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This issue of the Bulletin includes a focus on major developments at the third meeting of the South Centre's Council of Representatives.

A NEW TEAM TO LEAD THE SOUTH CENTRE

A common concern that ran through the third meeting of the Council of Representatives (New York, 31 January - 1 February, 2002) was how to strengthen the South Centre so that it can fulfil better its mandate to meet the needs of its member countries. As an inter-governmental body, the South Centre has been in existence for the past six years now. It was an institutional follow-up to the work of the South Commission. After the first Chairperson of the South Centre Board, former President of Tanzania, Mwalimu Julius K. Nyerere passed away, the Centre entered an uncertain and difficult period.

During the two-day meeting, member governments unanimously approved the team of eminent personalities that will direct the Centre during the three-year period 2002-2005. They also discussed the work priorities and other issues which can help strengthen the Centre - particularly with respect to funding the Centre adequately and boosting the Capital Fund - now re-named as *Julius K. Nyerere Fund for Solidarity and Cooperation of the South*.

While in the past the Council of Representatives normally met once every three

years, from now on the Council will be meeting annually, with a possibility of intersessional meetings if needed. This important change is a reflection of the desire of the member countries to be more closely involved in the activities of the Centre, and to provide it with fuller support and guidance on a continual basis. To make good on their desire to improve the financial situation of the South Centre, the Council has decided to hold an intersessional meeting in July 2002 in Geneva, which would be devoted mainly to funding of the Centre.

In the following pages, a collection of statements by governments made during the Council meeting is presented. They reflect, in essence, the hopes and aspirations of the developing world in coming to grips with a number of vital issues being discussed and on the horizons of global multilateral agendas. While recognising the many difficulties the Centre has gone through during the recent period, the member countries, above all, appeared keen to make a fresh start towards further building and consolidation of this small "think tank" of the South.

COUNCIL OF REPRESENTATIVES

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Vice-Convenor -- Abdul S. Minty, South Africa

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Members

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-- Salim Ahmed Salim, Tanzania
-- Idriss Jazairy, Algeria
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-- Ma Yuzhen, China
-- Ashok Parthasarathi, India
Latin America & the Caribbean -- Cristovam Buarque, Brazil
-- Norman Girvan, Jamaica
-- José Antonio Ocampo, Colombia

Please see South Centre website for more information on the above personalities.

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SUPPORT FOR SOUTH CENTRE UNSHAKEN

*In line with the ideals of **Mwalimu Julius Kambarage Nyerere** to make the South Centre a small "Think Tank" of the South, the government of Tanzania continues to nurture the growth of the Centre with commitment at the highest level. The President of the United Republic of Tanzania, **Mr. Benjamin William Mkapa**, could not attend the Third Meeting of the Council of Representatives of the South Centre in New York as he had planned to. The following is his message to the Council, as delivered by **Ambassador Daudi N. Mwakawago**, Permanent Representative of Tanzania to the UN in New York.*

"Mr. Chairman,

To you personally, and the Council of Representatives, I first wish to send sincere apologies for my inability to fulfil the promise I made to participate in the Council Meeting and to address the assembled Representatives of Member States of the South Centre. Not to come to New York for this occasion was a difficult decision for me to make; I hope that you and the Representatives will extend your understanding of the conflicting demands made on National Leaders of the South, and excuse me.

The South Centre as an Inter-Governmental Organization, based on an international treaty deposited with the U.N. Secretary General, was the result of many developing country governments of the South finding the Report of the South Commission and the very small temporary 'follow-up' office so useful that they wanted the latter to become a permanent institution. Even now, more than six years after the Inter-Governmental Agreement was signed by us - and by others who for various reasons have not moved forward to ratification - I think our countries are still of the same mind. We want, and we know that we need, the South Centre to exist and to continue its work for the developing countries as a group.

The South Centre was established in the context of what seemed feasible at the time. Nevertheless, as time runs by, the imperatives demand new responses and new preoccupations override

the old, as reassessment of goals and means to achieve them become essential. The South Centre enterprise we embarked upon has achieved a solid modicum of success. Though not a perfect institution it cannot be counted as a failure. There have been an impressive number of technical studies that not only have a valuable practical impact in our individual and collective efforts, but have also helped to keep the ideals of the South in a larger sense alive.

An overall assessment shows, I believe, a Centre with some important accomplishments, usually out of the headlines but creative in the context of the challenges we face. Even in the midst of these challenges, the Centre has endured. And there have been enough successes to make us proud.

It is also true, however, that there are some among us who have expressed dissatisfaction with the South Centre. There are complaints that it does not help ourselves or our governments when we are under attack from the powerful countries of the North, and that it does not take our side when we get involved in disputes of any kind with another developing country with whom we share a border. We complain that we 'gave it some money' and it will not do a piece of needed national research for us. We complain that we don't get its publications. And so on.

It is because I suspect that all such complaints will be heard - or at least muttered, that I so much

wanted to be with you at the Council meeting for I trust the South Centre needs to be strengthened, not weakened. It may very well be that its mandate was cautiously crafted. With the fear of possible failure in mind it is to be understood that setting limited goals and objectives may have seemed, and may well have been, the right one at the time it was established.

In the event the cautiousness may not have matched our growing expectations. Some are seeing the Centre's efficacy as too limited. Increasingly, others have become impatient for spectacular achievements. In such a mood, even success may be brushed aside as too little too late, and, faults may foster disproportionate cynicism.

It needs to be remembered that the *raison d'être* of the South Centre was not cast into a day-by-day framework by which we could judge progress or lack of it. It is more likely that we have come to believe that the Centre incorporates more ambitious goal, and the matching mechanisms to achieve them, than in fact it does. That may explain why some among us are convinced that it leaves a lot to be desired.

For it is important that we should not be too romantic with our expectations. For the Centre is what we make of it. And it is critical that it continues to do the work we want it to do for us. But to do this we have to enable and empower it. It cannot on its own perform miracles.

And Friends, miracles do not come easily. We knew when we set it up that the South Centre cannot solve our problems. We did not expect it to do so. We did not even give it the powers to do so - it has no executive powers at all! The Intergovernmental Agreement sets out the Centre's functions in legalistic language: we did know what we were doing when we signed that Agreement.

And its first Chairman, Mwalimu Julius Kambarage Nyerere, said in his speech to the 1st Council of Representatives meeting - "The South Centre is a small 'Think Tank' of the South... It is NOT "a political body which sit in judgement on the actions of South countries or on disputes between South countries". The Centre's concerns "relate to the economic, social, and cultural questions which underlie and affect the peace and development of our countries and all their people..." "The Centre has a positive function of encouraging, promoting and facilitating the South's collective action."

And as for our not knowing what the Centre does, one of the jobs of my Secretary's Office is to ensure that I am not blocked out from my Office by the mass of documents and books sent for me to read! I can tell them that I want to see the documents of the South Centre, or at least know the subjects in which they are doing research and what they are recommending. Who is to blame if I do not do that? The documents of the South Centre need to be read by our negotiators at the IMF, World Bank, WTO and the UN generally; they should be read by the specialist in the Foreign Offices, and in the Ministries concerned with the specific subjects dealt with. And in particular, certain of them are designed to be used as a 'common paper' at Intra-South Meetings, that is, at the Chapters of the group of 77, and the Committees of NAM and so on.

The recent and excellent publication, "A Guide to the South Centre" should, however, be on the desks of the Prime Ministers and the Ministers of Finance in our countries. I am sure it will be distributed to all Representatives at this Council Meeting. After reading this publication it is surely difficult to say that the South Centre Office does not fulfil its 3 mandates - to the extent that its resources allow.

For that is the crucial issue now. There is no 'annual subscription' involved in being a member of the South Centre. But the South Centre cannot exist or work without money - and money from the South. It is OUR organization. It tries to help US. Have we not learned - do we not re-learn every day that passes that dependence on another power for your basic resources means that at any time your country can be held to ransom? The South Centre has to be financed by the countries of the South if it is to survive to serve the South.

For the last two years and more, which means through a period of great stress, the South Centre has been helped greatly by the generosity of the Swiss Authorities who give an unconditional grant covering the rent of the office space. I say unconditional but the Swiss have from the beginning said that they will help while the Centre builds up its Capital Fund. For how long should they be expected to continue when the Capital Fund stops growing - as it has done for two years now?

For Tanzania there can be no doubt that the deeper potential lying in the concept of the South Centre has not been fully realized. To some this has engendered a sense of hope unfulfilled. But it is also our judgement that what is needed is a new impulse towards strengthening the South Centre which must be shaped within a solid framework of support by our-

selves.

