Presentation

by

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It is a pleasure for me to join all of you at this year’s observance of the United Nations Day for South-South Cooperation. The decision to observe the day on 19 December every year was taken by the United Nations General Assembly in 2003 but in reality this day is being observed with due attention and profile since last year. So, this is in a way the second time that we are observing the day in a manner befitting to its importance.

I am delighted that the Special Unit for South-South Cooperation of UNDP under the leadership of its Director Yiping Zhou has brought in a much needed focus and dynamism in its work and has been according a high profile to the real potentials for the development of the developing countries through South-South cooperation. I believe South-South cooperation, in the present global context, is not an option but a must for enhancing international cooperation for development. Sooner we realize that and the evolving global development architecture recognizes its importance, the better we are in structuring a holistic development process for the developing world. At the UNCTAD XI in Sao Paulo in 2004, the magnitude of the contribution by the South to global economic activities was recognized and the expression “the new geography of trade” got currency.

The present structure of South-South cooperation and its special focus on the three groups of the most vulnerable countries – the least developed, the landlocked and the small island states - as well as on Africa in general has been developed through major inter-governmental decisions, particularly the one that was adopted by the 14th Session of the United Nations High-Level Committee on South-South Cooperation in 2005. The second South Summit of the developing world held in Doha last year articulated a very special South-South support for the most vulnerable countries. The General Assembly resolutions also endorsed this approach.

The three United Nations approved Programmes of Action for the most vulnerable groups – the Brussels Programme for LDCs, the Almaty Programme for LLDCs and the Mauritius Strategy for the SIDS – have all made a reference to the potential opportunities for these countries from South-South cooperation.
During the last few years, there had been some very positive developments which have reconfirmed the value and significance of South-South cooperation for the most vulnerable countries. A number of developing countries have taken steps to grant duty-free and quota-free market access to the products from LDCs. At the WTO Ministerial Conference in Hong Kong in December 2005, Brazil, China and India announced their intentions to provide duty-free quota-free market access to the LDCs products. Very recently Brazil has announced such market access for all LDCs. China and India also had taken similar actions earlier. China and India have also cancelled debts for a good number of LDCs. Initiatives have also been taken by a number of other developing countries to promote trade and infrastructure development and provide technical and financial assistance. The recent China-Africa Summit is a good example of that, as the continent has 34 LDCs. The support announced by India recently for the 14 small island developing states in the Pacific is another. The IBSA Fund by Brazil, India and South Africa have been very forthcoming in providing assistance to the LDCs. The regional initiatives launched in various parts of the world have incorporated the development concerns of the most vulnerable countries in a supportive manner. For the landlocked developing countries, the transit transport cooperation provided by transit developing countries to their landlocked neighbours is another example of such South-South support. An emerging area of support for LDCs through South-South cooperation has been the area of services including those in health and education sectors. The microcredit programmes, driven basically by civil society organizations and that had originated in a Least Developed Country, have been replicated in many other LDCs to enhance their poverty reduction efforts.

For the entities of the Untied Nations system, 40% of UNDP’s resources are focused on South-South cooperation, FAO’s food security support to LDCs and SIDS as well as the activities of UNCTAD and UNESCO also have the same objective.

I would like here to repeat from a proposal made by me earlier at an intergovernmental forum identifying a list of six areas which should get particular
attention from the international community to promote South-South cooperation and would call for action to:

- Remove all existing tariff and non-tariff barriers to their markets for the products of LDCs and support LDCs to overcome their supply-side constraints.
- Facilitate and improve transit transport by all modes of communications for LLDCs;
- Increase foreign direct investment (FDI) flows to LDCs, LLDCs and SIDS, particularly for infrastructure and export capacity;
- Double the present technical assistance as well as training, research and educational facilities and scholarships provided to the LDCs, LLDCs and SIDS.
- Provide greater support to the social sector development in the LDCs with special attention to health focussing on HIV/AIDS, education, population issues and women’s empowerment;
- Cooperate in establishing effective food security for all LDCs.

The wide-ranging potential for South-South cooperation should encourage us to think about the future institutional structure that should carry forward this tremendously important multilateral collaboration. Last October in Shanghai, initial steps have been taken to establish a Global South Development Forum as a mechanism to drive forward the agenda for South-South cooperation. It was a pleasure for me to speak at the opening of the meeting that launched the Forum. I believe that this Forum needs to be pursued with due seriousness to make it a functional reality in the current global development system.

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