

*Meeting of Council of Representatives of the South Centre*

*Statement by Mr. S.T. Devare, Secretary, Ministry of External Affairs*

*on September 12, 2000*

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Mr. Chairman, Mr. Luis Fernando Jaramillo,

Members of the Council of Representatives of the South Centre,

I am honoured to participate at this Session of the Council of Representatives of the South Centre. In the six years that it has been in existence, this is the third meeting of the Council of Representatives of this Centre.

South-South Cooperation has been a fundamental plank of India's foreign policy. We believe that the developing countries should evolve common strategies if we have to protect our fundamental and common economic concerns. To evolve these strategies, and to have strong issue-based coalitions amongst ourselves, we first need a sound understanding of the implications of international economic trends, and then an analysis of the pros and cons of the various options before us. It is in this that we expect the South Centre to provide support to its members.

We believe that we are now at a critical stage where the South Centre, we believe, is at a turning point of its existence. It is, therefore, our responsibility to chalk the future of this institution. It should be our task to make it an effective institution so that, in terms of its resources and capabilities, the South Centre can provide us intellectual inputs and new ideas in our international dialogue. Through this the cause of South's solidarity and collective economic reliance can be served. In this context, we cannot ignore the decisions taken at the Havana South Summit, the collective voice of some 140 countries. If the South Centre can help to implement these decisions, it will have a relevant objective, an objective we all agree with. As mandated in the Havana declaration "we need to act decisively to map out a better future for our countries and peoples and to work towards the establishment of an international economic system which will be just and democratic."

In order to implement the Havana decisions, the Summit had decided to establish a Coordinating Commission, which would utilise the South Commission outfit. We need to see how the decision would impact on the framework of the South Centre in Geneva. The Report of the Implementation Group has a detailed plan in this regard, which includes the setting up of the Commission, its governance being through the G-77 Council and its Executive Committee and, at a working level, by the Coordinator. The South Centre, as envisaged in this Report, would be transformed into the technical arm of the Commission. However, in order to give effect to these changes, as stated in the Report, it would be necessary to obtain the formal agreement of the Council of Representatives.

Our discussions today have to address these issues, including those related to the status and future of the South Centre. The South Centre since its inception has evolved as an autonomous organization with a Headquarters Agreement with the Swiss Government. Its

membership of 46 has the responsibility to examine in depth the issues and concerns of developing countries which will assist the South both in North-South dialogue as well as in South-South cooperation. India, on its part, stands committed to fully endorse and support the aims and programmes of the Centre.

We also need to address the question of funding for the new machinery that is envisaged. While it may be acceptable to create new structures for governance and implementation, we must examine the all important question of funding. We were told that financing would be provided through “specially pledged contributions from developing countries in a position to do so, and from other interested donors”. Our experience of the South Centre has shown that this may not be the most viable way for ensuring adequate financing. I recall that at the last meeting of the Council of Representatives, there was an appeal made to all Members that they should come forward with their contributions to both the Capital Fund as well as the Working Capital of the South Centre. Evidently this has not happened. As we just heard from the ED, the funding position of the South Centre is not very encouraging. There were no payments to either the Capital Fund or the Working Capital of the Centre in the year 2000. Only the Government of Guyana has made a contribution of \$12000 this year. So obviously there are no accruals. Hence the Centre is surviving on the interest of the Capital Fund. A position may soon be reached when the Centre will have to draw money from the Capital Fund itself.

The several members who have not ratified the Intergovernmental Agreement may also be called upon to do so. For its part, India has contributed to both the Capital Fund and to the Working Capital of the South Centre, and has signed and ratified the Agreement. We believe that there is need to ensure a greater commitment by all developing countries to the South Centre and to all institutions created by the South.

The cause of collective economic reliance and solidarity of the South cannot be served otherwise. It is our collective commitment, both intellectual and financial, that will ensure that the South Centre is competent enough and better able to serve the developing countries in meeting the serious economic challenges that we face in a globalising world.