As an institution, the Centre must also be willing to hear all the criticism and hear all the alternatives and be ready to respond constructively. It needs a thorough exercise in self-examination and criticism. It needs to purposely solicit the views of its members and work toward improving delivery of its services. It needs to be sensitive to the concerns of those who feel they are not being given due attention. The Centre must therefore strive to avert the alienation of any of its members or risk being marginalized and suffer the erosion of the support it cannot do without.

Our support for the South Centre remains unshaken. During his lifetime, my country paid all the local costs for Mwalimu Nyerere's Dar-es-Salaam 'Chairman's Office' when he was Chairman of the South Commission and then the South Centre. We shall make a contribution to the Centre's work again. It will be small. But it will be given in recognition that we, together with all other developing countries, need the services of a properly funded South Centre as we struggle to defend our interests in the unfairly weighted international negotiations with the rich countries in Geneva, Washington and New York.

Friends, the Council has my very good wishes and those of my country for the success of its discussions and its election of a new Chairman and a new Board. It is my hope that Mwalimu's life-long work for unity and cooperation among the countries of the South, and his non-stop efforts to promote the South Centre as an instrument for those purposes, will encourage all Members of the Centre to recognise a truth he once spoke to us in Tanzania at another time of crisis in our country - "It can be done: Play your part".

Thank you."

A NEW GLOBAL CONSENSUS NEEDED ON GLOBALISATION

"We have to raise our developmental agenda from being a "wish list" to a well thought-out blueprint for international economic cooperation," said Mr. Omar Abdullah, India's Minister of State for External Affairs, to the 3rd meeting of the Council of Representatives of the South Centre in New York on 31 January 2002. He underlined "technical preparedness" and "serious thinking" as the goal of the South Centre. In the absence of serious intellectual input into our work, Mr. Abdullah told the Council, the South would, as Mwalimu Julius Nyerere observed, "remain at the level of generalities, and normative statements." Following are extracts from the address by Mr. Abdullah.

"We meet at a time when the slowdown in the world economy is adversely impacting on the growth prospects of developing countries. Bolder policies from, and cooperation among, all the major economies is necessary to stop the global situation deteriorating further. We know that globalization is a historical reality. Nations cannot live or prosper in isolation. But close consultations and dialogue are necessary for growth and prosperity for both developed and developing countries. We need to build a new global consensus on issues that arise out of the globalization debate.

The picture in developing countries is not encouraging. World development indicators indicate that 1.2 billion people live on less than \$ 1 per day. 2.8 billion live on less than \$ 2 per day. There is an urgent need for a massive drive to reduce poverty, and to empower the world's poor. This cannot be attempted without support from the developed countries. ODA flows, as a proportion of GNP of donor nations, continue to decline. While FDI flows have grown as a source of development finance, only a few developing countries are able to access them. In this situation, how do we make globalization work for the world's poor?

We must, more than ever before, prepare ourselves intellectually and contribute to developing

a new global consensus on issues that arise out of the globalization debate. Our role in international economic governance must increase if our interests are to be adequately safeguarded. Our new century must devise a new international financial architecture that will strengthen, through various measures, the developmental dimension in the functioning of the international financial system. Our share, as developing countries, in decision-making in international forums that deal with the global financial system, must also increase.

The explosion of international movement of private capital and the nature, terms and conditions of such capital flows sometimes raise questions on whether these are consistent with the needs of development. ODAs, while continuing on a downward curve address, increasingly, immediate humanitarian needs to the detriment of longer-term development purposes.

The forthcoming high-level Inter-governmental Meeting on Financing for Development acquires enormous significance in this context. The deliberations at Monterrey will be of immense significance for the future of the global partnership for development.

This is the backdrop against which the South Centre

has to perform its task of a think tank for the South, which should not only identify where our interests lie but also guide us on how best to pursue them.

As the Council is aware, India has been a strong supporter of the ideals and goals of the South Centre. We have always believed that if the South has to have a voice in the international economic arena, developing countries must devote the necessary intellectual resources to the study and analysis of international economic developments on continuous basis. It is this imperative which spawned the thought behind the South Centre, and it is this task which the Centre should fulfil.

I can do no better than quote the late Mwalimu Julius Nyerere addressing the Second Meeting of the Council in September, 1999: "It symbolizes the need for the South to pool its resources and to work collectively for a just, equitable and democratic world system. This meeting highlights the importance of technical preparedness and serious thinking in order to underpin the South's positions and actions."

Highest standards of this technical preparedness and serious thinking should be the goal of the South Centre. In the absence of serious intellectual input into our work, the South would, as Mwalimu

observed, "remain at the level of generalities, and normative statements." We have to raise our developmental agenda from being a "wish list" to a well thought-out blueprint for international economic cooperation.

As a measure of our faith in the institutions of the South, India has committed both human and financial resources to the South Centre. At the last meeting of the Council, we the representatives of our governments, had accepted the urgent need to address the functioning and methods of work of the South Centre. An internal exercise was conducted but it yielded limited results. I refer to this at this stage if only to highlight that this challenge has now become more pressing. When we met in 1998, we could seek refuge in the Centre's infancy. Today, after six years, we cannot allow ourselves that luxury.

It would be churlish to ignore the intellectual work done by the Centre, but its achievement has fallen well short of what was expected and what, in my view, remains well within our reach. We look to the South Centre to expand its vision. It should not only analyze developments of current relevance, but look ahead and anticipate scenarios. Mr. Chairman, developed countries have a level of expertise in international economic issues we cannot individually match due to paucity of human and financial resources. Our limitations can only grow further as the international developmental discourse grows ever more complex and the issues under discussion more and more technical.

Developing countries need intellectual support in negotiations in the WTO, the UN and in the multilateral financial institutions. The results of the WTO Doha Min-

isterial are an indication of the vast range of trade concerns that we have to grapple with. Just as we have attained strength in our negotiating capacity through the Group of 77, we can pool our intellectual and financial resources to creating a think tank in the South Centre. We need to build an institutional support system on new and emerging issues to the South that benefits from the best intellect in our countries and institutions.

Mr. Chairman, as you are aware, many Governments represented in this room have felt that the South Centre has not been fulfilling the ideals with which it was created. In March last year, you urged our governments to actively take on the task of revitalizing the Centre, and seek a closer engagement with its functioning. And we thank you for initiating this timely exercise. Your initiative provided the much needed opportunity for member Governments to focus on some key issues relating to the Centre's functioning.

Let me assure you, Mr. Chairman, that it is not our intention to tamper with the governance structure of the Centre or to propose amendments to the Agreement of the South Centre. We do not intend to micro-manage the Centre. We appreciate the need to have an intellectually independent South Centre. Equally, we believe it is necessary to strengthen our association with its working. We believe the 'draft decision' sent for our consideration strikes the right balance.

Let me then move on to the question of finances of the Centre. We all know they are precarious. The position was discussed at the last meeting of the Council and a decision was taken to invite members to contribute to

the Capital Fund and to the running costs of the Centre and also to invite all members of the Group of 77 to contribute. Unfortunately, that has met with little success. In spite of the best efforts of the Chairman and the Board of Governors, the Centre's financial situation remains unstable. It has been borrowing from its Capital Fund to fund its running costs. This is not a viable arrangement; indeed it is violative of all norms of prudent house-keeping, whether in a Government or a corporate situation. The target of \$30 million for the Capital Fund remains a faraway dream. We feel the time has come to move from our ideal of voluntary contributions. We need to take stronger ownership in not only the functioning of the Centre, but also in securing the required wherewithal. I urge all member countries who have not done so to please make early contributions to the Capital Fund. On India's part, despite our limited resources, we stand ready to do more.

We have a heavy agenda before us. As the highest executive body of the South Centre the Council would need to address itself to issues vital to its smooth functioning. The South Centre needs visibility and a high level of political presence. But at the working level this meeting would need to address itself to the creation of mechanisms to ensure smooth transition in executive functions, more regular and productive interaction of members states with the Centre between meetings of the Council, and to the administrative procedures for the effective functioning of the South Centre.

Mr. Chairman, I would like to end by reiterating that India remains fully committed to the objectives of the South Centre, and will always contribute to it to the fullest extent possible.

DEVELOPMENT SHOULD DEFINE GLOBALISATION

*Given the plethora of negative effects of the present form of globalization, especially for developing countries, "we must seek to reshape its form into a more inclusive, equitable, and positive force of development," the Indonesian representative said in his address to the 3rd meeting of the South Centre Council of Representatives. Following are extracts from the statement made by **Mr. Nugroho Wisnumurti** Ambassador/Permanent Representative of the Republic of Indonesia to the United Nations and other international organizations in Geneva, to the Council in New York on 31 January 2002.*

"Let me begin by expressing our sincere appreciation to you for convening this meeting of the Council of Representatives of the South Centre. It is our sincere hope that under your able guidance we will be able to forge a common stance in making the South Centre more prominent and its role more meaningful to the interests of the South. We also take this opportunity to thank the South Centre for preparing the excellent documents now before us for our deliberations today.

