

UN CONFERENCE ON TRADE AND DEVELOPMENT OPENS ELEVENTH SESSION IN SAO PAULO,
HIGHLIGHTING IMPORTANCE OF TRADE AMONG DEVELOPING COUNTRIES

Speakers Include Presidents of Brazil, Bolivia, Paraguay, Uruguay;
Prime Minister of Thailand, UN Secretary-General, General Assembly President

Welcomed by top officials from the city and State of Sao Paulo, the United Nations Conference on Trade and Development (UNCTAD) this morning opened its eleventh session in Brazil's economic capital, with a focus on enhanced coherence and creating what Brazilian President Luiz Inacio Lula da Silva called "a new global trade geography" -- one that gave trade among developing countries its rightful place in international economic relations.

The Conference is UNCTAD's highest decision-making body. It's 192 member States meet every four years to set priorities and guidelines for the organization and to debate key economic and development issues. During the week-long session, UNCTAD XI will hold a number of thematic sessions on trade, investment, finance, technology and development-related topics, organized around the main theme: "Enhancing coherence between national development strategies and global economic processes towards economic growth and development, particularly of developing countries".

Urging trading nations to create a "development-based approach to trade", United Nations Secretary General Kofi Annan said, "Policies ought not to give with one hand and take away with the other ... policies designed to liberate ought not to create new barriers." Countries that pressed others to liberalize trade should be willing to do the same themselves. Their refusal to do so could be politely called lack of coherence, but it could just as well be called discrimination, he said in his opening remarks.

It was also necessary to take advantage of the opportunities offered by South-South trade cooperation and integration, he said. The new round of multilateral talks that would be launched in Sao Paulo to expand the global system of trade preferences among developing countries held great promise. Agreement by those countries to a 50 per cent reduction of the average tariffs they applied to each other would generate an additional \$15.5 billion in trade.

Such a complement to the multilateral liberalization process could be decisive in the development of what Brazilian President Luiz Inacio Lula da Silva called a "new global trade geography". He said that that with a focus on growth, financial issues and social regeneration, now was the time to make decisions that would build "platforms for tomorrow". Political bridges must be built, and a new feeling of international unity must accompany new political visions.

Billions of people in poor countries were demanding dignity -- demanding responses to promises that not been fulfilled during the twentieth century, the President said. It was time to eliminate trade barriers without developing countries having to make crippling reciprocal concessions. That would be the start of a new trade geography, giving confidence to rich nations and promoting understanding between North and South.

He proposed the creation of an international policy centre dealing with financing for development, which could generate, among other things, projects to fight hunger and poverty, and promote development. This would be a major step towards overcoming the challenges of globalization. "If we want to guarantee peace and the effective fulfilment of human rights", he said, everyone must work to build a new order that guaranteed economic progress along with social equity. Here, he drew attention to his own initiative, the World Alliance against Hunger and Poverty, which he had proposed last year at the G-8 Summit in France as a way to create new financing mechanisms to accelerate progress on eradicating poverty and hunger.

"Today, it seems that we are still as far away as ever from realizing our dreams of global peace and prosperity", said Thailand's Prime Minister Thaksin Shinawatra, suggesting that developing countries could focus on trading with each other rather than with the North if rich countries failed to open their markets

Though it might be "tempting and somewhat satisfying" to blame the North, getting bogged down in recriminations was unlikely to get any results. In light of the challenges, genuine South-South cooperation had never been more necessary, or more pressing, he said. "The rules of the game had hardly favoured the South to begin with ... so it might be better to start up another game, which all players had a chance to win", he said.

While not advocating a pullback from engagement with rich countries, particularly in finalizing negotiations on the Doha Development Agenda, he urged the developing world to take a "leap of faith" and try and reduce its overwhelming dependence on developed country markets. Given the North's increasingly "zero sum" attitude towards trade, developing countries should diversify their risks by exploring more opportunities in the South. South-South trade figures had been up, but were nowhere near their potential. "For too long we have talked the talk about South-South cooperation. It is time we walked the walk", he said.

In the opening ceremony's sombre highlight, Mr. Annan called for a moment of silence in honour of Brazilian native Sergio Vieira de Mello, his Special Envoy in Iraq, and some 21 others who were killed last August when the United Nations compound in Baghdad was bombed.

Conference Secretary-General Rubens Ricupero paid tribute to one of UNCTAD's guiding lights, Professor Celso Furtado, whose health had prevented him from attending the meeting. The professor's son was honoured in his absence.

