

**STATEMENT BY THE SOUTH AFRICAN MINISTER OF
FOREIGN AFFAIRS, MR AB NZO, TO THE HIGH LEVEL
CONFERENCE OF THE GROUP OF 77 AND CHINA ON
REGIONAL AND SUB - REGIONAL ECONOMIC
COOPERATION OF THE DEVELOPING COUNTRIES,
BALI, 2 - 5 DECEMBER 1998**

Mr Chair,

Distinguished Ministers, Ambassadors and Delegates,

Fresh from the Twelfth Non - Aligned Summit in Durban, it is indeed a great honour to be standing before you today on the beautiful island of Bali. Assembled here is one of the two bodies that collectively represent the hopes and aspirations of the developing world. I have the privilege to be addressing you as Chair of the Non - Aligned Movement.

Mr Chair,

I would like to thank the Chair of the Group of 77 & China for having taken the initiative to create this platform for developing countries to discuss matters that are of great importance to them. We have a weighty task ahead of us.

This conference is taking place within the context of the ever-changing international financial and economic situation in which the developing countries are finding it increasingly difficult to adapt. This difficulty lies in the unpredictability of the process of globalisation in the world economy as well as the inequitable relations between countries of the North and the South.

The severe social consequences of the above manifest themselves in an unbelievable manner right here in this gigantic region of Asia, again in Africa, Latin America and in the Middle East. It is

regional economic affairs in our national agendas.

The NAM Durban Summit noted with serious concern the biased nature of the current globalisation process towards the wealthy Northern countries and the continuous marginalisation and exclusion of the countries of the South. However, this does not mean that the South should opt out of the process, but should rather engage the globalisation process in a systematic and intelligent way. We should do this with the view to ensure that the process is sensitive to the diversity of world developments and advances the ideal of a just, fair and humane world economic order.

Mr Chair,

The importance of coordination between the Non - Aligned Movement and the Group of 77 & China in order to effectively use the collective resources at our disposal for the betterment of all the people of the South cannot be emphasised enough. I look forward to the outcome of deliberations this week on actions such as sharing of information and expertise, sectoral cooperation in the field of transport and communications, private sector and civil society involvement, as well as the role of international organisations. As Chair of the Non - Aligned Movement, I also look forward to close coordination between our two groupings through the Joint Coordination Committee in New York, when we move to the advancement and implementation of a new plan of action and the economic agenda of the South.

I trust that we as developing countries will continue to cooperate in a way that will enable ordinary people to see a real improvement in the quality of their lives. That is our duty and mandate. Let us find effective ways to implement it jointly. My own country and neighbours, fellow members of the Southern African Development Community, look forward to exchanging views and our

quite clear that after many decades of struggle against inequality, the South remains faced with an enormous challenge.

The historic challenge that remains with us is about leveling of playing fields in world relations and the democratisation of international relations. It is also about creating, through cooperation between equal partners, an environment for tackling the grave problems of underdevelopment and poverty that we still face. Hence it is important that this conference should continue the search for practical and innovative solutions as we advance towards the new millenium.

At the Durban Summit, the Heads of State or Government of the NAM welcomed the holding of this High Level Conference on Sub-regional and Regional Economic Cooperation for the Group of 77 & China. In this context, they stressed the need to intensify the process of strengthening the various interregional dialogues and the exchange of experiences among sub-regional and regional economic groupings. The aim is to expand South - South cooperation through integrating the modalities of economic and technical cooperation among developing countries.

Recent developments in the world economy have caused the NAM to pay specific attention to economic questions. Foremost among these, is the process of globalisation and trade liberalisation. Taking on this process in a proactive manner again affirms the imperative of close coordination between the Non - Aligned Movement and the Group of 77 & China. This was highlighted at the XII NAM Summit during the Ministerial Roundtable discussion on the recent report by the NAM Ad Hoc Panel of Economists.

We also noted Mr Chair, that the G-77 High Level Advisory Meeting held in Jakarta in August this year, called for the Group of 77 & China to convene an expert group to investigate the nature

and the cause of the growing financial crisis in the South. I believe, Mr Chair, that member countries of the Non - Aligned Movement and the Group of 77 & China could share important experiences identified in reports and investigations such as these.

As Chair of the Non - Aligned Movement, South Africa wishes to take this opportunity to remind the conference about some of the economic priorities identified by the Twelfth Summit for the next three years. The Movement welcomed the deepening and broadening of the South - South economic and trade relations. This process needs to include the sharing of developmental experiences, the transfer of technology and utilisation of common potential, as well as the maximisation of Foreign Direct Investment (FDI) flows within and between Southern countries. In addition, South – South donor cooperation needs to be encouraged and multiplied.

Mr Chair,

The importance of South - South cooperation is reflected in the fact that, twenty years from now, it is highly probable that the impetus for growth in the world economy will be driven from the South. In our action plans and programmes to enhance South – South cooperation, we must use regional and sub-regional integration schemes to enhance the capacity of developing countries to participate in the global economy.

During the extraordinary Ministerial Conference of the Non - Aligned Countries on the South – South Cooperation, held in 1987, Ministers described South – South cooperation as constituting an integral part of the efforts of developing countries to restructure the existing international economic relations. They agreed that South - South cooperation should become an integral part of the national development plans and programmes of developing countries. Three months ago, the Durban Declaration of the Non - Aligned Movement again affirmed that we should resolutely incorporate

experiences with all of you.

I wish all delegations well in their deliberations and again thank the Government of Indonesia for hosting this important event where we will seek Southern solutions to Southern problems.

I thank you.