



GROUP OF FIFTEEN
The Summit Level Group of Developing Countries

**SECOND MEETING OF THE SUMMIT LEVEL GROUP
FOR SOUTH-SOUTH CONSULTATION AND COOPERATION
(GROUP OF 15)**

Caracas, 27-29 November 1991

JOINT COMMUNIQUÉ

1. We, Heads of State and Government, members of the Summit Level Group for South-South Consultation and Cooperation - known as the Group of 15 - present in Caracas from 27th to 29th November 1991, jointly reviewed the evolving international situation and its implications for developing countries.

I. THE INTERNATIONAL SITUATION

2. The end of the Cold War and super-power confrontation, growing economic interdependence and globalization, the emergence of regional trade groupings and greater political democratization and popular participation in decision making, present on the one hand, opportunities for the emergence of a new era in international relations and, on the other, challenges for international economic and political stability.

3. This new era of international cooperation will, however, only be viable and stable if the concerns and participation of the peoples of the South, who constitute four-fifths of humanity, are given due recognition and importance.

4. The problems of the developing world, despite some progress during the past few decades, continue to be immense. Poverty, hunger, malnutrition and illiteracy continue to afflict large segments of our populations. Structural problems at the national and international levels have been exacerbated especially by the financial crisis which the countries of the South have experienced in recent years, particularly in view of the heavy burden represented by their external debt.

5. While we recognize the magnitude of these problems, we are aware of the South's potential, which could effectively be utilized for the benefit and prosperity of the entire international community. The South however, cannot deal with its problems by itself, nor can the North ignore the problems of the South, since, by their very nature, they inevitably affect the well-being of the developed world. There is a growing interdependence and mutuality of interest amongst the community of nations. This manifests itself in the need for global cooperation in areas such as the environment, migration, health, the fight against the traffic in drugs and science and technology. We must emphasize the indispensable role of North-South cooperation in such areas.

6. Illicit drug trafficking brings with it problems of illegal production, transport and consumption which are increasingly affecting the developing countries. In this regard, it is essential to intensify efforts to reduce the high levels of illegal drug consumption in all countries and, at the same time provide world-wide support for drug control and crop substitution strategies being carried out by the developing countries affected by this phenomenon, and especially in their efforts to incorporate agricultural workers involved in illegal production into profitable and competitive market economies.

7. North-South economic relations are characterized by asymmetry in the distribution of responsibilities and burdens for the required international change. There is asymmetry in the

process of economic adjustment. Our national economies are being re-structured and liberalized at considerable social cost and human hardship, while the industrialized countries continue to run large fiscal deficits, to pay billions of dollars in subsidies to inefficient industries and to agricultural production, and to maintain and even intensify tariff and non-tariff trade barriers that block exports of developing countries. These asymmetries endanger the viability of the South's own efforts and could lead to social and political instability. The present process of adjustment must respect each country's own national specificities.

8. There is thus a need for sharing responsibility to ensure world economic stability, irrespective of the political and economic power of individual nations.

9. We welcome the increased emphasis on democracy at the national level. While the process of democratization continues to progress in the countries of the South, we have yet to see democratization among States becoming a reality at the international level. Only an international framework based on the rule of law can guarantee peace, security, progress and prosperity for all peoples. It is essential to promote the strengthening of democracy and pluralism, while ensuring full respect for the sovereignty, territorial integrity, and independence of States.

10. We believe that the United Nations should play a decisive role in this task. The U.N. should be reformed so as to increase its efficiency and effectiveness and adapt it to the new international situation. The strengthening of the United Nations should be based on the recognition that the management of world affairs is a matter of share responsibility, and not the exclusive prerogative of a few States. One of the main objectives should be to restore the balance among its organs, which should support one another to achieve common goals: the preservation of international peace and security and the promotion of economic and social development. Realistic modalities should be found to place the issues of economic development and international cooperation at the centre of the multilateral agenda.

11. The present trend towards disarmament as a consequence of the end of East-West confrontation should produce a significant "peace dividend" in the form of financial and technical resources released for use in development and international cooperation. Beyond respective national efforts, an international mechanism within the United Nations system is required to facilitate in orderly transition, so that the benefits of peace and development are shared by the entire international community.