This third meeting of the Council of Representatives of the South Centre is timely, not only since it coincides with the international gathering of the World Economic Forum, which provides the world leaders with an opportunity to assess the world economy and its prospects, but also because it takes place against the backdrop of an acute world economic downturn which represents a serious challenge to the international community and particularly to the development interests of the developing countries.

It is a fact that rapid globalization and the revolution in ICT characterize the global economy today. It is also a fact that economic policies and relations today are largely driven by technological change. But it is not true that globalization should be perceived as an inevitable force beyond human control.

Indeed, it is a mistake to

expect globalization to define development. On the contrary, we strongly believe that development should define globalization. Largely, therefore, that the type of globalization taking place should result from policy choices.

Thus, it should be determined by human decisions, values and cultures. We can channel the process in the right direction by adopting different policies, based on the shared values of justice, equity and general well-being. Given the plethora of negative effects of the present form of globalization, especially for developing countries, we must seek to reshape its form into a more inclusive, equitable, and positive force of development.

The South must meet this challenge. It must work out a global agenda which will facilitate its development interests. Thus, in tackling the outcome of the recent WTO Conference in Doha, the developing countries will need to prepare themselves to participate effectively in various deliberations and negotiations.

We must also be prepared for the forthcoming UN Conference on Financing for Development, to be held in Mexico next month. The conference will constitute another unique opportunity to promote the interest of the South. We must find better ways of providing more stable and effective means of financing the socio-economic development of the South.

Vast changes have marked the field of financing development. It is the private financial markets that have become a central feature of the contemporary globalization process. This has taken place against a backdrop of steadily declining official development assistance (ODA).

We in the South have been trying to understand what these private financial markets are, and what they represent for our development options and objectives in terms of opportunities and risks. Given the need for global action to channel the changes towards serving all people, it is imperative that the South first understands its own needs and desires, as distinct from those of the richer and more developed countries.

There is no doubt, therefore, that the South Centre has an enormous role to play in facing the vast risks, uncertainties and opportunities presented by globalization. Thus the Centre should establish a base from which the developing countries can negotiate their common position and undertake joint endeavours.

We are confident that even with limited human and financial resources, the Centre can - and must - play a key role in extending a helpful hand to developing countries and assisting them in working out collective negotiating positions, in order that they can be more effective in articulating their views.

In this context, my delegation should not fail to express its appreciation to the Centre for its work and contribution on behalf of the countries of the South. Its analyses and recommendations on various issues of great relevance to the South have been of signal value in making the latter more aware and knowledgeable on some of these issues.

Furthermore, we in the South are faced with rapid international changes and the growing demands of our people for increased participation in the process of development. This requires not only a common understanding in the South on how we should respond to the reality in the global arena, but also demands a readiness on our part to look into the various shortcomings and weaknesses. This would enable us to adjust to the new demands both at international and national levels.

In this context, as a think-tank, the Centre should embark on a new approach in order to meet the real needs of the South. Therefore, the analytical activities and recommendations of the Centre would be of great relevance, if they were designed and directed to encourage the South to consolidate themselves both in relation to negotiations with the North on various issues, as well as in their efforts to pursue an enabling environment for development at national level. In this regard, my delegation believes that the Centre should also focus on such emerging issues as pursuing good governance, eliminating corruption, improving transparency, strengthening the role of civil society as well as the business sector.

Allow me now to touch briefly on the issue of governance of the Centre. It is a fact that there is a growing awareness among the member States, of the need to be more involved and to have regular

consultations with the Centre. However, we should not read "involvement" as meaning that member States are in some way or the other attempting to micro-manage the Centre. Rather, this involvement should be understood in terms of positive attention which member States give to the South Centre and to its role, as well as of their sense of belonging to this important body.

Let me, therefore, emphasise again that we attach great importance to the contribution made by the South Centre to the developing countries. It seems to us that the existence of the Centre as a think-tank for the countries of the South is becoming increasingly relevant, particularly seen from the angle of the collective goals of the South and in view of the fact that the global problems confronting the developing countries have become more and more complex and cross-cutting.

We therefore second the calls for a further strengthening of the South Centre. The late President Julius Nyerere, one of the Centre's internationally respected founders and an inspiring force from the very beginning, had indeed succeeded in imparting such a strength to this body, as well as a unique authority. By spearheading the aspirations of the South, the Centre gave it greater weight when dealing with issues of global importance. In recent years, however, the Centre has undeniably been beset by uncertainties which have adversely affected its sense of purpose and functioning, as well as weakening the member States' commitment.

In this context therefore, my delegation sees the merit of improving the effectiveness of the Council by intensifying the frequency of its ordinary sessions. To do so, we are convinced, will heighten member State participa-

tion and commitment, while strengthening the role and contribution of the South Centre on the international scene by making it more transparent and efficient. In this line, my delegation welcomes the paper on Possible Models of Governance and Enhanced Participation of Member States, prepared by the Board and sent by its Chairman to Member States in March of last year for their consideration.

From among the three models of governance put forward in this paper, we, for our part, favour model three, which proposes to "*retain the board system but enhance members' participation through additional measures*", and is therefore of great relevance given the present situation of the Centre.

We also agree with the assessment of the Board whereby there is no need for the Agreement to be amended if this particular model is adopted, and I would hope to see the Council reach a decision on the matter in this session. In this regard, I should like to commend the Preparatory Committee, under the voluntary chairmanship of India, Malaysia, Iran and Egypt, for its excellent work in producing a draft decision on the governance of the South Centre for the benefit of the Council of Representatives. This draft decision, in my delegation's view accommodates to a large extent the spirit of model three and therefore merits the Council's positive consideration.

I should therefore like to conclude on a note of optimism by reiterating my conviction that, through the South Centre, we shall be able to demonstrate that in the right ambiance of solidarity and collective spirit between the developing countries, it is possible to fuse the legitimate aspirations of the latter with the enlightened interests of the developed countries."

CHINA SUPPORTS A STRONGER SOUTH CENTRE

*The election of Ambassador Ma Yuzhen of China to the Board of the South Centre continues the long-standing association of China to institution-building in the South. He replaces the previous Chinese member of the Board - Hui Yongzheng, Vice-Minister, Ministry of Science and Technology. Before that, Ambassador Qian Jiadong was a member of the South Commission, the institution that preceded the South Centre. The following are excerpts from the statement (original in Chinese) by **Ambassador Shen Guofang**, Deputy Permanent Representative of China to the United Nations in New York, at the 3rd Meeting of the Council of Representatives of the South Centre on 31 January 2002.*

"The Chinese Government attaches great importance to the role of the South Centre. Since its establishment, the South Centre, as the think tank for developing countries, has done a lot of useful work. It has conducted a great deal of research on issues of concern to developing countries and provided many valuable suggestions and recommendations. I would express my appreciation for this. For a long time, China has always actively supported the work of the South Centre. The Chinese Government has nominated H.E. Ambassador Ma Yuzhen, a time-honored diplomat, to be a candidate for the post of member of the board of the Centre. This has fully demonstrated the active support that China renders to the Centre. We hope that Ambassador Ma will be successfully elected to that post, so that China will be able to make more contributions to the work of the South Centre in the future.

We have noted that currently the South Centre faces some difficulties. In my view, as a young organization, it is natural that the Centre encounters problems of one kind or another. China supports the Centre to strengthen its role through necessary reforms. I believe that such reforms should be carried out in an active, proper and practical manner. It should focus on long-term development and depart from the higher interests of maintaining the solidarity of developing countries, taking into consideration the concerns of all sides.

I am confident that through effective reforms and concerted efforts of developing countries, the South Centre will prosper. I hope that in the future the South Centre will be able to play a bigger role in promoting the effective participation by developing

countries in the process of economic globalization. Now, the new round of multilateral trade negotiation of the World Trade Organization has already been launched and two important meetings to developing countries, the International Conference on Financing for Development and the World Summit on Sustainable Development, will be held within this year, against the background that financial crises break out frequently in developing countries. Facing this situation, we look forward to the South Centre playing a stronger role as the think tank for developing countries, doing more extensive and in-depth research and coming up with more and better policy recommendations on issues of major concern to developing countries, so as to make new contributions to maintaining the common interests of developing countries."

