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**Address by Honourable Lakshman Kadirgamar, P.C., M.P.,  
Minister of Foreign Affairs of Sri Lanka  
and Head of Delegation to the Second South Summit  
Doha, Qatar - 16<sup>th</sup> June 2005**

Mr. Chairman,

Your Highness the Emir of Qatar,

Honourable Heads of State and Government,

Honourable Ministers,

Distinguished delegates,

Ladies and Gentlemen,

Permit me to thank the Government and people of the State of Qatar for the warm welcome and gracious hospitality we have received. I wish to convey sincere greetings from President Kumaratunga to His Highness Emir Hamad bin Khalifa Al Thani, and her good wishes for the success of the Summit.

Mr. Chairman, we meet in Doha at a very important time for the developing countries in the South. This Second South Summit is held on the eve of the 60<sup>th</sup> anniversary UN High-level Meeting that will be held in New York in September and the WTO Ministerial Meeting in Hong Kong in December. It is our expectation that the outcome of this meeting will provide us a common policy direction on issues of importance to developing countries and therefore a platform for collective action at these forthcoming two important meetings. Mr. Chairman, may I congratulate you, therefore, for being elected to chair this important meeting and thank the Government of the State of Qatar for its initiative and the generous offer to hold this landmark meeting in Doha.

Mr. Chairman, despite forty years of endeavour, our Group is still grappling with almost the same challenges we faced at its inception. Poverty, disease, debt, scarcity of resources and natural disasters still plague our lives. Our best efforts have not yielded desired results. I do not belittle our achievements. For instance we, together with developed countries in the North, through a series of Summit meetings on various issues, in particular the Millennium Summit, have established identifiable benchmarks for social advancement and sustainable economic development that have to be adhered to by all UN member States. Some of us have advanced towards these goals and objectives faster than

others. In the meantime, however, new challenges have come up. And the time is ripe for us to reassess as to how to meet these new and ever persisting old challenges. This Summit meeting provides an excellent platform for this purpose.

Mr. Chairman, the inexorable process of globalization, in which the multilateral trading system is an integral component, has neither created a level playing field nor generated expected trickle down benefits for improving the standards of living of all our people. It is widely acknowledged that the fruits of globalization have not been evenly spread either between developed and developing countries or among developing countries. The village, the periphery, by and large, has been excluded. This is manifest in several intra-regional and intra-country situations where disparities in the levels of development are glaringly apparent.

Mr. Chairman, many of our countries have taken steps to open our economies with a view to expanding our exports on the basis of the slogan 'more trade and not aid' will engender economic development. However, much-touted benefits of this process have not yet reached the masses. Significant trade barriers still persist in various forms in the markets of the North blocking our exports. Moreover, our commitment for an open, equitable, rule based, predictable and non-discriminatory multilateral trading system, has not yielded a level playing field in the multilateral trading system of today. Small countries like mine are being increasingly marginalized. For instance, the Most Favoured Nation clause is no longer the rule but almost the exception and seems to have lost its original meaning. Meanwhile, the quantum of international assistance continues to linger below the generally accepted level of 0.7% of GDP of developed countries. New and tedious policy conditionalities tied to ODA compound the situation further. We have therefore ended up with a neither aid nor trade situation.

Mr. Chairman, policy-making space accorded to the developing countries to intervene in international financing and trading processes is very narrow at best. For instance, the role of the developing countries in the South in the decision-making process of financing for development is eroding. This, no doubt, is affecting the economic integration processes of developing countries for lack of specificity in policy. In fact, each country requires a tailor made solution to suit their specific situation. Prescriptive sweeping conditionalities tied to financing often do not help capacity building essential for creating a competitive trading environment, and an ability to effectively absorb development aid.

However, Mr. Chairman, in our view it is inadequate to focus merely on the responsibility of the developed world to help sustain economic development and generate export potential in developing countries. Let it not be said that the States of the South lack the courage to look at themselves and their responsibilities critically. Good governance, transparency, productivity, cooperation with civil society and respect for human and labour rights are as

important to us, as they are to the developed countries. And it is our responsibility to work on these issues that are important to our people.

Mr. Chairman, we also need to accept that trade between developing nations of the South would be that much greater if we reduce trade barriers among ourselves. While we now trade among ourselves more than the amount that we did forty years ago, this recent growth of South-South trade is heavily concentrated between a handful of developing countries. There are still a multitude of tariff and non-tariff barriers that prevent exploitation of the full potential of trade among ourselves. An opportunity for dismantling such impediments to trade will soon arise with the conclusion of the third round of negotiations, the Sao Paulo round, launched under the Global System of Trade Preferences.

Mr. Chairman, we strongly believe in the efforts of this Group on building a culture of self-help for the South. Sri Lanka on its part is in the process of moving towards an increasingly lower tariff regime and forging trade agreements with regional neighbours of the South to promote trade among ourselves as a manifestation of our commitment to South-South cooperation. We have also initiated a technical cooperation programme entitled "Hands Across Asia" through which we will share our expertise in several specialized fields with fellow developing countries in Asia. We are eager to expand this programme towards other countries in the South.

Mr. Chairman, the Doha Declaration and the Plan of Action that we will adopt at this Summit will be as much a landmark document as the Doha Development Agenda of the WTO agreed in this city several years earlier. The outcome of this Meeting should launch our Group towards resolute action on the basis of a common platform at the forthcoming 60<sup>th</sup> Anniversary UN Summit and the WTO Ministerial Meeting. On the basis of this Action Plan we from the South should call for a "development audit" to be carried out in key areas of WTO negotiations to ensure that trade liberalization will meaningfully contribute to the realization of the Millennium Development Goals and poverty alleviation objectives. At the same time at the forthcoming UN Summit, we from the South, must earnestly support the call for a mechanism for continuous review of measures on Millennium Development Goals that will be included in the outcome document of the UN Summit.

Mr. Chairman, people in our countries, specially the preponderant majority who live in the village and the periphery, have heard enough words. They now call for deeds. Let us resolve at this historic meeting of the South that from now on, we are committed to produce results.

Thank you.