During a high-level interactive segment that followed the opening ceremony this morning, top government officials from the developing world stressed the need to take an honest look at ways to help their countries take full advantage of trading opportunities, chiefly by boosting already growing South-South cooperation and recognition of the strength of

developing countries' economies. Opening the round-table discussion, President Lula da Silva said that the intensification of the South-South trade presented new opportunities in an increasingly interdependent world. Today, its share had reached 30 per cent of global trade. Even more significant was the fact that manufactured goods had gone to 70 per cent of that trade in 2002.

The participants in the debate -- the Presidents of Uruguay, Paraguay and Bolivia, as well as the Prime Minister of Thailand -- agreed that the potential of the South needed to be further developed and provided examples of successful cooperation in that respect. Without denying the importance of North-South relations and trade, they also stressed the developing countries' self-reliance, cautioning against their "getting trapped" in the logic of special treatment that actually restricted them from becoming partners in their own development.

Making welcoming remarks were the Mayor of Sao Paulo and the Governor of Sao Paulo State.

Opening remarks were also made by Julian Hunte (Saint Lucia), President of the fifty-eighth session of the United Nations General Assembly.

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Welcoming Remarks

Welcoming the delegates, MARTA SUPLICY, Mayor of Sao Paulo, thanked The United Nations Conference on Trade and Development (UNCTAD) for choosing her city, which was celebrating its 450th anniversary this year, as a cite for the Conference. Under the guidance of its new President, Brazil was strengthening its international institutions and promoting international trade and development. She welcomed the broad debate being held in various seminars and events during the Conference with a view to ensuring that developing countries could be better protected in world trade. She hoped the Conference would promote that cause, despite the difficulties in obtaining that objective.

She added that as a Mayor of the city of enormous proportions, she intended to fully share in the development of social justice and the efforts to combat social exclusion. She hoped the Conference would consolidate the view of Sao Paulo as a gateway to South America and an important producer of products marketed all over the world.

GERALDO ALCKMIN, Governor of Sao Paulo State, stressed the importance of education and social inclusion programmes, which were among the instruments needed to improve competitiveness. A recent study had shown the great potential of insertion of developing countries in the international trade system. The progressive inclusion of poor parts of the globe in global trade could lead to positive changes, contributing to the world stability for both developed and developing countries. He hoped UNCTAD XI would contribute to the adoption of policies, which would achieve those objectives and that the Sao Paulo Conference would bear good fruit for the future of the whole world, for development was a new name for peace.

Opening Remarks

THAKSIN SHINAWATRA, Prime Minister of Thailand, said the world had changed dramatically in the four years since the tenth meeting of the Conference -- which his country had hosted -- with the international community's optimism about overcoming the challenges of globalization having been eclipsed by the events of 9/11, the crisis in Iraq and the collapse of the latest round of the World Trade Organization (WTO) ministerial talks last September in Cancun.

"Today, it seems that we are still as far away as ever from realizing our dreams of global peace and prosperity", he said, adding that globalization, once the hope for so many people, was being challenged for failing to render the world more fair and humane, particularly for the poor. Although globalization was "human made", it did not yet have a better-managed "human face". The "Washington Consensus" too had turned out to be an illusion. Developing countries still struggled with such basic problems as poverty, hunger, crime and disease, while developed countries had been slow to accommodate them in the one area needed most: the elimination of agricultural subsidies and tariffs.

Multilateral institutions such as the United Nations and the Bretton Woods institutions were also straining under the weight that had emerged as globalization had spread. Reform of those organizations was now recognized as indispensable for them to remain relevant to the changing needs and circumstances of their stakeholders. "Still, institutional reform alone

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may not be enough to rescue multilateralism", he said, adding that the very idea itself was "being eroded".

More and more countries were pinning their hopes on regional, subregional and bilateral cooperation, he continued. Although many realized that such arrangements would never be more than second-best solutions, in the absence of concrete progress on the multilateral front, there were bound to be more of them.

In light of the challenges faced by developing countries, South-South cooperation had never been more necessary, nor more pressing, he said. It might be "tempting and somewhat satisfying" to blame the North, but that was unlikely to get results. The rules of the game had hardly favoured the South to begin with, so getting bogged down in recriminations only distracted developing countries from their ultimate goals. "For many of us, if poverty reduction and sustainable development cannot be achieved through greater access to Northern markets, then it might be time to look at other options."