COLOMBIA PRAISES SOUTH CENTRE WORK

*The Permanent Representative of Colombia to the United Nations in New York, **Ambassador Alfonso Valdivieso**, in his statement to the third meeting of the South Centre Council in New York, praised the work of the Centre and hoped its support to the developing countries would continue in the future as well. Following are extracts from his statement, which was made in Spanish.*

Colombia, as a member state of this intergovernmental organization, has always provided unconditional support to the work done by the Centre, which is not only for its 46 member countries but for all developing nations. Its objectives - to promote solidarity within the South and cooperation with the North, as well as contributing to achieving a common position of developing countries on different issues on the global

agenda, make the Centre a crucial instrument for our countries to successfully tackle the multilateral challenges.

As its Founder and Chairman, the former President of Tanzania Julius Nyerere, said so well "the South Centre has filled a void which existed in the developing world." Without the resources and the staff of similar institutions

in the developed world such as the OECD, the South Centre has managed to consolidate itself as a major centre of study at the service of the developing world. Its publications on matters of common interest for our countries, especially in the area of international economic relations and development, as well as global governance, have led to the adoption of common positions in international fora. Its publica-

tions and documents on the reform of the United Nations, Intellectual Property, on Trade, in preparing the Doha meeting, the Environment and Financing for Development, are just a few of the most recent examples of the important contribution made by the South Centre. This contribution has been possible, thanks to the nature of the Centre which was set in the Intergovernmental Agreement that constituted it. Its intellectual autonomy and its non-bureaucratic character insure its effectiveness as well as the quality in the documents that it produces.

This has been the case despite the close contact that it has with governments of the member states, with the governments of all the developing countries and with the most important groups such as the Group of 77, the Non-Aligned Movement, the Group of 15 and the different

regional groups.

And for this reason, Colombia whole heartedly supports the work of the South Centre and is one of the major contributors to the Julius Nyerere Fund for Solidarity and Cooperation of the South. Our financial support is done unconditionally, since as all of the countries here, we are first-hand witnesses to the important work that is done by the South Centre and the commitment of its Chairman and all of the members of the Board of Directors. And thus, we also support the proposal of the Chairman of the Board and Convenor of this Council of Representatives, our compatriot Ambassador Luis Fernando Jaramillo, the proposal concerning the candidates for the new Chairman and the new members of the Board of Directors. Their professional and personal qualities as well as their commitment to

the cause of the South and to equitable regional representation insure the future of the Centre and its autonomy and close contact with member states.

In conclusion, I would like to thank you on behalf of the government and people of Colombia, for your perseverance and commitment to the South Centre. The work that you have done in difficult circumstances as the Convenor of this Council and as the Chairman of the Board replacing a leader of the stature of President Nyerere, deserves the gratitude of all of us. We regret your decision to not continue in your present position, but we are sure the candidates who you are proposing possess the necessary qualities to guide Centre in its work of reflecting the positions and interests of the developing world.

WTO: TNC LOGJAM CLEARED

*For weeks in a row, WTO member governments were bitterly divided on who the chairman of the Trade Negotiations Committee (TNC) should be. These divisions were not just on North-South lines as the ranks of developing countries were also divided. On 1 February 2002, a consensus was ultimately forged on how to move ahead. Interestingly, the Chairman of the General Council, in his remarks noted that it was "not a fully negotiated text". He also noted the view expressed by many delegations that it was "an exceptional arrangement" and that appointments to WTO bodies should normally be made from among representatives of WTO Members. The choice of DG ex officio as chair of the TNC means that it will be Mr. Moore until August this year and then Mr. Supachai - none holding the position in their personal capacity. In an interview to the South Bulletin, **Ambassador Munir Akram** of Pakistan says the clash was not about personalities but over systemic and institutional issues. Following are excerpts from the interview on 6 February.*

Someshwar Singh

SB: How would you describe the impasse over the TNC in the last few weeks?

Ambassador Akram: I think the discussions that took place were necessary. A number of areas where the Doha declaration was fairly unclear as to both the content and structure of the negotiations. Apart from the (issue of the) chairman of the TNC, and how the actual negotiations will be conducted. It was important that we

addressed all the issues and the most important issue that was decided upon was the structure of the negotiations and the fact that it is now clear that there will be basically eight negotiating groups. Apart from the fact that some issues will be dealt with in the existing bodies, but which would then have to be reported to the TNC.

So I think it is important that the structure got clarified. For the developing countries in particular it

was important that we should get clarity on how the implementation issues will get addressed and where and secondly, to get a commitment for negotiations on the S&D arrangements. Both of these have been clarified in the decision of 1 February.

SB: Pakistan was part of the group of countries opposed to the DG being made ex officio chairman of the TNC. Are you satisfied with the compromise

now?

Ambassador Akram: I think a compromise, by definition, cannot be fully satisfactory. But it was nevertheless a compromise. We found that the view expressed on behalf of a number of developing countries was not shared by all developing countries. That some developing countries as well as developed countries were agreeable to the appointment of the DG ex officio. We had systemic concerns. It is not a personal matter. The systemic concern was that it could create a parallel structure within the WTO in which the member governments would have a lesser influence than the (WTO) secretariat. However, we had to go along with the view because a large number of developing countries were persuaded to accept this. Nevertheless, we did so only after we were able to negotiate certain rules on principles and practices - which is part of the decision that was endorsed on 1 February. And also because we were able to clarify the structure of the negotiations so that there is less scope for arbitrary actions now within the TNC. With those clarifications, we were able to go along.

With the appointment of the DG ex officio, of course, it has been clarified that it will be an arrangement that will be of an "exceptional" nature and that a termination date has been indicated, which is the same date as scheduled for the end of the negotiations.

SB: Having been used in the Uruguay Round as well, why isn't this TNC process institutionalised?

Ambassador Akram: Well, after the WTO was established, we created the WTO General Council, which was basically entrusted with all the task that was supposed to be conducted by a TNC. A number of us had felt before Doha that even if negotiations were agreed upon,

there was in fact no need for a TNC and that negotiations should be conducted within the existing structure. But, once again, developed countries felt that the TNC should be created and they were able to carry the day in Doha. Therefore, the institutionalised structure will only come once we agree what should be the method for negotiations. We have not agreed before Doha. Therefore, we had to have this, sort of ad hoc urgent exercise for launching negotiations.

SB: So what happens now if the DG happens to be temporarily incapacitated at the time of a TNC meeting?

Ambassador Akram: I did say in my statement the other day that if that was so, that the chairman of the General Council would chair, or he was unable to, then the chairman of one of the negotiating bodies. But it would not be another official in place of the ex officio. And that view was not challenged.

SB: So one assumes that it will not be the secretariat in one way or another trying to fill the gap?

Ambassador Akram: No, it will not be the secretariat.

SB: What happens to the TNC process if the negotiations do not finish by January 2005?

Ambassador Akram: Nothing has been agreed so far. What is provided is that this is exceptional. It will terminate on that date. After that, all bets are off. Then we will have to re-negotiate. If at that stage we want the DG ex officio to continue, we will then have to spell out the terms on which he will continue. If we do not want him to continue, then we will have to make another arrangement. We, for our part, are prepared to extend the date to September 2005, which would coincide with the end of Dr. Supachai's term. But we are not

prepared to go beyond that. But that is as far as Pakistan is concerned, we do not know about others.

SB: Do you now foresee a fight on the chair of the various negotiating bodies?

Ambassador Akram: There will be the usual push and pull. But if people start vetoing other people, then it could get ugly. Hopefully not.

SB: So what was essentially this whole TNC logjam about?

Ambassador Akram: There were three major elements. The most important issue was about ensuring the implementation and S&D issues were part of the negotiations. That is the most important gain we have made and that is in the structure and content of the negotiations - part C of the paper. The S&D will be in special sessions of the Committee on Trade and Development - i.e. the past agreements, how to operationalise the S&D treatment. This is the question we had fought hardest about - everybody except Pakistan had almost given it up. We are very gratified that we have got this.

If you see the formulation on implementation, it is within the structure - the paragraph 12 issues. Paragraph 12 A will go to the various negotiating bodies, 12B will go to the existing bodies. We think that is negotiations because it has been put under the TNC. And thirdly, we have got a reference to the implementation decisions which includes a reference to the two paragraphs on textiles, which includes the growth on growth paragraph - as far as we see it, it is part of the negotiations and on that, we will need a report by July 2002. On other implementation issues, we should have a result by December 2002. And then we will see if there is progress - then, of course, there

will be progress on other issues. But those are up-front issues - call it early harvest or whatever you want to call it. That will be, for us, an acid test to see how things are moving.

Similarly, on S&D we will have a first report by July 2002.

SB: So, you were saying there were three main issues raised by the TNC process?

