Statement by Ambassador Nasrollah K. Kamyab (Islamic Republic of Iran), on behalf of Group of 77, at the General segment of the substantive session of the ECOSOC agenda item 10: "Regional cooperation"

**Geneva**, 20 July 2001

Mr. President,

At the outset, let me express, on behalf of the Group of 77 and China, our sincere appreciation to the Secretary-General for his comprehensive and interesting reports on the "regional cooperation in the economic, social and related fields". I would also like to express our gratitude to Mr Ocampo for introducing these reports. The dual role of the regional commissions as "outposts of the United Nations" and as the unique bodies for expression of regional challenges and concerns, as well as regional successes within the United Nations system, provides a comprehensive mandate and a crucial role for regional commissions in the whole spectrum of the activities of the United Nations system in its economic and social fields. Their activities at the regional level also cover a broad and diversified range of activities reflecting the priorities and major challenges at the regions. The dual role of regional commissions has expanded significantly with the rapid globalization processes, which created new dimensions for their work and as a result of the outcomes of major United Nations conferences and summits, which should be integrated into their programmes and activities. Such a vast area of activity makes it difficult to address all aspects of work of these commissions; therefore, I will try to focus only on some aspects of the activities of regional commissions.

Let me begin by addressing the issue of the theme on interregional cooperation, namely "Regional perspective on globalization: an opportunity for catching-up or a risk of falling behind in the development process". The regional commissions could contribute enormously to the debate on the still unfolding process of globalization, particularly through their respective regional perspective. There are a number of interpretations about the opportunities and benefits of this process as well as its challenges and adverse impact on economic growth and development of developing countries. However, there is a clear indication that the globalization is leading to a widening gap between rich and poor in nearly all nations and between the least and most developed countries. The existing data shows that the number of poor people living in poverty in most developing countries as well as developing regions has increased; debt servicing is putting more burden on national budgets which should be allocated to health, education and other social services; and the share of a large number of developing countries, in particular LDCs in the global exports has declined. Nonetheless, the Group of 77 and China has the view that globalization, provided that, associated with conducive and transparent international policies and environment leading towards more equity and better regulatory framework at global level for international markets and comprehensive and far-reaching national development policies, can contribute to the better opportunities and benefits for development of all countries. Such a conducive environment at the international level should enhance and facilitate the broad participation of developing countries in decision-making processes at the global level, which gives legitimacy to the decisions that should be applied by all stakeholders.

Mr. President,

There are only a few sub-regions within the developing world that have benefited from rapid growth of international trade and foreign capital flows, for the growth and recovery of their economies. Nonetheless, the institutional capacities in various sectors of the economy at the national, sub-regional, regional and global levels are not commensurate with the existing needs to prevent or to address the risks and fragility resulted from globalization and their weakness is contributing to the intensifying adverse impact of such risks and volatility. As a result financial crises have become more frequent with more devastating impact on the developing countries. On the other hand, most of the developing world, particularly African countries and

LDCs , do not have the capacity to tap the opportunities of globalization and not even to address the adverse impact of such a process are being bypassed and further marginalized. The number of LDCs is still on rise and world prices for their products especially commodities have been declining persistently. There is no clear expectation for improvement of their economic situations, they are losing almost every edge for being competitive in the international markets even for those products that traditionally they had the comparative advantage and it seems that poverty has been institutionalised in those countries. Even improving market access for their products without providing necessary assistance to overcome supply-side and other constraints will not contribute to the improvement of their trade performance. The regional commissions through transmission of regional challenges and benefits of globalization in their respective regions could assist the system to better understand and respond to the challenges and promote the benefits of globalization. They can also establish a precious forum for exchange of experiences and ideas for assessing the possible impact of globalization on development and provide a variety of policy options both for increasing the benefits and addressing its challenges and adverse effects. Undoubtedly their activities in the area of regional and sub-regional integration could better assist the respective regional countries to benefit from globalization.

Follow-up to the outcomes of other major United Nations conferences and summits by the regional commissions should constitute on of the main tasks of regional commissions. Nonetheless, such a follow-up should be done in the context of regional priorities and needs and the work program of the commissions should be adjusted in order to enable regional countries to achieve those objectives. The Group of 77 and China would like to stress that although there are some common challenges for regional commissions to cope with the major issues and priorities in the respective regions should nevertheless constitute the work program and other arrangements within the regional commissions. Such a flexibility will allow these commissions to promote ownership of their programmes and functions and focus on issues that can contribute to development within their respective regions. It also can assist them to better serve as a forum for articulating regional perspectives on major global and regional issues including preparing their regions for preparation or follow-up to global conferences and summits.

Improved coordination and cooperation between the United Nations system and the regional commissions could contribute better to the understanding of the UN agencies of the priorities in the respective regions, better coordination among the agencies at the regional level, and improve the ownership of regional programs through more interaction with the regional commissions and their membership. These consultations have also provided a forum for an exchange of information and arriving at a common understanding of how the United Nations system could contribute to development at the regional level. Participation of the regional commissions in the Executive Committee for Economic and Social Affairs and United Nations Development Group (UNDG) could provide the opportunity for highlighting regional perspectives on various economic and social issues particularly for preparatory process or follow-up of United Nations major conferences as well as the operational activities of various funds and programs of the United Nations system. The research and statistical work of the commissions on the regional economic and social fields could also be used broadly by the United Nations agencies, as well as, in the work of funds and programs of the United Nations system. The cooperation of regional commissions with the Department of Economic and Social Affairs, including through convening meetings could be mutually beneficial and should be expanded to the new areas of interest.

Finally, Mr. President, collaboration and cooperation of regional commissions with UNCTAD in the field of economic analysis, trade facilitation and other development issues have been quite substantive. UNCTAD has been in close cooperation with all regional commissions in areas such as commodity diversification and poverty eradication, trade and investment promotion, promotion of transit transport and integration in the global economy. Enhancing cooperation between the regional commissions and UNCTAD should be encouraged and be extended including in the area of assessing the impact of global economic changes on the economic growth and development of developing countries. Cooperation between the regional commissions and UNDP has been continuing including through regional coordination meetings. Nonetheless, it seems that

such cooperation should be followed more vigorously and regional activities of the UNDP should not be constrained. We acknowledge the positive steps and consultation towards second Regional Cooperation Framework (RCFs) in two regions.

Thank you very much, Mr. President.