And while he was not advocating a pullback from engagement with developed countries, particularly with regard to finalizing negotiations on the Doha Development Agenda, he suggested that the developing world try to reduce its overwhelming dependence on developed country markets. Given the North's increasingly "zero sum" attitude towards trade, developing countries should diversify their risks by exploring more opportunities in the South. South-South trade figures had been up, but were nowhere near their potential. "For too long, we have talked the talk about South-South cooperation. It is time we walked the walk", he said.

Getting serious about such cooperation would require a leap of faith, since it would mean venturing into uncharted territory, perhaps even trying things that had not been done in years. There was also no guarantee it would work any better than North-South cooperation. But the alternative was to continue playing the game and "having the goalposts moved every time we try to shoot the score". It might be better to start up another game, which all players had a chance to win, he added.

He looked forward to a Conference that continued to try creating globalization with a human face, and which offered practical alternative solutions to sustainable development and poverty eradication on the basis of the 2000 Bangkok Plan of Action. He looked forward to an UNCTAD XI that provided a stage where countries of the world, rich and poor, could chart a more responsible future for children, and which encouraged the South to be stronger and the North to be more understanding and accommodating.

United Nations Secretary-General KOFI ANNAN said that, while the world had the means to improve living standards for all people, it lacked coherence. For example, he asked the meeting to consider the Asian entrepreneur who was thrilled to learn of a new market opportunity in the developed world, only to realize that trucks could not transport his products because of inadequate roads. Also, the African farmer, eager to take advantage of duty-free access to global markets, found her competitive advantage nullified by sophisticated packaging regulations, or by subsidies paid to competitors in wealthier countries. Another example was the indigenous Latin American cultivator of medicinal herbs, who did not know whether his people's contribution would be recognized and fairly rewarded.

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Policies ought not to give with one hand and take away with the other, he emphasized. Rules designed to liberate ought not to create new barriers. Countries that pressed others to liberalize trade should be willing to do the same themselves. Their refusal to do so could be politely called lack of coherence, but it could just as accurately be called discrimination.

Also lacking was a development-friendly trading regime, he said. However, that might be changing, with the European Union, the United States and others having taken important initiatives. There had been many advances in making life-saving medicines more affordable and available. Moreover, the successful use of the WTO dispute-settlement mechanism, including a case brought by Brazil on cotton subsidies, had shown how a rule-based system could help producers in developing countries.

Underscoring the importance of successfully concluding the Doha negotiations, he said it was increasingly clear that such a conclusion could be achieved only if developing countries were granted full access to the markets of the industrialized world, and if agricultural and other subsidies that distorted the world markets were dramatically reduced or eliminated. Such an outcome would strike a blow not only for coherence, but also for development and justice.

It was also necessary to take advantage of the opportunities offered by South-South trade cooperation and integration, he said. The new round of multilateral talks to expand the global system of trade preferences among developing countries held great promise. Agreement by those countries to a 50 per cent reduction of the average tariffs they applied to each other would generate an additional \$15.5 billion in trade. Such a complement to the multilateral liberalization process could be decisive in the development of what President Lula had called a new global trade geography -- one that gave trade among developing countries its rightful place in international economic relations.

JULIAN R. HUNTE (Saint Lucia), President of the fifty-eighth session of the United Nations General Assembly, said that a significant task of UNCTAD XI, on which all agreed, was to review the critical issue of coherence -- how to best enhance consistency between the development strategies planned at the international level, on the one hand, and global economic processes, on the other. That issue underpinned the more complex, multidimensional issue of how to further economic growth and development, particularly of developing countries, in the current global environment.

He recalled, that four years ago, at UNCTAD X, the international community had concluded that globalization and interdependence opened up new opportunities for growth and development. Together with trade liberalization, that position had been gaining in significance since the mid-1990s. For developing countries, that proposition offered new opportunities for integration into the global economy; improvement in economic performance through opening of markets; promotion of technology and information transfer; and an increase in financial resources for development.

While the premise had been that all would prosper, the reality was that many, particularly in the developing world, had yet to do so, he continued. Consequently, numerous developing countries were still clutching at economic growth and development straws, while others, mostly developed countries, were afloat on an ocean of prosperity. The challenges

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of globalization and trade liberalization were, in some measure, part of the growing sense of uncertainty that seemed to be permeating the world at the beginning of the twenty-first century. The lack of significant progress in the Doha round of trade negotiations and the setback of the Cancun World Trade Ministerial Conference, for example, raised questions as to whether there was sufficient common ground leading to a truly equitable global trading system.