12. We recognize that all States have the duty to promote and guarantee the full observance of human rights within the framework of its indivisible nature and the cultural specificities of nations. At the same time, we support non-selective, non discriminatory and wide-ranging international cooperation in the field of human rights which will strengthen the values of respect, freedom and harmony in the political, juridical, economic and social spheres. The new political reality provides the opportunity to foster a fuller and stronger observance of these rights and liberties, on the basis of non-intervention and the sovereign equality of States. The observance of these rights should be promoted by the relevant organs in international fora in an objective manner, and on the basis of the principles of the United Nations Charter.

13. While we advance and support democracy, human rights and the rule of law, we need to ensure that development remains at the centre of international attention. Without this

central element, any vision of the future world would necessarily remain incomplete for developing countries and would jeopardize the very attainment of these objectives.

14. We welcome the concerted efforts to bring peace to the Middle-East, which should be given the utmost urgency. We support the process launched by the International Conference for Peace in the Middle-East, with a view to securing a just, comprehensive and lasting peace, and ensuring security and stability for all countries of the region on the basis of Security Council resolutions 242 and 338, as well as the right of the Palestinian people to self-determination.

15 We also fully support and endorse the need for on-going negotiations aimed at achieving a truly united, democratic and non-racial society in South Africa. It is necessary to stress the crucial role that international pressures and economic sanctions have played, and continue to play, as well as the need for them to be maintained in the national and international struggle against apartheid. We support the gradual lifting of people-to-people sanctions in areas such as cultural and sporting contacts, tourism and air links, in recognition of changes that have taken place so far.

16. The end of the East-West military and ideological rivalry now allows us to give international cooperation, which was undermined for decades, the priority it deserves. Furthermore, an enhanced awareness of the shared responsibility for development, an international convergence on the importance of issues such as the fight against poverty, a greater balance between the State and the market recognizing their complementary roles, and environmental sustainability, should facilitate the evolution of a consensus on development, leading to the launching of a new era of international cooperation. This new era should allow cooperation and the search for points of common interest to take the place of the ideological confrontation that has characterized international relations in the past.

17. In our view, economic and social development policies are the responsibility of the developing countries themselves. However, these policies can only succeed within a favourable global environment for which the developed countries should assume a major responsibility. We also believe that these are important factors for a growing understanding and for greater North-South cooperation in the future. In this context, the points of conflict and differences between North and South, in the spheres of economy and trade, require new approaches, mechanisms and solutions that are acceptable to both sides.

18. The new consensus must ensure a supportive international economic environment which gives primacy to a development paradigm concerned not only with GNP growth, but one which also focuses on fundamental issues that affect the human condition such as the eradication of poverty, equity in the distribution of the fruits of development, fulfilment of basic needs in housing, education, health and nutrition, easing of population pressures and the ecological sustainability of development. Developmental efforts should be responsive to the cultural, social and environmental conditions of each country, and should strengthen efforts towards national self-reliance by facilitating the maximum utilization of national resources.

19. The main elements of a new international development consensus should include the following issues of concern and interest to the international community and, in particular, to the developing countries:

- Eradication of poverty.

20. The battle against poverty, conceived not only in terms of the implementation of assistance-based and remedial measures for improving the condition of the poor but also as means to strengthen their economic self-reliance, should in the future be the main focus of attention of national developmental efforts as well as those of international cooperation for development.

21. Ensuring the fulfilment of the basic necessities of the poor in respect of health, housing, education, nutrition and productive employment, requires the full utilization of their creative resources, including their accumulated knowledge and forms of socio-economic organization.

- External debt and resource flows.

22. We acknowledge the importance of recently adopted measures aimed at alleviating the problem of external indebtedness experienced by developing countries, and the need to reduce both its volume as well as its service.

23. The external debt of developing countries continues to weigh negatively on many of our economies. The net external transfer of resources by the developing countries must be reversed so that sufficient financing is available to advance economic growth and improve the living standards of their people.