Ambassador Akram: The second issue was the principles and practices. We have got clarification. Hopefully, this would hold back the possibilities of a Dunkel text or of a Doha surprise in the future. And thirdly, it was the issue of the TNC chair. Again, we had to fight. But of course, we have got it with conditions and constraints which hopefully, will prevent the sort of abuse that we feared.

SB: Could Doha have prevented

this kind of a logjam?

Ambassador Akram: If Doha had really been a genuine consensus, some of these things that we have gone into (would) either have not been necessary or they would have been clearly stated, or where necessary, we should have prolonged the negotiations and elaborated the Doha document further - in order to establish what the structure and content would be - who would be the chair of the TNC and what its principles and practices would be. All of that should have been in the Doha document. But the Doha document was basically rushed through because it was so important for our developed partners to launch the Round. And that is why things were kind of pushed through pell mell. And a lot of areas of ambiguity remain. This decision has clarified many of them - not all. But some ambiguities will still continue to haunt us and we should clarify things as we go along. That is

going to be a bit of a problem. The Singapore issues are going to be one.

SB: So to recap, you do not think the TNC logjam was a personality clash?

Ambassador Akram: No, not at all. It was a systemic problem we were grappling with. In the long term, do we want this institution (WTO) to be run by governments or do we want it to be run by the secretariat?

SB: In terms of process issues like transparency and openness, do you think the system is on track?

Ambassador Akram: Transparency is a much-abused slogan. People want transparency when it suits them and do not want it when it does not suit them. So I take the concept with a lot of salt.

THE TNC IMBROGLIO - A NATURAL FALL-OUT OF DOHA MISTRUST?

It has been a rough start to the post-Doha process. In setting up the apex body - the Trade Negotiating Committee (TNC) - to guide negotiations emanating from the Doha work programme, few thought it would become such a sticky exercise. At stake was not just whether Mr. Mike Moore does chair the TNC during his remaining term in office, but more fundamental and systemic concerns on how the WTO functions. For a better understanding of the main divisive currents that ran through the WTO corridors in the past weeks, South Bulletin spoke to Ambassador B. G. Chidyausiku of Zimbabwe, who has just passed on the mantle of Co-ordinator of the Africa group to Kenya. Ambassador Chidyausiku has managed to keep the group together during trying times, his mandate having been extended twice - once for the Doha Ministerial and then for the TNC talks. He continues to be the chairman of WTO's TRIPS Council. Following are excerpts of the interview.

Someshwar Singh

SB: What is your reading on how the TNC impasse was resolved?

Amb. Chidyausiku: Post-Doha, when we had to select the chair of the TNC - a number of capitals in developing countries were lobbied, from Geneva, for the choice of the WTO DG ex officio as the chair-

man of the TNC. But from a developing country point of view, we had serious problems with this approach. The problem was systemic rather than one related to personality. We view the WTO as an inter-governmental body and that is a fact. And the practice in all inter-governmental bodies during negotiations, is not for a member of the

secretariat to chair the negotiations, chairman should be selected from among the membership. This is the case in other intergovernmental organisations like the United Nations. We do not see Secretary General Kofi Annan chairing the General Assembly or the Fifth Committee - it has to be someone from a member state. It is a member

chosen from the membership who normally performs that role. So why the exception in the WTO?

Ideally, when we look at the secretariat of the WTO, it is supposed to be neutral and service every member of the organisation without any preference. So why should you involve the secretariat in the politics of the negotiations? Our developed country partners felt that the choice of the DG to chair the TNC would perhaps give continuity to the process - as the current DG ends his term end-August and a new one takes over. But how would he separate himself from the day to day activities of the secretariat and the work of the TNC? We felt we would come to a situation where we would not be in a position to control the process - the secretariat could get an edge over the membership - which was the real cause of our concern. So we felt we should try and put into place a system that would safeguard the interests of the developing countries and make the system work. Since the Ministers had given us a mandate for the negotiations, we did not want to give the impression that the developing countries were stifling the start of the negotiations. This is why after having extensively discussed the issue, and against our better judgement, we have been able to come up with a compromise solution.

SB: Against your better judgement?

Amb. Chidyausiku: Yes, even to this day. We as developing countries find security in institutions, not in individuals. Given a choice, we still hold the view that the chairperson of the TNC should be from among the members of the WTO rather than from the secretariat. We are doing the same for the subsidiary bodies. The chairman of the Agricultural Committee is

not from the secretariat and is going to be from a Member. Similarly, the chairperson of the TRIPS Council comes from among the membership. So why are we making an exception of the TNC? What is so special?

SB: But apparently there has been a precedent during the time of Mr. Dunkel?

Amb. Chidyausiku: Yes, we are told that there has been a precedent in the past. In the GATT, we had Mr. Dunkel as the chair of the TNC. Fine, but the WTO is not GATT. The WTO is a different animal altogether. In the GATT, we did not have the General Council, nor did we have a permanent negotiating body within the GATT. Besides, the GATT was not, in a proper sense, an inter-governmental body. So, when a lot of experiences of the GATT have been discarded, we see no reason to carry over this particular precedent into the WTO. Even if it happened then (in the GATT), was it the best of arrangements? In essence, they are two different bodies and therefore, should not be inter-related. Since some of the developing countries had no problem with the DG chairing the TNC, and some of us were raising systemic issues...

SB: How come the developing countries were divided on a systemic issue?

Amb. Chidyausiku: In some cases, though the Geneva-based colleagues recognised the systemic concerns, they got instructions from (their) Capitals not to stand in the way of letting the DG chair the TNC.

SB: Are you saying that the pressure was coming more from the Capitals than here in Geneva?

Amb. Chidyausiku: In certain

cases, yes. Ministers actually gave instructions in certain cases. I think the whole thing goes back to Doha, where we had different perspectives even among developing countries. Some wanted a wider negotiating programme while others wanted a limited one. If you look at the proponents of the wider agenda and those favouring a limited agenda, the trends are the same. Maybe they saw something we did not see but the arguments advanced talked of the precedent in the GATT and that Dr. Supachai's coming in should take care of the interests of the developing countries.

SB: Are you satisfied with the compromise in terms of the principles and safeguards?

Amb. Chidyausiku: If you look at what has now been agreed to in terms of safeguards, we had a lot of input into that. We are satisfied that, in the majority, our concerns were taken on board. For example, we as the African Group had said this decision of the DG to chair the TNC should only be a one-off arrangement and not be used as a precedent. This was merely a temporary measure out of the impasse that had developed. That this was agreed signifies a big achievement for us. So our concerns on the systemic issues still hold.

Secondly, we insisted that in the negotiating bodies, when they submit their reports to the higher bodies, if there are differing positions - those should be reflected in the report. Initially this was resisted but we stood our ground and this too was included in the guidelines. We also insisted that we do not want a Chairman's statement that is not legally binding and therefore, of no importance. And the chairman's statement, based on these guidelines, had to be endorsed by the TNC - which was

done. And it had to have a proper document number and circulated as such among the membership, whereby people can make a reference and say this is how we agreed to conduct our negotiations. And this will assure us as developing countries to keep a check on the pulse of the negotiations. What we were afraid of is a situation where the chairperson of a negotiating body comes up with his/her own text, out of his/her own analysis and says this is what we should do - ignoring the positions expressed by a number of Delegations. This is probably what happened when we went to Doha with the chairman's text (of the General Council). So, once bitten, twice shy. It is important for Ministers to view the different shades of opinions that have been expressed in various negotiating bodies.

We were also able to push in the question of a negotiating body for the S&D issue. Initially, it was not there. We from Africa had also suggested having vice-chairs for the negotiating bodies on a rotating basis. The idea was to have a balance in terms of the chair and vice-chair - one from a developed country and the other from a developing country. That would have been ideal for us but we did not succeed in pushing this idea through.

SB: Do you get the feeling that Geneva negotiators are being by-passed at times?

Amb. Chidyausiku: Yes. We did have a meeting of Capital-based officials here in Geneva on 25 January, from a selected number of countries, arranged by Canada and Brazil. In the two years I have been here, this is nothing new. Developed countries have been playing this game for some time. Before we went to Doha, a number of countries were called to Mexico.

Before that, similar meetings were held in Frankfurt, Geneva, and Singapore. I think there is a feeling in some circles that you need to involve Capital-based people in negotiations. In principle, that should not be a problem. The relationship between Capitals and Geneva should be between delegations. When a government sends an Ambassador to Geneva, the government acts through that Ambassador. And there is the Geneva process, which is part and parcel of the WTO practice. One can sense that when someone is frustrated with the Geneva process, there is a tendency to go above that - by appealing to the Ministers or the Capital-based officials - to try and drive a point home. But this only negates the system that we have put into place.