Among other key issues influencing current uncertainties, he listed the impact of multinational corporations on development, poverty, conflict, terrorism and the deadly HIV/AIDS pandemic. However, participants had come to the Conference not only to focus on the troubled state of global economy, but also to determine how to remove the barriers between national and international action and promote growth and development, taking into account the important commitments made at the International Conference on Financing for Development and the World Summit for Sustainable Development.

Developing countries benefited most from liberal and fair markets to which they were able to export their agricultural and manufactured goods and services, he said. Indeed, markets that were free of discretionary standards, as well as technical, environmental and other requirements, worked best. Support mechanisms for developing countries had greater impact when they provided not only technical cooperation, but other essential support, as well, including adjustment support and institutional and capacity-building. Equitable trade rules, fairly applied, provided developing countries essential development space. Factoring in special and differential treatment in structural and emerging asymmetries between the developed and developing countries helped to provide such space.

He went on to say that multilateral trade negotiations were about achieving balance between rights and obligations, costs and benefits. At the same time, in the complex negotiating and decision-making process, it was important to avoid creating new imbalances. Levels of development continued to be a key priority. It was also important to bear in mind that true consensus on trade rules required that everybody was at the negotiating table and that negotiations and outcomes were transparent. Commodities must have a more prominent place on the international trade and development cooperation agenda. It was a fact that some 50 developing countries -- a full quarter of the UN membership -- depended on two to three commodity exports. Some 39 countries depended on exports of a single commodity. Unless their commodity situation and the operation of markets were urgently addressed, accompanying development goals would continue to be a challenge.

In the Millennium Declaration, the international community had made a commitment to make the right to development a reality, he continued. To achieve that, it was necessary to address such critical issues as poverty eradication, the provision of social safety nets and deadly pandemics. A fair and equitable trading system would help countries to spur development. Therefore, the initiatives in the area of international trade must be responsive to key development issues. Development efforts and the global processes that supported them must be underpinned by coherence in the multilateral system. As an advocate for the creation of appropriate links between trade, financial, technical and development policies, he was particularly pleased that UNCTAD -- the agency charged with trade and development -- was now a participant in the high-level dialogue of among the Economic and Social Council, the Bretton Woods institutions and the WTO.

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In conclusion, he said there were many obstacles to development, and each government must confront its own. The international community generally agreed that the efforts for economic growth and development should focus, in particular, on developing countries. Those nations' efforts to surmount obstacles and achieve socio-economic development were not about seeking help to survive in turbulent economic times. They were about taking their rightful place as partners in the global economy. UNCTAD XI was an opportunity to address those issues.

The President of Brazil, LUIZ INACIO LULA DA SILVA, said that choosing Brazil's economic capital, Sao Paulo, to host the eleventh Conference was a particular source of pride for the country, for that city represented the hopes, aspirations and challenges faced by many nations throughout the world in achieving social development and economic progress. Over the years, UNCTAD had become a harbour for the multilateral vision of the world economy. The Conference had stressed the idea that economic and social equity would not happen automatically, and would require research, democratic debate and political determination. At UNCTAD, ideas were generated, policies were being discussed, and ideas were being exchanged.

The Conference had also helped identify external constraints that limited efforts to achieving trade equity and elaborated political and conceptual ideas and strategies to help developing countries face the challenges of globalization, he continued. But he said that trade was not the only answer, it was also necessary to invest in infrastructure that would generate more jobs and income. The best financial architecture was one which sustained positive change and growth.

With a focus on growth, financial issues and social regeneration, now was the time to make decisions that would build "platforms for tomorrow", he said. Political bridges must be built and a new feeling of international unity must accompany new political visions. For the effective progress of all, it would be fundamental to adhere to a multilateral trade regime, which took into account the needs of the poorest countries. Billions of people were demanding dignity -- demanding responses to promises that not been fulfilled during the twentieth century.

It was time to reactivate the general system of trade preference negotiations begun in the 1980s for developed countries to eliminate trade barriers without developing countries having to make crippling reciprocal concessions, he stated. That would be the start of a new trade geography that would give confidence to rich nations and promote understanding between both North and South. He proposed the creation of an international policy centre dealing with financing for development, which could generate, among other things, projects to fight hunger and poverty, and promote development. His country would work to generate studies and research to that end. This would be a major step towards overcoming the challenges of globalization.