24. Based on the principle of co-responsibility, border and more realistic measures are needed to expand, extend and devise reduction schemes in respect of all types of debt, in a just and equitable manner, while being sensitive to the specific problems and requirements of individual countries.

25. We note that there is a recognition of the need for a commitment on the part of the industrialized countries to ensure the transfer of adequate financial resources for development purposes. In this regard, the resources of international financial institutions and regional development banks should be increased together with adequate and flexible official assistance in support of adjustment programmes adopted by developing countries and for the development of their human resources. Moreover, a commitment should be made, by the international community, to ensure a net positive transfer of resources from multilateral financing institutions to all regions and countries of the South.

- International trade.

26. Developing countries, responding to their own economic needs and new international economic realities, are making a serious attempt to participate in the international trading system, while the protectionism of the North has intensified. It is imperative that efforts at economic liberalization on the part of the developing countries be matched by their trading partners, especially those in the developed world.

27. We reaffirm our commitment to an international trading system that is multilateral, transparent and non-discriminatory. Compliance with a genuinely open international trading

system will guarantee the opportunities for the growth of all nations and the development of developing countries.

- Conclusion of the Uruguay Round of Multilateral Trade Negotiations.

28. We reaffirm the need to ensure equitable global results in the multilateral negotiations of the Uruguay Round. A balanced and successful conclusion of the Round should reflect all aspects of the negotiations and the interests of all parties involved. In particular, the results must ensure (i) the substantial enhancement of market access for developing country exports, (ii) the development of rules and disciplines that will guarantee stability and predictability in trade relations and a curbing of unilateralism, arbitrariness and trade harassment effects of ostensibly legal trade instruments, and (iii) that pursuit of legitimate public policy objectives and development goals by developing countries and access to modern technology and investment are not adversely affected by agreements in new areas such as intellectual property rights, trade-related investment measures and services.

29. The multilateral trade negotiations have entered their final stage. We have decided to instruct our negotiators in Geneva to intensify the consultation process in order to reach a successful conclusion to the Round.

- Regional trading groups.

30. The dynamic transformation of the world economy, and the globalization of the productive processes have resulted in the creation of regional and sub-regional economic integration schemes. We welcome actions towards integration aimed at widening markets, improving productivity and competitiveness and fostering investment on a global basis.

31. This tendency, however, poses challenges which must be faced with strength and determination. The main objective remains the establishment of an open and transparent international trading system. The international community should strive to remove existing trade barriers and avoid creating new ones incompatible with such a system. Closed trading blocs would only lead to disputes, tensions and instability.

- Primary Commodities.

32. Primary Commodities continue to be a major source of foreign exchange for a majority of developing countries. We are convinced, that there are opportunities for international cooperation among producers and between producers and consumers, through a substantial improvement in terms of market access, improved supply management and the better use of technologies to achieve more efficient levers of diversification, processing, marketing and distribution. Concerted efforts should also be made to ensure that the Common Fund for Commodities becomes fully operational and achieves the objectives defined in its establishing Agreement.

33. An early meeting of G-15 economic experts to study the issue of primary commodities would be an important step in working towards a concerted position during the forthcoming UNCTAD VIII and other multilateral economic negotiations.

- UNCTAD VIII.

34. UNCTAD is unique in terms of being a universal, multidisciplinary forum whose mandate places development as its cornerstone. The eighth session of the United Nations Conference on Trade and Development to be held in Cartagena de Indias in February 1992, should lead to the institutional and operational revitalization of UNCTAD and restore the relevance of the role of this organization in the formulation of an international consensus on development.

- Role of technology.

35. Science-based technology and its effective utilization are increasingly becoming the determinants of economic and social change. At the same time, the technological gap between the North and South has widened. However, it must be recognized that cumulative scientific and technological knowledge and innovation is a heritage of all mankind. There is thus an urgent need to devise an international framework which will ensure stable, non-discriminatory access, on reasonable terms and conditions, to new technologies critical to growth and development.

- Role of investment.

36. Foreign investment is beneficial when it generates employment, augments domestic resources, facilitates the transfer of technology and encourages exports. We recognize the positive role which foreign investment and transnational enterprises can play with respect to our economies, within the framework of the respect for sovereignty, culture and development aspirations of host countries.

