



GROUP OF FIFTEEN
Summit Level Group of Developing Countries

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**REPORT BY THE CHAIRMAN OF THE MINISTERS OF FOREIGN AFFAIRS
OF THE GROUP OF FIFTEEN ON THEIR THIRTIETH MEETING**

New York, 26 September 2008

The 30th Meeting of the Ministers of Foreign Affairs of the Group of Fifteen was held on 26 September 2008 in New York under the Chairmanship of His Excellency, Mr. Manuchehr Mottaki, Minister for Foreign Affairs of the Islamic Republic of Iran. In his opening remarks, the Chairman expressed his hope that this meeting, the second meeting of G-15 Foreign Ministers since the Havana Summit of 2006, would be a turning point in increasing solidarity and friendship among the nations and people of G-15 member countries. He noted that the meeting was being held at a time when countries around the world were facing pressing challenges in many areas. He stressed however that developing countries had the full potential to meet these challenges through the promotion of solidarity among themselves and capacity building through South-South cooperation. The Chairman noted that South-South cooperation had become a major feature of the international economy, global trade and investment flows. He therefore underscored the urgent need to enhance cooperation, consultation and coordination as well as solidarity among G-15 member countries.

The Chairman added that since assuming chairmanship of the Group of Fifteen in September 2006, the Islamic Republic of Iran has made efforts to further strengthen the Group by advancing several proposals for South-South cooperation. These, he stated, include the initiation of new G-15 projects as well as preparing revised criteria and guidelines for selecting and implementing G-15 projects. He observed that these proposals have been considered in the meetings of G-15 Experts and Personal Representatives and recommended for approval. These meetings he further noted, have also considered and approved Modalities for Operationalization of the Working Group on Water and the Working Group on Rural and Agricultural Development, submitted by the Islamic Republic of Iran.

The Chairman underlined the fact that while the G-15 has high potential, this has yet to be fully realized. He noted nonetheless, that it was the considered view of Iran that due to its composition that includes important developing countries, the Group will ultimately be able to realize its lofty goals of South-South cooperation as well as the establishment of a constructive, rational relationship with the developed countries. The Chairman announced that it was proposed to hold the 14th Summit under the theme of "Tourism" and invited suggestions from member countries on ways and means of cooperating in this sector. He reminded the meeting that the absence of a possible host country for the 15th Summit had direct implications for the date for holding the 14th Summit as well as transferring the Chairmanship of the Group.

While concluding his opening remarks, the Chairman expressed his profound appreciation to G-15 Foreign Ministers and Heads of delegations for honouring the invitation to the meeting in spite of their busy engagements.

In their deliberations, the Ministers dealt with both substantive issues as well as issues related to the management of the Group's affairs. This included action and directions on the recommendations submitted by the Personal Representatives on the activities of the Group, consultations on a possible host country for the 15th Summit as well as required actions on financial issues of the Group. A summary of the proceedings of the meeting is presented hereunder:

Consideration of the Progress Report by the Chairman of the Personal Representatives on the implementation of the decisions and other activities of the Group

Ambassador Mohammad Khazaei, Permanent Representative of the Islamic Republic of Iran to the United Nations in New York, presented the highlights of the Report of the Chairman of the Personal Representatives submitted by Ambassador Ali Reza Moaiyeri, the Personal Representative of the President of the Islamic Republic of Iran. The report covered the preoccupations of the Personal Representatives of Heads of State and Government of the Group of Fifteen (PRs) in their meetings as well as other activities of the Group beginning from the last Meeting of the Ministers of Foreign Affairs held in New York on 28 September 2007. The Chairman brought to the attention of Honourable Ministers some key issues raised in the Report of the Chairman of the Personal Representatives that required action by the meeting, including, among others, the recommendations on the Draft Modalities for the Operationalization of the Working Group on Water as well as the Working Group on Rural and Agricultural Development; Establishment of the G-15 Africa Cooperation Fund; the Suggested Guidelines for the Selection and Implementation of G-15 Collaborative Projects as well as the new project proposal submitted by the Islamic Republic of Iran on a Cooperation Framework amongst G-15 Countries for the Development of Renewable Energies; Financial matters of the Group and consultations on a possible host country for the 15th Summit as well as matters related to the activities of the G-15 Federation of Chambers of Commerce, Industry and Services (FCCIS).