"If we want to guarantee peace and the effective fulfilment of human rights", he said, everyone must work to build a new order that guaranteed economic progress with social equity. The President also drew attention to his own initiative, the World Alliance against Hunger and Poverty, which he had proposed last year at the G-8 Summit in France as a way to create new financing mechanisms to accelerate progress on eradicating poverty and hunger.

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One of the objectives of the Alliance was to create a fund against hunger -- dubbed the "Lula Fund" -- which would be replenished with levies imposed on arms deals, international financial operations or other financial mechanisms. He said donor countries and the private sector would also participate with voluntary contributions.

In January at a meeting in Geneva, he had signed a joint declaration with Secretary-General Kofi Annan, President Jacques Chirac of France and Chilean President Ricardo Lagos on the establishment of a working group under the Alliance, responsible for finding ways to raise \$50 billion a year to combat hunger. The Alliance aimed to present a proposal to the General Assembly in September on how to reduce world hunger by 2015, which is one of the main Millennium Development Goals adopted by world leaders in 2000.

Today, President Lula said he hoped that the Alliance would reignite the political drive for the tasks of fighting hunger and poverty. Finally, he invited the Conference participants to work hard to reach maximum agreement and positive results.

High-Level Segment on New Geography of Trade: South-South Cooperation
in an Increasingly Interdependent World

The segment was opened by President LULA DA SILVA, who said that, despite serious obstacles, developing countries had increased their presence in the global economy in recent years. The flow of trade from those countries was increasing, and as a result of growing South-South connections, a new economic geography was becoming a reality. This opened new opportunities through an increase in the flow of goods and investments.

The new situation did not change the North-South exchange, he continued. The developed North would continue to be a source of investment and cutting-end technology for developing countries, as well as the destination for their commodities. New partnerships needed to be explored, however. The intensification of the South-South trade presented new opportunities. Today, its share had reached 30 per cent of global trade. Even more significant was the fact that manufactured goods had gone to 70 per cent of that trade in 2002. South-South trade owed its dynamism to the recognition of the strength of developing countries, which increased the number of bilateral and regional agreements.

The road ahead was clear, he concluded. Concrete gains for the countries of the South were still far from their true potential. That enormous potential for gain needed to be further developed and could be achieved if solidarity and political will prevailed. The Conference in Brazil should play an important part in determining the path of the new round of trade negotiations. The decisions reached at the event should be "actable". It was also necessary to examine the ways of improving the rules of the system. The emerging geography was geography of cooperation and solidarity.

JORGE BATTLE, President of Uruguay, said UNCTAD had achieved much in the interest of trade among countries by promoting the generalized system of trade preferences and through international agreements on commodities and the establishment of official development assistance (OPDA), among other things. But United Nations agencies and programmes, as well as the Bretton Woods institutions, generally, did not operate in a coherent

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fashion. Indeed, initiatives and programmes geared towards enhancing trade and development opportunities tended to be isolated from one another.

Coherence was absolutely necessary, and the United Nations family must work together to create the necessary infrastructure so that developing countries could generate their own solutions to the problems of globalization, he said. By example, he drew attention to the situation in the Democratic Republic of the Congo, where there were often no roads -- or other enhanced infrastructure -- to bring the work of the many agencies on the ground together in a coherent fashion. So Uruguay supported strengthening the analytical abilities of UNCTAD, as well as promoting technical cooperation programmes that would help governments develop their own institutions, particularly in the areas of development and trade.

Uruguay also sought an UNCTAD with the capacity to provide training for civil servants and other workers in the area of agricultural subsidies and other trade-related fields. He said the Conference should help promote the shared objective of most developing countries to ensure a fair and equitable trade system, particularly in agriculture. It should also promote trade relations among and between nations in the South. He drew attention to joint initiatives his country had begun with Angola and India. With imagination, political will and "a little bit of help from UNCTAD", developing countries could work together and mount an effective defence against the challenges of globalization, he said.

NICANOR DUARTE FRUTOS, President of Paraguay, said that one could lose faith in international forums, for the same arguments and problems, frustration and willingness kept coming up again and again. However, those who believed in democracy as the basis for building consensus had to continue on that path with optimism.

One could not deny the contribution of UNCTAD in the process of humanizing the economic order of the world, he continued. However, it was still necessary to address the imbalances and improve the international trade situation. If countries proved unable to establish institutions respected by both rich and poor countries, he did not know what the fate of the world would be. If the Security Council did not have the strength and coherence, how could such institutions as UNCTAD, WTO and others turn the plans and dreams of the world into reality? What was needed was an economic security council -- a body, which could truly decide the future of the world economy and define the norms and actions in that respect.

