



**STATEMENT BY MR. LAL DINGLIANA, JOINT SECRETARY (TECHNICAL COOPERATION) ON SOUTH-SOUTH COOPERATION FOR DEVELOPMENT AT THE FOURTEENTH SESSION OF THE HIGH-LEVEL COMMITTEE ON SOUTH-SOUTH COOPERATION ON MAY 31, 2005**

Mr. President,

We congratulate you and other members of the Bureau on your election and thank the previous Bureau for the work done over the last two years. We associate ourselves with the statement delivered by Jamaica on behalf of the Group of 77.

The relevance of South-South Cooperation for developing countries has been increasing over the years as countries move towards market based economies in an era of globalization that has not brought the expected economic benefits to a large number of developing countries. Cooperation among developing countries is necessary for mitigating the adverse effects of international economic policies and to achieve the positive potential that these forces of integration have in them for the developing world.

Despite the continuing challenges, capacities in the South have risen dramatically in the last two decades and now there are hardly any goods or services required in the South, which cannot be sourced from the South itself. It is no surprise that developing countries' share of the total world trade in the last two decades has risen and that intra-South trade is growing. Developing countries also continue to emerge as international investors. The report on the Review of progress in the implementation of the Buenos Aires Plan of Action indicates that FDI flows from India too have risen rapidly in recent years, about half of which are in other developing countries. Developing countries need to continue working together to overcome their shared vulnerabilities and disadvantages, and to maximise the benefit that could accrue to them from the process of globalisation.

Two-thirds of developing countries depend on commodities for half their export earnings. From 1990 to 2002, the loss in income to developing countries from the steady decline in commodity prices, equals the subsidies paid by the OECD countries to their farmers and is five times their ODA. India substantially increased its commodity imports from the rest of the developing world in the last 15 years. This helped commodity markets. India has also written off the debt of seven highly indebted poor countries. Moreover, India extends significant amounts of concessional loans and grants to other developing countries. Between 1998 and 2002, India extended lines of credit of over US\$ 350 million to other developing countries

In recognition of the special needs of Africa, and, even more, our conviction in South-south cooperation India is cooperating with NEPAD with a commitment of US\$ 200 million. The Techno-Economic Approach for Africa-India Movement (TEAM-9) initiative involving a concessional credit of US\$ 500 million and technology transfer to West Africa is another facet of this commitment. India has also started work on a connectivity mission in Africa. It will support tele-education, tele-medicine, e-commerce, e-governance, infotainment, resource mapping and meteorological services. It will be in position within the next three years and all the African nations participating in this network would be able to reap the full benefits.

The UNDP Administrator's reports testify to India's commitment to South-South Cooperation, counting India amongst the pivotal countries devoted to South-South Cooperation. Sharing with other developing countries our capabilities and cooperating with them in developing their own economies, has been an integral part of India's foreign policy since its very inception. The Indian Technical and Economic Cooperation, better known as ITEC, which was launched in 1964, has provided over US\$ 2.5 billion worth of technical assistance to other developing countries, covering 156 countries. The recent initiatives launched together with Brazil and South Africa, more popularly known as the IBSA initiative, is again a manifestation of our commitment to South-South Cooperation.

Countries in the South need skills and expertise in high technology areas and for expanding mechanisms for transferring experiences in areas of strength, particularly development of human resources. In the past two decades scientific and technical competence has grown substantially in countries of the South to create significant complementarities between them. What is required is the will and the investments to put these complementarities to productive use. Apart from the traditional sectors, in frontier areas of information technology, satellite and remote sensing technology, radio astronomy, solar and wind energy, and herbal medicines as well as bio-technology, India has strengths which it is willing to put at the service of developing countries. Indeed many of our training institutions and research laboratories are already doing so.

Under various programmes, more than 5000 representatives of developing countries are provided training in India every year in over 250 institutions, including universities. India has also set up projects relating to vocational training in several partner countries in Asia and Africa for promoting Information Technology and Small and Medium enterprises, the sectors in which India has significant strengths. India is also increasingly being requested to assist in the agricultural field either with improved seeds or with agricultural expertise or recently, with actual translocation of farmers to demonstrate their techniques for growing rice and other staple crops. As the foremost milk producer in the world, the Indian dairy industry has of late become a focus of interest under our South-South cooperation programmes. The number of Indian experts deputed to various developing countries is on the increase.

Periodic disasters, often debilitating for developing countries, cause damage to economy and immense human suffering. With the colossal Tsunami disaster just a few months behind us, we can not afford to forget the necessity for efforts to generate disaster awareness and creation and enhancement of national capacities in this area. In

the aftermath of that disaster, in the midst of our own tragedy, Indian Air Force planes and Indian Navy ships devoted themselves to delivering assistance to other Tsunami-hit countries. The report, too, recalls this effort as another instance of South-South cooperation. We need further focus on the implementation of the Barbados Programme of Action and Mauritius Declaration and the Strategy Document, keeping in mind the situation and vulnerabilities of Small Island Developing States (SIDS).

We have noted that the UN system has also increased its use of southern expertise and found southern solutions to be more cost-effective and often the most logical option. The decision of the UNDP Executive Board in September 2004, to include South-South Cooperation among the drivers of development effectiveness in the Multi-Year Funding Framework is timely. We would encourage the UN system, particularly the UNDP and the Special Unit for South-South Cooperation to continue efforts to promote South-South Cooperation. Sustained efforts should also be made by UNDP to promote trilateral or triangular cooperation by bringing in the resources of the donors as a support to initiatives of cooperation amongst southern countries. Multilateral financial institutions should be similarly encouraged. Donor countries too, could contribute to South-South Cooperation by using local and regional resources for development cooperation projects in developing countries. We look forward to the Second South Summit in Doha to provide an opportunity for developing countries to enhance their cooperative efforts.

As we make efforts for the achievement of the Millennium Development Goals, we must aim at enhancing the overall prosperity and well-being in the South through the creation and strengthening of capacity within the South.

Thank You, Mr. President.

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