- Development of Human Resources.

37. Human resources are the most important asset our countries possess. The economic growth and stability we have set out to achieve would have little meaning for development if they were not reflected in the welfare of the population as a whole. People are both the means and end of our development efforts. Human resources are the prime motivators in any strategy for political, economic and social progress.

38. Effective developing country cooperation through the pooling of resources, experiences and skills, can go a long way in helping to enhance and upgrade the tremendous human resource potential of the South. We welcome and encourage international cooperation in this area, provided that it gives due recognition and is sensitive to the cultural dimension of social development, policies and programmes.

- Energy.

39. The crucial issue of energy must become an object of global understanding between oil producing and consuming countries.

40. In this regard it is worth noting the special significance of the Paris Meeting of Oil Exporters and Consumers, an exemplary North-South effort held under the joint auspices of Venezuela and France, in a spirit of contributing to the commencement of broad international

cooperation to the benefit of market stability, both with regard to oil supply and demand as well as to the checking of the sudden fluctuations in prices alternatively affecting the economies of consumers and producers.

41. There is an imperative need for concerted efforts to enhance energy cooperation, especially in the development of non-conventional, new and renewable sources of energy.

- Environment and Development.

42. Developing countries are committed to the protection of the environment. Global environmental problems, for the most part, are rooted in environmentally irrational consumption and production patterns in industrialized countries which have an adverse effect on developing countries in particular, since they are more vulnerable to the risks emanating from phenomena such as climate change, ozone layer depletion and desertification.

43. The prime need of developing countries is the revitalization of their economies, eradication of poverty and the achievement of growth that is sustainable both in economic and environmental terms. There is an urgent need to ensure that our developmental concerns are integrated into solutions that we seek in the area of environment. The basis of international cooperation needs to be revised so as to enable developing countries to meet these objectives and as such should promote the availability of new and additional financial resources and the preferential access to environment-friendly technologies. The developed countries have the greatest responsibility for the establishment of environmentally sustainable development in the world and should, consequently, contribute the largest resources for international cooperation in this field. The unilateral imposition of new finance or trade conditionalities will not only prevent the solution of environmental problems, but will also contribute to aggravating developmental problems and lead to the polarization of North-South relations.

44. The forthcoming United Nations Conference on Environment and Development scheduled to be held in Rio de Janeiro in June 1992 provides a historic opportunity to address the subject of environment and development in an integrated, comprehensive and balanced manner. The adoption of agreements and programmes, including a concrete programme for the Greening of the World, would meet the needs of all countries, safe-guard global environment and ensure the full participation of the international community.

II. SOUTH-SOUTH COOPERATION

45. A key aspect of the new international consensus on development is that of South South Cooperation on which the Group of Fifteen puts special emphasis as a strategy for greater collective self-reliance and national, regional, and global development. We are aware of the enormous potential that exists in the South in the form of vast markets, immense natural and energy resources, endogenous technologies and considerable human resources. We place great emphasis on the development of human resources through policies and programmes designed to enhance educational and health facilities and services.

46. A healthy and literate population is a crucial pre-requisite for economic development

and social progress. The South has made considerable progress in the provision of primary health care, disease-control and birth-control with impressive results in the reduction of infant mortality and the extension of life-expectancy. These achievements must however, be built upon and multiplied if the persistent and wide spread deficiencies in health care still evident in all areas of the South are to be effectively addressed.

47. Cooperation arrangements among South countries in the fields of education and public health could go a long way to achieving these objectives. We must promote the sharing of knowledge, experience and related technologies. Furthermore, of vital importance to the South is the considerable potential for cooperation in the area of indigenous medicine.

48. We wish to emphasize the relevance of the meeting of businessmen being held to coincide with our Second Summit. The contribution of leading entrepreneurs from the South to the process of developing country cooperation is welcomed. This exercise will enhance the existing potential cooperation and become a regular feature of our Meetings.

49. In keeping with the objectives and purpose of our Group, a decision was taken at our First Summit to launch a number of special projects aimed at addressing and dealing with issues of priority concern and interest to developing countries. Since then, commendable progress has been made towards the implementation of some of these projects, the benefits of which will be reaped by all developing countries in the coming years.