• **Action on Draft Modalities for the Operationalization of the Working Group on Water and the Working Group on Rural and Agricultural Development**

With regard to the Working Groups on Water and Rural and Agricultural Development, the meeting appreciated Iran's efforts in the preparation of Modalities for the operationalization of both Working Groups. The meeting agreed on the need to keep the structure of the Working Groups simple, as elaborate arrangements might not be sustainable in the long term. In their individual interventions, Ministers noted that the establishment of the Working Groups was very important and timely as several emerging challenges were precipitating a food crisis in many parts of the world. It was stressed that the Working Groups should focus on capacity building, extension of training facilities and exchange of experiences including experience on maintenance of traditional irrigation systems. It was also stated that the scope for knowledge sharing was limitless and the Working Groups could address other pressing issues such as rural-urban migration. It was also pointed out that the list of topics for the Working Group on Rural and Agricultural Development should be streamlined so that the Working Group can be better focused and result-oriented. The meeting thereafter approved the recommended Modalities with a view to activating both Working Groups.

• **Action on the progress report on the establishment of the G-15 Africa Cooperation Fund**

With regard to the establishment of the G-15 Africa Cooperation Fund, the meeting noted that the Group continued to have difficulties in arriving at a consensus on the way forward despite the fact that during the previous meeting of Foreign Ministers, a number of guidelines had been suggested by the Ministers. It was observed that the Personal Representatives had requested that

Ministers might wish to give new directions on the matter with a view to facilitating a broader understanding that would ensure the needed consensus on the establishment of the Africa Cooperation Fund. In their interventions, Ministers expressed the following viewpoints:

- Launching of the Africa Fund should no longer be unduly delayed. The Group could overlook institutional concerns and advance funds to worthy projects which some members may be ready to put forward;
- The Group could follow the example of the Perez-Guerrero Trust Fund, and launch the Africa Fund with a small amount of financial capital;
- In case the Group has difficulties in financing a new Fund, member countries that have bilateral economic agreements with African countries should be encouraged to deepen them;
- The Africa Fund should make use of the existing technical cooperation programmes of member countries;
- Existing bilateral arrangements between several individual G-15 countries and African countries as well as inter-regional initiatives such as those between Latin American countries and Africa can provide guidance for the initiation of the G-15 Africa Fund.

The Meeting urged Personal Representatives to study the above suggestions and continue with their consultations in order to arrive at an early consensus on the issue. Ministers also endorsed the suggestion that individual member countries should submit a list of bilateral activities they have undertaken with African countries. It was observed that Personal Representatives could take these into consideration while attempting to find a way forward on the establishment of the Africa Fund.

- **Consideration and Approval of the Suggested Guidelines for the Selection and Implementation of G-15 Collaborative Projects**

With regard to G-15 projects, attention of the Meeting was drawn to efforts made by Personal Representatives to evolve revised Guidelines for the Selection and Implementation of G-15 Collaborative Projects. Ministers expressed the hope that these Guidelines would ensure the success of a new round of projects and mark a turning point in the Group's efforts to launch credible and sustainable cooperation projects that would bring practical benefits to the peoples of G-15 member countries, while increasing the Group's visibility at the same time. To attain this goal, it was stressed that member countries should pay more attention to effective implementation of projects. While adopting the Suggested Guidelines, Ministers acknowledged the right of member countries to follow their own peculiar system of project preparation and implementation. The meeting further decided to include an additional criterion in the Guidelines that allowed triangular cooperation with institutions and agencies of the UN system as well as with non-member countries.

- **New Project Proposal by the Islamic Republic of Iran on a Cooperation Framework amongst G-15 Countries for the Development of Renewable Energies**

Ministers also noted with satisfaction that a new project proposal on a Cooperation Framework amongst G-15 Countries for the Development of Renewable Energies recently submitted by the Islamic Republic of Iran was under consideration of the Group for launching by the time of the XIVth Summit in Tehran. Ministers appreciated the fact that the project comes at a time when developing countries were struggling to cope with new global challenges such as the increasing cost of energy, escalating food prices and the latest round of financial turmoil. It was observed that in the destabilizing environment of the moment, a G-15 project on alternative energy that could address many energy challenges and contribute to energy security for member countries deserved positive consideration by the Group.

- **Action on Other Activities of the Group**

Ministers also endorsed the recommendation of the Personal Representatives to approve the request of Chairman of the G-15 Federation of Chambers of Commerce, Industry and Services (FCCIS) to hold regular meetings of the body on the sidelines of G-15 Summits of Heads of State and Government. Ministers further noted with encouragement that the 15th Annual Meeting of the Federation will be held from 18 -24 October 2008 in New Delhi, India, under the very important theme of “World Commodity Prices Development and the Need to Enhance Cooperation in Trade and Investment within G-15 Countries”.

The meeting commended the Government of Egypt for once again offering additional training courses on Agriculture for the year 2009 for officials of G-15 member countries under the G-15 Human Resource Training Programme. Other member countries were urged by the Chairman to emulate this gesture in the spirit of further elevating G-15 cooperation.

