Excellencies,

Distinguished Guests,

Ladies and Gentlemen:

I feel greatly privileged to come back to this beautiful city for the Eleventh Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries (IFCC-XI) and to enjoy, once again, the welcome and generous hospitality of the government and people of Cuba. I wish to convey my deep gratitude and appreciation to our gracious hosts.

The IFCC-XI meeting carries special significance in symbolic as well as substantive terms on account of a number of factors. Firstly, it is convened in Havana the venue of the first ever South Summit, five years ago, where our leaders delineated a clear and futuristic vision for enhancing South-South Cooperation to meet the challenges posed by momentous developments in the technological, economic and political arena. Secondly, we meet here on the eve of the Second South Summit scheduled for 14 to 16 June 2005, in Doha Qatar. Our consultations here, including at the interactive dialogue, can and must make a substantive contribution towards a positive and concrete outcome of the South Summit.

Thirdly, and perhaps most importantly, IFCC-XI is also one of the key developing country events taking place this year before the 2005 September Summit, which would review the implementation of the millennium declaration. We can thus use this occasion to also jointly reflect and consider ways and means to ensuring a development friendly outcome of the September Summit.

Clearly, 2005 is a year of outstanding significance. It offers a rare and unique opportunity to the developing world to not only explore ways and means to strengthen South-South collaboration but also to look at new avenues for North-South cooperation.

A positive outcome of our endeavors in 2005, be it South-South or North-South cooperation, would depend largely on our ability to remain united, and focused on concrete actions for the implementation of long outstanding commitments.

Excellencies

Ladies and Gentlemen:

As we take stock of the status of our cooperation in the South at the High Level Interactive Dialogue later this morning and identify means and ways for strengthening it, the global forecasts and trends for the developing countries are mixed.

The good news is that the share of the developing countries in the global trade and investment is on the rise as is the South’s share within the overall increase. In trade it rose from
20 to 30% in the past decade. The increasing number of bilateral investment treaties, double taxation and preferential trade and investment agreements bears testimony to this emerging trend.

Unfortunately, most of this growth and expansion is concentrated in Asia and there too limited to a few countries. Globally, the income disparities between the rich and poor are widening. Over 1.6 billion people are economically worse off today than they were twenty years ago. 54 countries are poorer now than in 1990, three fifth of the developing countries have no access to basic sanitation and almost one third are without safe drinking water and around a quarter lack adequate housing. Worst still, the net outflow of resources from the developing countries in 2003 reached an all time high of $248 billion.

Despite the numerous commitments made in a series of international conferences and summits and despite the passage of five years, since we last met here at the first South Summit, regrettably nothing much has changed on either the North-South or the South-South front.

We have heard analyses of how poverty breeds poverty and feeds on insecurity. The High Panel Report and the Millennium Project Reports have dealt with this issue at length and we have deliberated on these reports extensively.

Clearly, the global system lacks fairness and hence needs a strong dosage of equity and justice. For us in the developing world the fundamental challenge is not as much of ideas but of action and implementation. The biggest constraint on the other hand for us is inadequacy of resources. This applies equally to the dynamics of the north-south cooperation as well.

The South Summit, therefore, in addition to giving direction on South, should also outline the vision of a north-south partnership for development based on the following four pillars:

a. Good governance and right policies at the national as well as international levels.

b. Ensuring the availability of the quantity and quality of financial resources required by the developing countries through debt, ODA, investment and trade instruments.

c. A multilateral trading system based on clearly defined development priorities with concrete political and financial commitments for achieving them.

d. Access to technology, greater technical cooperation and capacity building.

South-South cooperation is a key tool for developing and strengthening the economic independence of the developing countries and means for ensuring their equitable and effective participation. We feel that the framework for strengthening South-South Cooperation should be based on the following five elements.

Firstly, a sharply focused and action oriented common platform and agenda for development is the starting point for any meaningful cooperation. Havana Plan of Action endorsed by our leaders offers such a platform.

Secondly, while the Havana plan is rich in content and ambition, unfortunately and characteristically this too has been a victim of ineffective implementation. Consequently, several useful proposals made therein are still waiting implementation. Establishment of a South-South Bank and Fund, steps to intensify technical cooperation, reports on South-South cooperation are some of the proposals to name a few.

Pakistan, therefore, strongly favors a systematic institutional follow-up mechanism through a series of actions that would ensure effective implementation of decisions taken. One, the introduction of an EU Troika like system of reviewing the implementation of the Summit decisions. Two, a regular annual report on the status of south-south cooperation. Three,
up of a eminent persons group. Four, strengthening and expanding the G-77 Secretariat. Five, bringing coherence in the activities of all the institutions working on South issues through greater integration.

Thirdly, the focus of our strategic partnership must be on intensifying cooperation in the area of trade, investment and human resource development. The rising trade and investment patterns in the south and the technological advancement and human development levels achieved by some of the developing countries offers promise for technical and financial resource generation in the South.

We are also fully cognizant of our resource constraints. Thus, the objective should be to conceive plans and undertake actions ensuring optimal utilization of our resources in the most cost effective manner. In this regard, the idea of using internet and holding virtual meetings, proposed by Pakistan at the Second AASROC Senior Official meeting at Durban, South Africa on August 19, 2004 is worthy of serious consideration.

Pakistan already has a robust technical assistance program for the developing countries particularly for Africa. We are part of several regional arrangements including SAARC, ECO, ACD and D-8 seeking the promotion of regional cooperation. We already offer duty free access to some of the LDCs in the region on products of export interest to them. We are even willing to share the benefits of our strategic location with our neighbors to facilitate the transit of much needed goods and energy supplies.

Fourthly, a robust multilayered partnership involving close interaction between the business community and the common peoples is an absolute must for a sustained and meaningful cooperation. The business sector, in particular, has a pivotal role to play. Trade and Commerce bodies in the South including the G-77 Chamber must be reinvigorated. Urgent steps should also be taken to facilitate the movement of businessmen. We may also establish a South Business Forum.

Another area where South perhaps lags behind is the absence or lack of opportunity for people to people interactions. Lack of information about each other, high cost of travel and other linguistic and cultural barriers have stood in the way of building people to people contacts. We strongly feel that this is the other most important area where we should be working to devise mechanisms that would facilitate closer interactions at all levels through easier movement of people.

Lastly, South-South cooperation is neither a rival nor a substitute for the North-South cooperation. A strong partnership of south should also complement our relationship with the north and vice versa. A triangular cooperation is therefore a useful and cost effective tool for furthering our objectives. We may even consider convening a North-South Summit.

Excellencies

Ladies and Gentlemen:

I look forward to an interesting and useful exchange of views in our three days of deliberations, which I am confident, would make a positive contribution not only to the South Summit but also to the September Summit.

I thank you.