50. On this occasion we welcome the establishment of the South Investment, Trade and Technology Data Exchange Centre (SITTDEC), by the adoption of its Statute. We place great emphasis on the value of this project which is unique in that it combines the three vital areas of investment, trade and technology. It also promotes the enhancement of the South's own capabilities in the collection, classification and dissemination of data vital to the enhancement of South-South trade, investment, flows and technology transfer. In addition, it provides the basis for the creation of a self-reliant, standardized method for the generation of information flows within the South.

51. We also note with satisfaction the design and implementation of a number of bilateral payments arrangements between developing countries and the beneficial effects they have already had on mutual trade. These arrangements have done much to build confidence and facilitate closer and more productive economic links between and among the business sectors of South countries. We urge other countries to make use of this initiative to conclude similar arrangements. We endorse the working draft agreement on the proposed Multilateral Payments Arrangements that was prepared by an Expert Group Meeting held in Kuala Lumpur in April 1991. We request Malaysia to take the necessary steps to implement this arrangement, initially on a pilot basis, with a view to its early and full implementation. It is noted that this initiative is the first of its kind to be designed on an inter-regional, multilateral basis.

52. We welcome the intention of Yugoslavia to convene the Business and Investment Forum in the first half of 1992.

53. We continue to attach the highest priority to the areas of bio-technology and alternative energy. As such, we approve the projects of Gene Banks and Solar Energy Applications and endorse their implementation.

54. We reiterate the great importance we place on the need for self-sufficiency in food and note with satisfaction, progress made in the design of programmes aimed at enhancing the abilities of farmers and agricultural technicians from developing countries in the production of food.

55. We also welcome efforts being made for the sharing of knowledge, the transfer of related technology and the provision of technical assistance in the vital area of population and family planning, an issue of prime concern to a number of member countries.

56. Convening a meeting of financial experts to discuss the external debt problem in April-May 1992 will constitute an important, further step in our efforts to formulate common approaches on this issue. We appreciate the efforts being made to set-up an advisory group to assist South countries in their dealings with multilateral financial institutions on issues of debt and loans.

57. We also attach importance to the undertaking of new projects that will further enhance cooperation among developing countries. In this respect, we endorse the proposal by Indonesia for the launching of a community-based project of self-reliance and people-centred development.

58. Finally, we agree to undertake the compilation of an inventory of successful domestic programmes in areas of common interest in order to facilitate the beneficial sharing of knowledge and experience in masters of development.

III. COMMITMENT FOR THE FUTURE

59. Our Personal Representatives have been working satisfactorily in preparation for our annual meetings. In future, in order to strengthen cooperation within the Group, we will direct our Personal Representatives to consider substantive issues of common interest, including the exchange of experience in each of our countries. These discussions will form a part of the preparatory process towards the next Summit.

60. The Group of 15, being a Group of developing countries, will continue to work towards the creation of a new international era of cooperation and development in which the concerns and interests of the entire international community and those of the developing countries in particular will be given the maximum articulation and attention. The Group of 15 reaffirms its commitment to act as a catalyst in the building of a world in which every country may have the opportunity to express itself and to contribute in a spirit of genuine cooperation and international solidarity, which, in the long run, are the only guarantees of the viability and stability of the world order. In this respect, the Group of 15 welcomes the participation of other developing countries in its projects and programmes of action.

61. We are willing to participate in international efforts towards a new international consensus on development. We stand ready to enter into an immediate and constructive dialogue with our partners in the industrialized countries.

62. We will continue to intensify efforts in our quest for a world with prosperity, justice

and freedom for all, where there is no South, no North, no West, and no East, but one single human family with equality of opportunity and participation for all of its members: One single world.

63. We accept the offer made by the Government of India to host the Fourth Summit Meeting in 1993. We also accept the offer made by the Government of Argentina to host the Fifth Summit Meeting in 1994.

64. We thank the Government of Venezuela for its hospitality and for the excellent arrangements made for the holding of the Second Summit Meeting and agree to meet in November 1992 in Dakar, Senegal.

29 November 1991, Caracas.