



GROUP OF FIFTEEN
The Summit Level Group of Developing Countries

G-15/03/FM24/2

Date issued: 09 October 2003

Distribution: GENERAL

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

New York, 24 September 2003

1. The 24th Meeting of the Ministers of Foreign Affairs of the Group of Fifteen was held on 24 September 2003 in New York under the Chairmanship of His Excellency, Ambassador Roy Chaderton Matos, Minister of Foreign Affairs of Venezuela. In his opening remarks, the Chairman informed the meeting of the decision of the Government of Venezuela to host the XII Summit in the first quarter of 2004, which was informed by the determination of H. H. President Hugo Chavez to revamp the G-15. The Chairman stated that the Summit would provide an opportunity for the Group to review the events of the 5th WTO Ministerial Meeting in Cancun and the impact on developing countries of the world economic slowdown, among others. He observed that it was the view of the Government of Venezuela that the functioning of the G-15 should not necessarily depend on the hosting of Summits. He noted in this regard that it was necessary to adopt a work programme and to put in place possible options that would make the transfer of Chairmanship possible outside the framework of a Summit. He recalled the outcome of the preparatory meetings held on Energy and Development and Science and Technology, as well as the series of expert meetings held in other member countries. He remarked that the Group had established mandates for the improvement of its international visibility, the promotion of cooperation among member countries and with other developing countries, as well as with the countries of the North, particularly the G-8. The Chairman also referred to the role of the G-15 Commission to improve the implementation of the Group's decision. He called on Ministers to explore further measures to strengthen the Group through concerted action. The Chairman therefore expressed the hope that the outcome of this meeting would contribute positively to the preparations for the XII Summit.

2. The Ministers expressed their condolences to the Government and people of Zimbabwe upon being informed of the recent demise of the country's First Vice President.

Item 1 – Adoption of the Agenda

3. The Ministers adopted the Provisional Agenda for the Meeting without amendment and proceeded with the consideration of the items of the Agenda.

Item 2 – Consideration of the Report of the Chairperson of the Personal

Representatives:

- (a) Convening of the XII Summit;**
- (b) Exchange of views on the challenges facing the G-15 and its vision, orientation, objectives and activities;**
- (c) Consideration and approval of the Proposed Budget for the year 2004.**

4. The Ministers received an oral report by the Chairperson of the Personal Representatives, Ambassador Blacanieve Portocarrero, the Personal Representative of the President of Venezuela, on the deliberations of the Personal Representatives of Heads of State and Government of the Group of Fifteen in their recent meetings. In this regard, she made references to the reflections on the situation of the Group arising from the earlier cancellation of the XII Summit, and the recommendations for Ministers of Foreign Affairs to exchange views on the Group's original objectives and orientation in light of its past experiences and the fundamental changes that have taken place since its founding with a view to establishing a mandate for further work by the PRs; the recent announcement by the government of Venezuela to convene the XII Summit in the first quarter of 2004 which the Personal Representatives welcomed as a positive contribution to the future work of the Group; and the Group's Proposed Budget for 2004 recommended by the PRs for consideration and approval by the Ministers of Foreign Affairs. For details of the deliberations on these issues, the Chairperson of the Personal Representatives referred the Ministers to her Report contained in document **G-15/03/FM24/3**.

(a) Convening of the XII Summit

5. The Ministers warmly welcomed the decision of the Government of Venezuela to host the XII Summit in the first quarter of 2004 after the anxiety and stalemate caused by its earlier cancellation. Ministers commended the Government of Venezuela for taking this bold step in spite of its present economic and political difficulties. The meeting saw this gesture as a further testimony to Venezuela's commitment to the G-15 and looked forward to the Summit as another watershed that would give vent to the cause of the Group. Ministers however urged the Government of Venezuela to take timely action to confirm the precise date and to consult with member countries in this regard to facilitate adequate preparations for the participation of Heads of State and Government in the Summit. Algeria on its part reaffirmed its earlier offer and readiness to host the XIII Summit in Algiers and looked forward to the successful outcome of the XII Summit.

(b) Exchange of views on the challenges facing the G-15 and its vision, orientation, objectives and activities

6. In their interventions, the Ministers acknowledged the general thrust of the aspects of the Report of the Chairperson dealing with the challenges facing the Group and its vision, orientation, objectives and activities. They therefore welcomed the opportunity to share viewpoints on these issues with a view to giving the desired direction, vitality and purpose to the Group. To this end, the Foreign Ministers made the following comments and observations:

- Observation that the 21st Meeting of the Ministers of Foreign Affairs held in 2000 in Mexico City had identified the core problems of the Group in relation to its doctrines,

orientation and efficiency, which eventually led to the establishment of the G-15 Commission; that therefore, the Commission should carry out its responsibilities seriously, including the implementation of the decisions of previous Summits;

