the Jakarta Summit, and other areas of interest shown by member countries. On energy and development, a preparatory meeting of experts will be held in March 2002. A meeting of Energy Ministers would take place on 12 July 2002 in the course of the Summit and would receive inputs from the meeting of experts mentioned above.

11. Furthermore, Venezuela will organize a first meeting of experts on Science and Technology on 6-7 December 2001, on the topic of "The Extension of the use of Information and Communications Technology as a Development Strategy". The second meeting of experts would take place by March 2002, to focus on bio-trade, intellectual property and traditional knowledge. The outcomes of these expert meetings will serve as inputs to the meeting of Science and Technology Ministers, scheduled for the middle of May 2002. The Chairman also informed that in the course of the XII Summit, Venezuela would organize a G-15 Trade Fair and Exhibition, as well as other private sector activities related to the theme of the Summit. The Chairman announced that, as part of South-South Cooperation, Venezuela will offer to member countries eighteen (18) scholarships on its Training Programme for International Economic Negotiators. The programme was designed to provide training that combines national development strategies, trade policies and multilateral disciplines.

12. In conclusion, the Chairman pledged Venezuela's commitment and support to the various initiatives by other member countries. These included, Malaysia's proposal on the establishment of the G-15 ICT Task Force; Egypt's G-15 Online Resource Centre; Malaysia's plan to convene an Experts Meeting on the Reform of the International Financial Architecture; the International Conference on Financing for Development to be hosted by Mexico in March 2002, as well as the proposed G-15 Experts Meeting preparatory to the 4<sup>th</sup> Meeting of the Preparatory Committee of the Conference to be held in January 2002 in New York; as well as Brazil's initiative on Access to medicines and Intellectual Property within the WTO. Further information on the range of activities to be undertaken in the run-up to the XII Summit and other initiatives of the Group are contained in the "Report by the Chairman of the Foreign Ministers of the G-15 on preparations for the XII Summit of Heads of State and Government and other activities that will be carried out during the term of the Venezuelan Chairmanship".

13. In response to the Chairman's briefing, the Ministers commended Venezuela for its able stewardship of the affairs of the Group, and in particular, for the very important activities being undertaken in preparation for the XII Summit. They undertook to facilitate the active

participation of their countries in the series of the scheduled meetings. Highlights of further comments and observations made by the Ministers included the following:

- The meeting welcomed the recent meeting between the Chairman of the Group and the Prime Minister of Italy, seen as an elevation of the G-15/G-8 dialogue that should be sustained;
- The XII Summit theme of Energy and Development was unanimously welcomed and endorsed;
- Expression of appreciation to the Government of Venezuela for offering scholarships to member countries on its Training Programme for International Economic Negotiators;
- The Group should identify its priorities and interests in preparation for the International Conference on Financing for Development to be hosted by Mexico in March 2002; to this end, the meeting welcomed the proposal by Mexico to convene in New York, an informal meeting of G-15 Experts on finance, to hold preferably in January 2002, prior to the 4<sup>th</sup> Meeting of the Preparatory Committee of the Conference, scheduled for 14 January 2002 in New York;
- As its contribution to the efforts to reform the international financial architecture and in preparation for the International Conference on Financing for Development, the Group should define its approaches and identify measures for strengthening the international financial architecture, as well as in making globalization work for all;
- That the Group should explore the possibility of consultations in preparation for the Summit on Sustainable Development to be held in September 2002 in Johannesburg, South Africa;
- The need for cooperation and consultations with developing countries' groupings, such as the G-77, NAM and the G-24, particularly in preparation for major international meetings;
- Progress on the establishment of the G-15 Task Force on ICT was welcomed; the Group should endeavour to benefit from relevant international ICT initiatives, such as the UN ICT Task Force and the G-8 Dot force.
- Malaysia informed that the first meeting of the G-15 Task Force on ICT will be held on 20-21 February 2002 in Kuala Lumpur, Malaysia;
- Zimbabwe sensitized the Group on its ongoing problems with Britain in particular and the EU in general over its land reform programme. The country stated that it was a matter of equitable redistribution, and not dispossession or alienation of land currently monopolized by a few white farmers as a result of existing colonial legacy. Zimbabwe therefore urged the G-15 to join the G-77, the NAM and the OAU in demanding an end to this injustice;

#### **Item 5 – Administrative and Financial Matters:**

- **Proposed Budget for the year 2002**
- **Proposals for financing the Budget**

14. The Chairman of the Personal Representatives was invited to introduce the Proposed Budget for the year 2002, contained in document **G-15/01/FM23/4**, amounting to about CHF. 1,176,700 (US\$ 735,437). He mentioned that as a precaution, an exchange rate of 1.6 percent was used instead of 1.65 percent which the TSF had recommended because of the uncertainty on how the market would react to the introduction of the Euro in 2002. He drew the attention of the Ministers to paragraphs 2 and 3 of the Note to the Proposed Budget, outlining

the feasible financing option in light of the huge level of outstanding contributions. The option would require that annual contribution for 2002 be retained at US\$ 25,000 per member, while the shortfall will be met from the accumulated interests for next year and part of the savings on the current year's budget. In reaction to the presentation, the meeting urged member countries in arrears of contribution to take urgent steps to settle their unpaid contributions. A clarification was sought on why the Group invests its funds in low interest yielding bonds and accounts in Switzerland, while it was possible to get much higher interest rates in a variety of bonds available in developing countries. In response, the meeting was informed that, after taking all factors into account, the Troika considered it prudent to invest the Group's funds in safe and non-speculative investment securities, although at low interest rates, in line with the investment rules of the Group. The Ministers then approved the Proposed Budget for 2002, taking into account the financing option recommended by the PRs.

15. Before adjourning the meeting, the Chairman expressed his appreciation to the Ministers and remarked that he looked forward to receiving them in Venezuela for their 24<sup>th</sup> Meeting in the course of the XII Summit.

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