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G15-Review
G15 - TEN YEARS AFTER

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CAIRO, June 22 (Bernama) -- An Egyptian professor lamented that there was nothing new in the communique of the just-ended Group of 15 (G15) Developing Nations summit and wondered what the G15 could achieve for the peoples of the South.

He posed the question to Datuk Seri Dr Mahathir Mohamad when the Prime Minister gave a talk at the Cairo University right after the two-day summit ended on Tuesday.

"As far as Malaysia is concerned, the G15 has done us a lot of good but we don't advertise much," said Dr Mahathir, who has never failed to attend the grouping's summit since its inaugural meeting in Kuala Lumpur in 1990.

He cited as an example the initiative to set up a centre to collect data on trade of all its member countries and the setting up of a mechanism to promote trade among them.

"Having collected the data, we increased our trade but we find many of the members do not have enough foreign exchange.

"So we set up a system called bilateral payment arrangement (BPA) in which you do not have to pay for what you buy but we contra the trade between one country and another, paying only the difference," he said.

This means the requirement for foreign exchange was very minimal and within the capabilities of most countries.

Malaysia has, through Bank Negara, signed BPAs with 26 countries in the context of enhancing South-South cooperation.

BPAs with G15 member countries include Algeria, Argentina, Chile, Mexico, Peru, Venezuela and Zimbabwe.

In the spirit of promoting intra G15 trade, Malaysia and Egypt will set up premises in each other's capital to promote their products -- "Rumah Malaysia" here and "Egypt House" in Kuala Lumpur.

"We are keen to buy more from Egypt...the thing to do now is to identify what we can buy," said Dr Mahathir at the university when asked by a student on the bilateral balance of trade which was largely in Malaysia's favour.

He said Malaysia could look into getting Egyptian fruits and onions as well as its industrial products, some of which he saw at a G15 Trade Fair, held alongside the summit.

Egyptian President Hosni Mubarak wasted no time in moving things ahead when he met with his economic ministerial group yesterday to review the outcome of the summit, the second to be hosted by Egypt after 1998.

He briefed the ministers on his separate meetings with the G15 leaders and instructed them to capitalise on the summit momentum to develop economic ties with the group members especially Malaysia, India and Indonesia.

The meeting discussed a report to increase the volume of Egyptian exports including a proposal to end the multiplicity of controls on the country's goods to overseas markets, said the Egyptian Gazette newspaper today.

Dr Mahathir noted that another positive outcome of the summit was to get member countries to better understand the effects of globalisation on developing countries.

"Now people understand that globalisation is not what it is made out to be. And that is a very big step forward.

"The next step is to get as many countries as possible to speak up...one country alone (doing so) will not going to be much of an impact," he said.

Malaysia will circulate a paper on the subject to other G15 countries following their request to get more information on how globalisation

affects developing countries.

Apart from Malaysia and Egypt, the G15 members are Algeria, Argentina, Brazil, Chile, India, Indonesia, Jamaica, Kenya, Mexico, Nigeria, Peru, Senegal, Sri Lanka, Venezuela and Zimbabwe.

The summit admitted two new members -- Iran and Colombia -- raising to 19 the number of the 10-year-old group's members.

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