I have no problem when technicians have failed to reach a solution, i.e. there is a logjam in Geneva and there is a need to bring in political direction from the Capital. That is in order. But when you ask Ministers to handle technical issues, that is certainly out of place. Technical issues should be left to the technicians and Ministers should be called in for political guidance. That is how we operate at the WTO.

SB: So a lot of recourse was made to 'direction' from Capital on the TNC issue?

Amb. Chidyausiku: Initially, as we started debate on this issue of chairmanship of the TNC, a lot of lobbying had been done in the Capitals. Our colleagues had received instructions to go along with the view of the quad and other developed countries that wanted the chairman of the TNC to be the Director General. When we raised the issue of rules, we were told "You want to straight-jacket this guy. Give the guy a job to do. You

do not have to give him the rules. Then he cannot negotiate. He cannot move." There was also the time pressure - Ministers had given until January 31st for the TNC to start its job. But we insisted as we were in no mood to give anyone a blank cheque.

SB: What exactly is the role of the chair of the TNC? Can he actually goad the negotiations?

Amb. Chidyausiku: My understanding is that it is to ensure that negotiations are done according to what has been agreed to in the Ministerial Declaration. But it looks like some colleagues feel that the chairperson has the right to goad people to go and negotiate and move faster. What the question really boils down to is this: are we negotiating via the secretariat or are we negotiating amongst ourselves as (WTO) members? If it is the latter, then it should be us who decide when we got to move.

SB: Do you foresee any further trouble with the selection of chairs of other negotiating bodies?

Amb. Chidyausiku: The chairman of the General Council has been consulting. A number of names have come up. From the developing countries, we feel that we should have input. We have been consulted for our views. When we participate - whether from developed or developing countries - we hold our views quite strongly. But that should not be held against us. What we need is a fair and balanced representation from the developing and developed countries.

SB: By when is this process likely to finish?

Amb. Chidyausiku: We have another meeting of the General Council on 13 February. By then, all the

names should be in place. Normally, before it goes to the General Council for approval, there should be a consensus among members. If that does not happen, consultations will continue until an agreement can be struck by all members.

SB: In this whole TNC process, was there a matter of substance as well?

Amb. Chidyausiku: The systemic issue we fought for is a matter of substance. It will not augur well if you are allowed to flout the rules and regulations in the running of an inter-governmental organisation. Tomorrow it could haunt us. When you feel the situation could save you, the correct things to do are forgotten. Fortunately, with the coming in of China into the WTO, we were able to push much harder - that we were not willing to accept the appointment of the chair of the TNC without any rules. We had to first pen down the rules of procedures and the guidelines and only then could we go into negotiations. In the other way round, you would have the chairman and then, the chairman determines the rules of the game.

SB: Will the guidelines and rules set for the chair of the TNC also apply to the chairs of other subsidiary bodies?

Amb. Chidyausiku: Yes, the terms of reference are the same. However the term of office in the case of the chairmen of subsidiary bodies is different, - they are to be reviewed at the fifth Ministerial. We conceded to the argument of continuity in this case by agreeing to a period of about 18 months instead of the normal term of one year.

SB: How come the issues of implementation and S&D managed to get left out in the initial versions of the Chairman Harbinson's text?

Amb. Chidyausiku: Our stand was that before we agree to the selection of the DG as the chairperson of the TNC, we must look at the whole package which needed to be agreed by the membership. So, in the consultations that we held and in the drafts that came out, whenever we saw a deficiency, we pointed it out, particularly in terms of which bodies were to handle the S&D and the implementation issues - mandated by the Doha Ministerial. These issues just had to have an equal status with other issues in the work programme.

SB: Why should one have to fight for inclusion of issues well known to be developing country concerns?

Amb. Chidyausiku: It is a ques-

tion of prioritisation. Since we have different interests as members of the WTO, each group pushes its own interest. If you do not safeguard your own interest, nobody else does that for you.

SB: Then what was so developmental about the Doha package, given that implementation and S&D issues are intimately linked to Development?

Amb. Chidyausiku: If the developing countries blink and do not push their own interest, then nothing will move. We have to be on alert all the time. The negotiations we just did and the compromise we got on the TNC have given a sense of satisfaction to the developing countries to the extent that our voices are being heard.

SB: Did you sense a spill-over of any animosity from Doha?

Amb. Chidyausiku: Doha taught us a lesson. That you cannot take things for granted. You have to fight for what is in your interest. Where you have the leverage, you must use it. Where you know the issues, you must speak out. Give proposals and counter-proposals to meet your partners in the WTO. This time the Chairman of the General Council was very fair. He was able to capture what transpired in the negotiations.

DEVELOPMENT, HUMAN RIGHTS & 'ETHICAL' GLOBALISATION

*As a counter-weight to the World Economic Forum, the World Social Forum in Porto Alegre has begun to acquire prominence with astonishing speed. Increasingly, representatives from governmental and inter-governmental organisations have begun participating in the Social Forum's activities - a sign that it is beginning to be taken seriously. The following are extracts from a presentation made by **Mary Robinson**, United Nations High Commission for Human Rights. She was speaking at a seminar organised in Porto Alegre on 1 February by the North-South Centre of the Council of Europe.*

The time has come to move beyond the arguments for or against globalisation. Our task is to ensure that globalisation becomes the posi-

tive force for all the world's people that the leaders of the world's governments promised at the UN Millennium Summit.

That means a globalisation that becomes a vehicle for human development and democracy, that can address as a first priority extreme

poverty, a globalisation that fosters successful economies and open and inclusive societies, a globalisation that respects the integrity of cultures and the sovereignty of states, and a globalisation that protects the environment for future generations. In other words, an ethical globalisation that ensures respect for the human dignity and human rights of all people.

The challenge for us is how to translate that vision into a programme of action? From a human rights standpoint, how can we best make use of the existing body of international human rights standards to influence the shape and direction of globalisation? What steps are necessary at all levels – local, national, regional, international – to further integrate human rights considerations into the decisions of governments, international organisations, the private sector and wider civil society?

This challenge has become all the more vital over the past six months. We are meeting at a time of great uncertainty for human rights. The aftermath of 11 September has raised real concerns about the danger of limiting fundamental freedoms in response to the need to combat terrorism. It has also made the importance of the issues we addressed in Durban last September at the World Conference against Racism all the more urgent. We must use the Durban programme of action to help bring about a world that respects the rich diversity and equal dignity of every member of the human family.

Human Rights: influencing the debate on globalisation

Building an ethical and sustainable form of globalisation is not exclusively a human rights matter, but human rights do provide an analytical and procedural framework including the critical role of participation, to address the complex issues raised by the social dimensions of globalisation. This approach also gives emphasis to

the shared responsibility for the universal protection of human rights. That responsibility is shared by all of us, individuals, the religions, corporations, states, international financial institutions and the United Nations- all of us.

Human rights and development

One of the issues we have agreed to focus on with the World Bank is finding ways to involve those who have been most excluded from decision making processes at the international level. Within the UN system, one innovative step in this direction is the new Permanent Forum on Indigenous Issues, which will have its inaugural meeting in New York in May.

The Forum may provide a concrete entry point for implementation of the principles of ethical globalisation. For the first time we have a body in which indigenous peoples are real partners. Of the 16 members, 8 are representatives of governments and 8 are indigenous people. Indigenous and governmental experts working together will decide the agenda, the discussions, the contents and the recommendations. The Forum is all encompassing, covering social and economic, environment, development, education, health, human rights and all matters affecting indigenous peoples and will involve input from UN agencies and the World Bank.

My Office is also working with the UN Development Programme to deepen our understanding of the programmatic implications of rights-based approaches for development practitioners.

Shared responsibility for human rights

A third example is what I see as a greater international recognition of shared responsibility for human rights at all levels. This is playing out in different areas, for example, by better targeting development

assistance that is effective, by ensuring the compatibility of trade agreements with human rights standards, in fighting global epidemics and in addressing the responsibilities of the private sector.

The World Health Organisation Commission on Macroeconomics and Health has proposed that rich countries spend an extra one-tenth of 1 percent of their economies on the health of the poor. If all wealthy countries co-operated, it would add \$38 billion a year to health spending by 2015. The commission argues that if that money went to poor nations that also spent more and improved their health care systems, these countries would see at least \$360 billion a year in economic gains, lifting millions of people out of poverty and saving an estimated 8 million lives a year.

In the area of trade, there are increasing calls for more determined efforts to address the global imbalances. In the Doha Ministerial Declaration, WTO Member States took a significant step forward in committing to substantial improvements in market access and reductions of, with a view to phasing out, all form of export subsidies.