Going from meeting to meeting, he was discouraged by the repetition of the same arguments and problems, he said. For example, the problem of agricultural subsidies was the subject of many discussions. It was one of the issues, which needed to be resolved in order to establish the right economic and trade relations and reduce poverty. It was necessary to look not only at the role of rich countries, but at the contribution of developing nations, as well. Developing countries did not need charity -- they needed an approach based on humanism. They also needed to establish fair and more open relations among themselves. It was time to move from intentions to action.

The plight of landlocked developing countries required particular attention, he stressed. It was necessary to coordinate efforts in that respect. Social inequity and poverty in many countries were not only caused by external factors. They were also the result of corruption, greed and inefficiency of the leaders. Nevertheless, one could not deny that

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external economic factors did have an impact on the situation. Solidarity of both transit and landlocked countries should be established to overcome the economic disadvantages of landlocked countries.

In conclusion, he added that UNCTAD should also continue to build the ethical and moral basis for collective action by developed countries to create new opportunities for the developing world. What was needed was authentic solidarity and democracy around the world.

CARLOS DIEGO MESA GISBERT, President of Bolivia, said UNCTAD had sought to ensure logic, justice and balance in the international trading system. As the global trade had evolved over the 40 years of the Conference's existence, the apparently irresistible force of neo-liberalization that emerged at the end of the 1960s had not generated the necessary openness of markets and trade reforms that ensured the equitable participation of all countries in the world marketplace. So today, everyone was faced with addressing the challenges of globalization in a system that was seriously inequitable for developing countries.

That was why the current Conference must seek, among other things, to enhance coherence and cooperation between and among countries in the South. An emphasis must be on addressing internal imbalances and high poverty levels, while ensuring economic and social progress. Citing examples of the challenges faced by his own country in that regard, he said it was necessary to address the role of the State in ensuring equitable social growth in a new way. The weakness of States must be addressed as an important component of growth, particularly since some of the world's poorest countries had become trapped by a "logic of special treatment" that actually restricted them from being active in becoming active partners in their own development. Their real vulnerability had become a hindrance to their efforts to enhance their own positions in the global trade order.

The UNCTAD should go back to its roots, he said, particularly stressing the idea of broad participation and negotiation by and with developing countries, so that its ideas could be better heard. It was now necessary to go beyond rhetoric and combine the vision of developing countries with practical responses to serious imbalances. Here, he added that specific attention should be paid to the disadvantages faced by landlocked countries like Bolivia, while, at the same time, not providing a "crutch" that would make it appear that such countries were unable to participate or compete on the level of other nations.

Addressing the Conference for the second time this morning, Prime Minister SHINAWATRA of Thailand said his country's foreign economic policy reflected the changes on the international economic landscape. With reducing ODA, countries of the South needed to depend on themselves and one another more than ever before. His Government was aiming to strengthen the grass-roots economy and increase international competitiveness of its goods. Self-help was a key principle, which could help to reduce the culture of dependency that had accumulated for decades. The philosophy of a "sufficiency economy" strived to achieve development and better standards of life through effective use of resources. A knowledge-based economy should provide access not only to capital, but also to knowledge that would allow the efficient use of those resources. His Government's efforts included programmes to provide rural communities with access to phones, fax and Internet, for example.

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Without reducing relations with developed countries, it was necessary to reduce expectations towards them, he continued. Partnership should be developed as the main pillar of South-South cooperation. Thailand was taking part in a number of regional initiatives to build confidence and develop trade and investment. In that respect, it was important to generate practical projects that would meet concrete needs. Efforts were also being made to bring together diverse regions of Asia and develop an Asian bond market for the first time in history.

At the same time, it was also important to keep North-South relations on an equal footing, he said. The best way for each country to achieve fair trade was to become fully engaged in trade negotiations. In the meantime, it was necessary to ensure that bilateral and regional trade arrangements were compatible with the WTO standards. Cooperation between developing countries and international organizations was also important. Limited financial, technical and human resources made it difficult for developing countries to compete with major international corporations. His country was taking advantage of several trade-related capacity-building programmes provided by various United Nations agencies.

"What we are tomorrow depends on the choices we make today", he said. In making decisions, it was necessary to take into account the circumstances of each country. It was right to be cautious about globalization, but one could not be so wary of it as to miss the opportunities that it presented.

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