



REMARKS BY AMBASSADOR DUMISANI S. KUMALO, PERMANENT REPRESENTATIVE OF SOUTH AFRICA TO THE UNITED NATIONS AND CHAIRMAN OF THE GROUP OF 77, AT THE SIGNING CEREMONY OF A JOINT STATEMENT BETWEEN THE GROUP OF 77 AND IFAD ON SOUTH-SOUTH COOPERATION (New York, 9 November 2006)

Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

It is my great pleasure to welcome all of you and to thank you for your attendance.

I am very pleased to welcome Mr. Lennart Båge, President of the International Fund for Agricultural Development, better known as IFAD, who is joining us today to address the ambassadorial meeting on the partnership between the Group of 77 and IFAD in promoting South-South cooperation.

As announced in the Annual Ministerial Meeting of the Group of 77 held on 22 September this year, IFAD has very generously agreed to make a grant contribution of US\$200,000 to the Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries (PGTF), to support South-South cooperation projects and activities.

We are very honoured that Mr. Båge was here for the earlier meeting this morning where the Secretary-General briefed us on the System-wide Coherence Panel report. I will give the floor to Mr. Båge to make a presentation and then we will have a brief exchange of views followed by a Joint Statement signing ceremony regarding the partnership between the Group of 77 and IFAD in support of South-South cooperation. The Chairman of PGTF, Dr. Eduardo Praselj, sends his regrets for not being able to attend because of other urgent commitments and extends his warmest greetings.

As you are aware, PGTF was established by General Assembly resolution 38/201 of 20 December 1983 with an initial core capital of US\$ 5 million, so that only interest accrued could be used to finance projects. As of today, PGTF has provided financial support to 167 projects with a total allocation of US\$ 9.5 million. These projects involved directly 114 member countries of the Group of 77 and China and all of them have been beneficiaries of collective projects carried out by sub-regional or regional institutions from the South.

The fund-raising effort was complemented by the adoption of General Assembly resolution 58/220 of 23 December 2003, which included PGTF in the United Nations Pledging Conference for Development Activities. PGTF has been present in the past three Pledging Conferences and has received so far ten (10) pledges from our Member States. The upcoming Pledging Conference will take place on 15 November 2006. We call on you to pledge your support to the PGTF.

Co-financing is being pursued on a case-by-case basis and PGTF has worked together with almost every regional or sub-regional institution from the South towards the implementation of South-South cooperation projects.

With a view to taking further advantage of the potential of co-financing as a means of increasing the impact of PGTF resources, consultations and discussions have taken place with a large number of institutions that expressed interest in cooperating with PGTF, aimed at establishing more structured agreements that would provide for multi-year collaborative frameworks. We have worked for many

months with a number of institutions to identify common areas of interest, suitable working modalities and practical co-financing arrangements.

All of the above proves that the Group of 77 has been diligent and effective in expanding PGTF resources and enabling the Fund to continue providing support to South-South cooperation. We feel that the time has come to make a bigger step forward and try to achieve a higher level of support to South-South cooperation. The grant agreement with IFAD will further contribute to strengthen PGTF capacity and South-South cooperation.

The Group of 77 looks forward very much to working with IFAD in the context of this new partnership with PGTF, which demonstrates its strong commitment to South-South cooperation. There is nothing that works like success. I think this has been proven. Since we have been so successful with PGTF, others have come to join us.