What needs to be stressed again and again is that Member States of the World Trade Organisation have also all ratified at least one human rights instrument. What this means in practice is that in negotiating and implementing international rules on trade liberalization, these governments should bear in mind their concurrent obligations to promote and protect human rights, mindful of the commitment made in the Vienna Declaration 1993, that "human rights are the first responsibility of governments".

Consider what this means, for example, for the ongoing review of the WTO Agreement on Agriculture. At the practical level, States

should be examining with much greater rigour the positive and negative impacts of agricultural trade liberalisation on human rights – in particular the right to food and the right to development – and to raise such issues in the ongoing negotiations on agriculture in the WTO.

In the fight against global epidemics, an ethical globalisation means finding the right balance between public and private concerns and monitoring the impact of health policy. For example, the recent debate over access to HIV/AIDS drugs in developing countries has highlighted the potential conflicts between the intellectual property rights of pharmaceutical companies which are vital for innovation and research and the rights of people facing life threatening diseases to access adequate health care.

Again, in Doha last year, a Declaration on the WTO's Agreement on intellectual property protection (TRIPS) and Public Health affirmed the right of Members to grant compulsory licences. The Declaration states that the TRIPS Agreement « does not and should not prevent Members from taking measures to protect public health ». But we must act now to turn words into action.

As you know, here in Brazil, the Government has used provisions in the TRIPS agreement in this way to ensure affordable access to HIV/AIDS medications. But it is clear that we need to find more solutions to these complex challenges. A recent report by the World Bank includes an innovative proposal by Jean Lanjouw through which pharmaceutical companies would be able to choose to have their intellectual property rights in either developed or developing country markets, but not both. So, in the case of drugs that fight HIV/AIDS, companies who did the research and development primarily with rich country markets in mind would

benefit by choosing patents for rich country markets. The drugs would be freely available in developing countries, but producers there could not export cheap drugs back to the rich countries. As the Bank report points out, the proposal would not discourage pharmaceutical companies from continuing research and development on global diseases for which the main market is in developing countries.

Finally, the private sector also has a critical role to ensure shared responsibility for human rights. One area where the private sector must play a bigger role if globalisation is to benefit more people is employment generation. There are an estimated 66 million unemployed young people in the world today making up more than 40 per cent of the world's total unemployed. To highlight the urgency of the problem, the ILO estimates that the global economy will need to accommodate half a billion more people in developing countries over the next 10 years. What future can they expect without the opportunity of decent work?

The way forward

Where do we go from here? I believe we must continue to make the point at every level that human rights are more than just good ideas or distant goals to work towards. States have voluntarily acknowledged and accepted obligations through the ratification of human rights treaties to be accountable for implementation. That means that part of development work is raising these issues with governments and finding ways to assist in implementation.

Primary responsibility for human rights rests with national governments. Yet the reality is that in many countries, we have seen the breakdown of national government institutions, the weakening of legislative and judicial environments and the decline in the provision of

basic services. My Office is increasingly called on by governments to support efforts at the local and national level to build capacities needed to live up to the commitments entered into through ratification.

Over 50 years ago, the drafters of the Universal Declaration of Human Rights stressed the link between respect for human rights and freedom justice and peace in the world, and called for a just international and social order. That Declaration also affirmed that the true meaning of human rights is one that embraces duties and community as well.

What is emerging is the need for globalisation as an economic process to be subject to moral and ethical considerations and to respect international legal standards and principles. By working together, by building bridges of understanding and partnership between North and South, I believe we can shape a new globalisation that benefits all people.

We at the United Nations are keenly aware that globalisation cannot be properly addressed without a genuine partnership with civil society.

As the Secretary General has put it, the growth of "global people-power" is arguably one of the happier consequences of globalisation and has allowed for new forms of cooperation and dialogue.

I recognise that it has been the movements of and for the poor that have brought international attention to the widening gulf between rich and poor and to those excluded from the benefits of a global economy. And I recognise that the great majority of those who have campaigned are not "anti-globalisation". It is an alternative globalisation movement, an ethical globalisation, they want.

In my Office, we are taking steps to ensure that civil society's voice and active participation become even more a central part of our work, for example in our new anti-discrimination unit that will focus on follow-up to the Durban Conference. Within the wider UN system, developments such as the Permanent Forum on Indigenous Issues, the first session of which will take place in May 2002, and the Social Forum to be established by the UN Commission on Human Rights will create new spaces for dialogue

and exchange with civil society.

But we will not be able to effectively address global problems, including the imperative of development, unless we address them together. That means all parts of society being willing to put ideological or political differences aside, roll up our sleeves, and find innovative and practical solutions to the enormous challenges we face.

I would call on civil society through their lobbying to bring alive the social dimensions of globalisation

through using a human rights approach.

An ethical globalisation is our best hope for building bridges of respect and understanding between people of different cultures, traditions and walks of life. It is our best hope for shining the light of public scrutiny on those who would violate the rights of individuals and groups. It is our best hope for expanding freedom and democracy to every corner of the globe.

DEVELOPMENT IMPLICATIONS OF DOHA

*The next few months will be a key test for the multilateral trading system in terms of living up to the Development content of the Doha work programme, according to **Rubens Ricupero**, Secretary-General of UNCTAD. Addressing the first session of UNCTAD's Commission on Trade in Goods and Services, and Commodities after the 4th WTO Ministerial Conference in Doha last November, Mr. Ricupero also pointed out that work on the "Singapore issues" can succeed only if, while expanding the scope of the current WTO agenda, the development content of these issues is clearly established from the outset. Following are extracts from Mr. Ricupero's statement on 4 February, 2002, giving his assessment of what was agreed in Doha and what the development implications of Doha are likely to be.*

Over the past two months we have had time to reflect on the outcome of that important conference and its implications for the role of developing countries in the multilateral trade negotiations.

Two main opportunities presented by the post-Doha work programme should be highlighted in this regard: first, that all the issues put forward by developing countries in the lead-up to the Seattle Conference are still on the table and potentially part of an eventual single undertaking; and second, that various deadlines have been agreed upon, which makes it imperative for progress to be made on the main interests of developing countries before the next Ministerial Conference if negotiations are to address broader areas. The top

question for the international community now is whether it will be able to make the best possible use of those new opportunities.

With regard to development, the Doha Ministerial Declaration is permeated by references to special and differential treatment in favour of developing countries, and also contains a provision to consider the binding of special and differential measures. This revival of SDT is a major achievement when compared to the conventional wisdom that prevailed during the immediate post-Uruguay Round period, which tended to downgrade its importance.

At Doha, that wisdom was reversed – at least in the language of the work programme, which

strengthens the relevance of SDT in all topics and through specific paragraphs that reinforce the concept as such. Mandates on the least developed countries and the small economies were also included as "horizontal" dimensions of the post-Doha negotiations. The full implementation of the LDC-III provisions on trade, notably with respect to the binding of duty-free market access and improved rules of origin, would seem a prerequisite for attracting investments to LDCs. In addition, the issues raised by the LDC Trade Ministerial Meeting in Zanzibar should also be taken into account, since they reflect the core trade and development agenda of the LDCs.

It is also worth noting that all the proposals submitted by develop-

ing countries with respect to implementation of the Uruguay Round agreements remain "on the table", in the sense that they are to be dealt with in the framework of three instruments: the Ministerial Decision on Implementation-Related Issues and Concerns; the document on the "outstanding implementation issues"; and the Ministerial Declaration's mandate on WTO rules. These proposals are mainly aimed either at eliminating important market access barriers facing developing countries, or at reflecting development needs that were not taken into account when the existing provisions were formulated. The fact that developing countries were able to secure the inclusion of these implementation items, and in particular to prevent their pre-Seattle proposals from falling out of the package, is evidence that they have consolidated their influence during the two years since Seattle. Here developing countries should expect to obtain some concrete results over the course of 2002. This strict time frame means that the next few months will be a key test for the multilateral trading system.

Another issue that was raised by the developing countries and taken into account at the beginning of the Doha Conference is the Ministerial Declaration on the TRIPS Agreement and Public Health. It represents in my view a first step in a process to ensure that the multilateral trade agreements are not applied in a manner that neglects basic social needs. In the area of TRIPS, there will be further negotiations on ensuring the inclusion in the Agreement of issues that reflect interests of some developing countries, such as the protection of traditional knowledge and biodiversity.

Through a separate decision,

the Doha Conference approved the waiver for the post-Cotonou negotiations between the ACP and the European Union, thereby allowing for the initiation of an important process of negotiations that involves the 77 ACP countries. We are very pleased with the opening of the new ACP office in Geneva and have begun to work closely with it in order to support those countries.

