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OFFICE OF THE CHAIRPERSON OF THE BOARD

Statement of President Mbeki under the Council Agenda Item 5 8 May 2025

Mr. Convenor and Vice-Convenor, Your Excellencies, Representatives of the South Centre Member States, Members of the Board of the South Centre, Executive Director and Members of the Secretariat:

I am honoured to address this Council.

I would like to thank Your Excellencies and distinguished delegates for your participation at this meeting, as well as for the very stimulating interventions at the last Council meeting, in April 2024.

We live in a turbulent time not only due to wars that cause suffering and economic losses, but to the recent escalation of unilateral measures that blatantly violate internationally agreed principles and rules. These measures threaten to destabilise global trade, further weaken a sluggish global economic growth and disproportionately affect developing countries, which already face unacceptable levels of poverty, the impact of climate change and high indebtedness.

In this scenario, it is necessary not only to protect our countries from the shocks caused by these measures and events, but we mut also continue to address the structural asymmetries and support the efforts to achieve the Sustainable Development Goals, many of which now appear to be very elusive. A more sustainable, just, and peaceful world, as envisioned by the Pact for the Future adopted last year by the United Nations General Assembly, will only be possible if substantial reforms are made, notably regarding the international financial architecture.

We do not need more declarations nor unfulfilled promises, but a collective action with a decisive participation of the Global South to shape a multilateral system that supports development. Such a system, based on international law and the principles of the United Nations Charter, should also contribute to put an end and prevent coercive unilateral measures, including in the area of trade, that can only undermine development and perpetuate injustice.

While fully recognising the shifting global geopolitical landscape and new world dynamics, the South Centre has continued to work for the adoption of frameworks, rules and policies that promote the common interest and address the needs and concerns of developing countries.

As you are aware, the countries of the Global South have actively participated in 2024 in many international processes struggling for greater equity in the global order. Despite some progress in areas such as taxation, genetic resources and intellectual property, much still needs to be done to overcome historical inequities. The South Centre has closely followed these and other processes, including the important negotiations to address pandemics, as well as elaborate, through the UN, an international tax framework. The Centre has continued to support the developing countries through policy-oriented research, advice and capacity building.

As mentioned by the Executive Director and shown in the documents circulated for this meeting, the Centre is facing a fragile financial situation, given the decline of funding available from donors and the current level of contributions received from our membership.

If this situation is not addressed effectively and on time, the long-term sustainability of the Centre will be at risk. As I mentioned during the last Council meeting, we really need to ensure that the Centre is run

from the contributions provided by our Members. This is crucial to ensure the Centre's intellectual independence and sustainability. I sent In August last year I sent a letter to the Heads of State and Government of our Member States alerting them about the Centre's financial situation. The expenditures of the Secretariat are kept to the minimum. A proposal was elaborated and circulated to adjust the levels of assessed contributions. I leave it to the Convenor to consider whether the new scale of contributions should be submitted to the Council at this juncture.

This year the South Centre celebrates 30 years since its establishment. I humbly invite Your Excellencies to celebrate this anniversary with us. We are proud for having been able to preserve the values and have worked hard to make a reality the vision and aspirations of the founders of the Centre led by President Nyerere of Tanzania, one of the great leaders of the Global South.

Lastly, I would like to thank the members of the Board, the Convenors, the Executive Director and the staff of the Centre for their work and support.

Thank you for your attention.