- Expression of regret on the recent lull in the activities of the Group which undermined its image, visibility and credibility; in consequence, the Group should undertake a more active role on the international scene to regain its position and enhance its identity;
- That analysis of the world economic and political situation as they impact on developing countries would enable the Group to better cope with the realities of the present international order; to this end and with a view to promoting solidarity among member countries, it is vital to continue to promote consultations among Heads of State and Government of the G-15;
- Member countries should re-affirm and demonstrate their political commitment to the G-15, as it represents a key grouping of developing countries dedicated to promoting South-South cooperation and consultation, and that as a result, discussions should not detract from this *raison d'être*, a fact more relevant today than ever;
- The prevailing international situation and the aggravation of the challenges of development faced by developing countries underline the continuing relevance of the G-15;
- That developments in the international scene, including the recent failure of the 5th WTO Ministerial Meeting in Cancun, call for developing countries to close ranks and present a united front on issues that affect them; that this development underscored the continuing relevance of developing countries' groupings such as the G-15, and that therefore, the Group should be further strengthened to enable member countries cooperate and consult to protect their individual and common interests;
- The Group should redouble its efforts to forge new links and deepen cooperation, as well as seek to strengthen links with other developing countries in view of our common challenges and difficulties;
- That the G-15 has immense economic and political potentials that remain to be fully tapped to deepen its foundation as a vital vehicle for South-South cooperation and a framework for promoting North-South dialogue;
- South-South cooperation should be further strengthened among member countries and should constitute the centerpiece of G-15 focus; within this context, cooperation on collaborative projects should be strengthened and made more result-oriented;
- The Group should explore new ways and means of attracting foreign investment and fostering partnerships with the private sector as well as addressing external debt problems of developing countries;
- It is imperative to seek further measures to enhance intra-G-15 trade and investment opportunities among member countries to counter some of the difficulties of globalization; in this regard, it was considered crucial to revitalize and enhance the role of the Committee on Investment, Trade and Technology (CITT) and the G-15 Commission;
- Cooperation among member countries should be further enhanced in relevant fields through the various activities of the Group, particularly in the areas of common interest to member countries;
- A suggestion that issues of multilateral trade, energy and development, as well as ICT which are the main ingredients of the globalization process should be considered as subjects for North-South (G-15/G-8) dialogue; need to strive for effective cooperation with the G-8 was stressed
- The need for the Group to attain a common appraisal of issues and international

developments, to forge common approaches among its members and to focus on core competencies of the G-15 call for the re-examination of its political agenda and improvement of its internal coherence as well as greater clarity in the objectives and role of the G-15 by clearly defining its goals and a common agenda;

- That while the Group might have experienced some institutional crisis, this should not be seen as unique since other groupings, such as the NAM and the G-77 had faced similar difficulties engendered by the processes of globalization and regional economic and political integration; as a result, the Group should strengthen its capacity, adopt its own goals and mission to enable it better manage new challenges;
- That the Group should guide against creating unnecessary bureaucracy in its working methods;
- That within the context of the preparations for the XII Summit, Personal Representatives (PRs) should undertake further work on these issues with the support of the Technical Support Facility; it was however suggested that in light of the time constraint faced by PRs and the difficulty of reaching consensus within the Group, the assignment should be given to an independent consultant conversant with the preoccupations of the G-15.

(c) Consideration and approval of the Proposed Budget for the year 2004

7. In the course of their consideration of the Proposed Budget for 2004, Ministers expressed serious concerns on the significant level of unpaid contributions, which they noted could precipitate financial crisis in the Group. Member countries in arrears of contribution were therefore urged to take urgent steps to settle their unpaid contributions. It was suggested to create a system of incentives or sanctions that would make member countries to pay their financial contributions in time. Colombia, one of the member countries in this category, informed the meeting that its Congress was already considering a bill that would make it possible for the payment of its financial contributions to the Group. Colombia therefore called for the understanding of member countries. A clarification was sought on why the Group still invested its funds in low interest yielding bonds and accounts in Switzerland, an issue raised at the 23rd Meeting of the Ministers of Foreign Affairs held in November 2001. In response, the Head of the TSF informed the meeting that the matter was taken up by the Troika and the PRs and that, after a careful examination of various investment proposals and the uncertain investment climate, it was deemed prudent to retain the Group's funds in safe and non-speculative investment securities, albeit at low interest rates, in line with the investment rules of the Group. The Ministers then approved the Proposed Budget for 2004, taking into account the financing option recommended by the PRs.

8. Having concluded the consideration of the issues raised in the Report of the Chairperson of the Personal Representatives, the Ministers expressed their appreciation to the Personal Representatives for their commendable efforts and took note of the Report.

Item 3 – Other business

9. The Chairman drew the attention of the Ministers to the Financial Reports for the years 2001 and 2002 already circulated at the meeting. The Reports, prepared by the Group's official auditors, contain the income and expenditure for the relevant years which could not be presented much earlier because there was no meeting of Foreign Ministers since the one held in November 2001. The Ministers took note of the Audit Reports on the financial statement of the Group for the years 2001 and 2002.

10. Before adjourning the meeting, the Chairman expressed his appreciation to the Ministers and noted the spirit of renewal and commitment to further strengthen the Group to enable it realize its potential. This, he noted, enjoins member countries to work together to enable the Group serve as a credible interlocutor. He concluded that the attainment of this goal would depend on the extent to which member countries give real form to the Group.