Last but not least, among the issues included in the post-Doha work programme as a result of developing countries' initiatives, I would like to stress the establishment of the two new WTO working groups on trade, debt and finance, and transfer of technology. Certainly, there are no negotiating mandates in these two areas, but both are equally crucial in the overall trade agenda of the developing countries. Their inclusion in the WTO institutional framework provides the opportunity to widen the consideration of the topics being treated at the WTO by looking at the linkages between trade rules and development implications.

Lack of access to financing and technology is clearly a major handicap to developing country producers and exporters, and it inhibits developing countries from deriving full benefits from their trade rights. Debt burdens discourage investment. Many solutions being proposed in the post-Doha programme will be viable only if financing is available. This is the case, for example, of the idea for a "development box" in the Agreement on Agriculture, or of the desired contribution of the liberalization of trade in environmental goods and services to sustainable development that should be envisaged together with access to the corresponding technology. These two new working groups therefore provide an

opportunity to examine how transfer of technology and financing instruments can be taken into account in trade negotiations in an operational fashion. We stand ready to support the active participation of developing countries and economies in transition in these new issues, which will probably become the "Doha issues" that enlarge the trade agenda as has been the case for the "Singapore issues" since 1996.

In this regard, the work launched at Doha on the "Singapore issues" can succeed only if, while expanding the scope of the current WTO agenda, the development content of these issues is clearly established from the outset. The policy spaces for national development strategies need to be ensured. It should be borne in mind that the need for multilateral rules on competition and investment were originally raised by developing countries themselves, at the end of the 1970s, within the UNCTAD framework and maintained until today in our mandate. Work in these areas, where a specific role for UNCTAD is defined in the Doha Declaration, could concentrate on identifying the elements of viable solutions which would be most compatible with the interests of developing countries.

For instance, there is an urgent need to identify the anti-competitive practices that inhibit the exports of goods and services of the developing countries, particularly the LDCs, and impair the productive capacity of their own firms in their own markets. It is clear that for countries that have adopted or are in the process of adopting market-oriented reforms, competition policy plays an essential role. The empowerment of consumers through appropriate consumer policy, especially in developing

countries and economies in transition, is also an essential input to efforts to enhance competitiveness and accelerate the development of developing countries. Within this broad theme, we convened an expert meeting last October to examine the new dimensions of consumer concerns in a context of globalization and liberalization and to shed light on the existing links between consumer policy, competitiveness and development in markets where competition should prevail. The consideration of the outcome of this expert meeting is on the agenda of this Trade Commission.

We welcome the inclusion of the trade rules concerning the regional trade agreements in the Doha work programme. This topic was already given a prominent place in the Bangkok Plan of Action, particularly in terms of support to integration and trade liberalization among developing countries. The increasing dynamics of regional trade agreements – some of them involving developed and developing countries – as well as the Doha mandate in this area leads UNCTAD to strengthen its capacity to assist developing countries in managing the articulation of simultaneous regional and multilateral negotiations. A new kind of strategic vision is required when preparing for parallel negotiations – a vision that goes far beyond the narrow technicalities of the erosion of preferences or the formulation of rules of origin.

The work programme adopted at Doha includes negotiations on certain trade and environment issues as well as the continuation of the work of the Committee on Trade and Environment, including the identification of the relevant WTO rules that may require a clarification. The Declaration explicitly rec-

ognizes the need for capacity-building on trade and environment. This need has been mentioned several times in our consultations with developing countries, and we stand ready to assist developing countries in this regard. This issue is also on the Commission's agenda.

I said that the term "development agenda" as used for the Doha work programme may prove appropriate insofar as the final outcome of the negotiations provides concrete results for the equitable participation of the developing countries, particularly the LDCs, in the multilateral trading system. It is above all in the two main areas of the "Uruguay built-in agenda" – agriculture and services – that this assumption needs to be proven by facts. The time frame set at Doha for these areas is tight, particularly in the GATS negotiations where initial requests are to be submitted by 30 June of this year, less than five months from now. The current developing countries' proposals include sectors such as tourism, energy, audiovisual services and the movement of persons, so as to come to grips with the real problems impairing increased participation in world trade in services. In this context, the UNCTAD Expert Meeting on Energy Services attracted considerable attention and was attended by over 100 experts. In fact, it was the first intergovernmental gathering on the specific issue of international trade in energy services. The study prepared by the secretariat for the meeting was equally one of the first analytical studies carried out on the sector and was very much appreciated by the experts.

In agriculture, the Doha Declaration provides a more ambitious mandate for continuing the reform process. It aims at the eventual phasing-out of export subsidies,

which have such a detrimental impact on developing countries' ability to compete, as well as improving market access and substantially reducing massive domestic subsidies in developed countries. Importantly, the Doha work programme provides for the inclusion of new rules on SDT, including food security and rural development. This could offer an opportunity for tailoring the Agreement on Agriculture to the particular needs of developing countries in this sector so crucial to the livelihood of the majority of their populations and to their poverty reduction strategies.

The Doha Declaration also takes account of the interests of countries in the process of accession to the WTO, an area where UNCTAD has been active. It will be necessary to give substance to the agreed mandate to facilitate and accelerate the accession of LDCs, because this issue has been pending since the Brussels Conference of last May. It will also be important to define the modalities for the participation of the acceding countries in the negotiations, probably in light of the modalities implemented during the Uruguay Round.

..Trade negotiations are necessary but in themselves not sufficient conditions for development. Even when they are concluded, they create first and foremost opportunities, but opportunities are useless if countries lack the means to take advantage of them. At the end of the day, for all developing countries, the capacity to overcome supply constraints is what really determines the quality of their participation in the trading system. It is crucial to build linkages between trade negotiations and the steps needed to develop productive sectors. Otherwise, the trade opportunities emerging from the negotiations will have no development impact.

MALARIA - SAVING AFRICAN CHILDREN

Nairobi, 13 Feb (SDN) – A new report released by the Médecins Sans Frontières (MSF) urges the World Health Organisation and the donor governments to help East African countries make a critical choice between ineffective but cheaper malaria treatment and an effective but slightly more expensive treatment that can save annually the lives of up to 1.8 million African children under the age of five .

The report “Changing national malaria treatment protocols in Africa: What is the cost and who will pay?”, which can be found on www.accessmed-msf.org,, says increasing parasite resistance has rendered antimalarial drugs such as chloroquine and Fansidar® virtually useless in many parts of East Africa.

Malaria experts agree that in order to offer patients effective treatment and prevent further spread of resistance, protocols should include drug combinations with the highly potent Chinese drugs known as artemisinin derivatives.

However, because of a lack of resources and donor preference for cheap solutions, many health ministries are considering changing protocols to transition strategies, using combinations of drugs that will be equivalent to giving some patients placebos. This decision is a matter of life and death in

a disease that kills between 1.3 and 1.8 million African children a year.

“Knowing more effective drugs are available and not being able to give them to my patients has been so difficult,” said Dr. Diane Cheynier, MSF Burundi. “Treatment exists that can avoid people dying unnecessarily. With the help of donors, African governments can avoid the fatal error of going to stop-gap, band-aid solutions.”

In MSF’s report, increased costs of more effective drugs are pinpointed as one of the chief barriers to widespread implementation in the public sector. Current drug combinations cost just \$0.25 per adult dose while more effective combinations with artemisinin derivatives cost approximately \$1.30. However, the report shows that for Burundi, Kenya, Rwanda, Tanzania and Uganda combined, the additional costs to implement the more effective combinations would only amount to \$19 million a year.

The report also argues that the choice of the most effective treatment today could lead to the supplementary cost of such treatment coming down to US\$6.3 million per year for the five countries combined.

“We believe that the report released today destroys one of the key myths blocking the introduc-

tion of treatment that has been highly recommended by leading malaria experts,” said Dr. Jean-Marie Kindermans of MSF, author of the report. “The cost of switching to effective combinations rather than combinations which are often no better than placebos is affordable if international donors are willing to help.”

MSF believes that the only way to prevent the widespread use of sub-optimal, ineffective treatment and further malaria epidemics is to find resources to fund the use of more effective drugs.

Malaria is one of three priority diseases that the international community has committed to fight. UN secretary general Kofi Annan has estimated \$8 billion a year will be needed for the Global Fund, but so far only \$1.9 billion has been pledged and even this amount is to be spread over a three year period.

The increase in cost today will be repaid many times over in years to come. Using effective treatment saves lives, reduces the number and length of medical consultations and hospital stays, and avoids the expense of ineffective treatment. People return more quickly to their families and workplace, thus reducing the enormous socio-economic burden of the disease.



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