The meeting also commended the staff of the Technical Support Facility for their efforts during the past year. Particular mention was made of the posting of useful information about the increasing bilateral economic activities between member countries on the Group’s website. The meeting endorsed such web-based activities that would enhance the visibility of the G-15 and add credibility to the Group.

Consultations on a possible host country for the 15th Summit

The Bolivarian Republic of Venezuela that had undertaken to conduct further informal consultations to find a possible host country for the 15th Summit of the Group at the Vice Ministerial level in the course of the ongoing session of the U.N. General Assembly, briefed the Ministers on the outcome of the consultations. A representative of the country informed the meeting that as a member of the Troika Board of Supervisors of the G-15, the Bolivarian Republic of Venezuela recognized the urgent need to find a substitute for itself on the Troika that would also succeed the Islamic Republic of Iran as Chairman of the Group. To this end, the meeting was informed that the Bolivarian Republic of Venezuela had tried to avail itself of the opportunity provided by the High-Level Segment of the current UN General Assembly to consult with counterparts from the Latin American and Caribbean region on the matter. However, he regretted that thus far, there was a lack of positive response from other members of the Group from the Latin American and Caribbean region. While pledging to make further efforts and to present a concrete report to the Group in due course, the Bolivarian Republic of Venezuela remarked that the lingering difficulty should be seen as a challenge to the Group’s entire membership rather than that of the region in question.

The Chairman observed with regret that there continued to be lack of progress on the matter and invited member countries from the Latin American and Caribbean countries to explain to Ministers the reasons for the difficulty. He recalled that when Algeria was the Chairman of the Group, there were similar difficulties and a solution was found by hosting the 13th Summit in a neutral venue - on the sidelines of the NAM Summit in Havana, Cuba. He noted that with this precedent, a country occupying the Chairmanship of the Group could choose the option of hosting a G-15 Summit on the margins of a summit-level international conference such as the NAM or G-77 Summit. He remarked in this regard therefore that the Islamic Republic of Iran could consider the less favoured option of hosting the 14th Summit on the sidelines of the forthcoming NAM Summit in Cairo, Egypt instead of in Iran.

It was highlighted that the urgency of finding a host for the 15th Summit was even greater given that the G-15 was going to mark 20 years of its existence in 2009. It was observed that a

solution could be found to this problem by the demonstration of the needed political will . To this end, the Ministers remarked that the Latin America and Caribbean member countries of the G-15 should meet as a group to seriously consult on the issue and come up with a solution. It was observed in this regard that, taking into account the Group's principle of regional rotation in the hosting of G-15 Summits, the best solution remains that a member country from the said region that has not hosted a Summit before should make an offer. Personal Representatives were therefore mandated to redouble their efforts in this regard and to come up with a positive result on the matter within the next three months, or else, the search for a possible host country for the 15th Summit would be extended to other member countries outside the Latin American and Caribbean region.

Consideration of Financial Matters:

(a) Proposed Budget for 2009

The Chairman formally presented the Proposed Budget of the Group for the year 2009 as recommended by the Personal Representatives. He noted that the Proposed Budget, contained in Document G-15/07/FM30/4, amounting to US\$ 1,207,264, was in Swiss Francs, virtually the same as that of the current budget, which was approved the previous year. He therefore invited the meeting to favourably consider and approve the Proposed Budget, along with the recommended option for financing it. The Ministers approved the Proposed Budget for 2009, taking into account the financing option involving the retention of annual contributions at US\$ 25,000 per member country; income from investments and part of savings on previous budgets.

(b) Financial Report for the year 2007

The Ministers received and took due note of the Financial Report for the year 2007 prepared by the official Auditors of the Group of Fifteen. The report, which was contained in document G-15/07/AUD indicating the financial position of the Group as at 31 December 2007, was considered in order.

The Chairman also drew the attention of Ministers to the significant level of unpaid financial contributions by some member states as highlighted in the Report of the Chairman of the Personal Representatives and the current Status of Financial Contributions submitted to the meeting. Ministers observed that it was not proper to expect the TSF to fully discharge its increased responsibilities when member countries were not fulfilling their financial obligations. He therefore urged member countries in arrears of contributions to take timely action to settle them in due course. In this context, the Foreign Minister of Zimbabwe admitted that his country was slightly in arrears, but was trying to resolve this issue expeditiously.

Any Other Business

Having concluded the business of the day, and in the absence of any other issues, the Chairman expressed his profound appreciation to Foreign Ministers for their attendance and positive contributions to the success of the meeting. On this note, he declared the 30th Meeting of the Ministers of Foreign Affairs formally closed.
