

3 May 2007

**Statement of H.E. Ms. Sheikha Haya Rashed Al Khalifa,
President of the 61st Session of the General Assembly,
at the G-77 and China Brainstorming Session on South-South and
Triangular Cooperation**

Deputy Secretary-General,
Excellencies,
Distinguished Delegates,

Over time the balance of world economic activity has changed. In the sixteenth century, China and India were the world's largest economies. By 1820 this had firmly shifted to Western Europe and North America; and, by the end of the Second World War had become much more pronounced.

The long-term trend of world GDP growth has risen annually by around 4 per cent, but most rapidly in developing countries. Global trade has grown even more rapidly at around 7 per cent annually.

It is the emerging economies that have been driving this global growth.

In the last two decades, the integration of China and India, and the Tiger economies of East Asia into the global economy has had a major impact on global growth and production. By 2017, China and India will have nearly doubled their share of world income.

Globally developing countries now account for over 40 per cent of GDP – on a purchasing power parity basis; over 30 per cent of manufacturing exports; and, over one third of Foreign Direct Investment.

As emerging economies grow, the balance of economic activity is shifting, primarily from Europe and the US to Asia.

However, while globalization is having a significant impact on many countries, some regions, in particular Africa, are still to be integrated fully into the world economy.

So you can see - we face a world that is changing. The speed, scope and scale of change is unprecedented. But for the benefits to be sustained they must be shared – by all.

Globalization brings opportunities, and has also brought challenges.

Now, more than ever before, dealing with the sharp social and economic inequalities that continue to persist, achieving the Millennium development Goals and wider development objectives, is central to our collective global economic stability and prosperity.

As new economic realities unfold - new patterns of trade, investment, technological collaboration, and development assistance are rapidly emerging.

Globalisation has catalysed new economic relations between developing countries. South-South cooperation is increasing and should continue to increase, including the quantity and quality of development and humanitarian assistance.

However, the current pattern of globalization is not producing the desired inclusive and equitable growth across the South.

The international development architecture needs to change to respond to these new dynamics.

There is clearly an urgent need for reform – to increase the voice and equitable representation of the South.

The United Nations welcomes the new dynamism of the South. On balance the new drivers of change have clearly produced tangible development results and contributed to global growth.

Excellencies,

I would like to congratulate the Chairman of the G-77 and China for championing this brainstorming session. We must take full advantage of the opportunities and address the challenges ahead.

I hope that this brainstorming session will help address these issues and harness the full potential of South-South cooperation to achieve the Millennium Development Goals.

As a contribution to your discussion today there are three points that I would like to make.

Firstly, our international development architecture must be reformed. The stronger developing economies must champion the needs of the most vulnerable developing countries; the Least Developed Countries, the Landlocked Developing Countries and Small Island Developing States.

Second, there is an urgent need to enhance United Nations system-wide coordination and coherence to more effectively support the agenda and priorities for South-South development cooperation.

The UN's thematic support for South-South cooperation is dispersed among various organizations and specialized agencies.

At the 2005 Doha South Summit, Heads of State and Government asked the Secretary-General to take urgent action to strengthen the Special Unit as the focal point for South-South Cooperation within the UN system.

Third, the first UN Conference on South-South cooperation was some 29 years ago in Argentina. It is clear the world has since undergone dramatic changes. Next year, we will celebrate the 30th anniversary of the adoption of the Buenos Aires Plan of Action.

Maybe now is an opportune time to seriously consider holding another United Nations Conference on South-South Cooperation.

Excellencies,

It is my sincerest hope that this brainstorming session will raise many other relevant issues.

You have the opportunity to make a significant contribution to the forthcoming High Level Committee on South-South Cooperation.

And, I have no doubt that you will continue to make a real difference to a number of on-going multilateral reform processes, including United Nations reform.

Thank you.