

President Ranil Wickremesinghe Emphasizes Immediate Reforms in Global Financial Structure



President Ranil Wickremesinghe at the Third South Summit in Kampala, Uganda. Also present were Deputy Prime Minister of Somalia Salah Jama; South Africa's Minister of Foreign Affairs Naledi Pandor and Acting Foreign Minister of the Republic of Sudan Ambassador Ali Al-Sadiq.

President Ranil Wickremesinghe, addressing the Third South Summit in Kampala, Uganda, highlighted the world's numerous challenges, such as conflicts, pandemic repercussions, climate disasters and financial market uncertainties. The President also emphasized the disproportionate impact on vulnerable G77 economies.

In his statement, President Ranil Wickremesinghe stressed the urgency of reforming the global financial architecture. The President also pointed out that the

contemporary international debt resolution architecture is more suited for a world where the Paris Club and London Club dominate global debt resolution. International bond markets dominate global debt, particularly debt in the developing world and non-Paris Club lenders.

The President lamented the diversion of financial resources to debt service, hindering spending on essential public services and human development, impacting Sustainable Development Goal (SDG) targets. He criticized the Common Framework for its inability to provide speedy debt resolution, causing delays in addressing recent sovereign debt distress in many G77 countries.

Addressing climate finance, President Wickremesinghe highlighted the failure of the global financial system to meet the Global South's needs for mitigating and adapting to climate change. Despite commitments made in global forums, he pointed out the lack of real contributions. The President introduced Sri Lanka's Tropical Belt Initiative to catalyze private investments for global public goods, including biodiversity, oceans, and forest resources.

Expressing concern about rising protectionist tendencies in global trade, the President urged decisions to be made in multilateral forums rather than unilaterally. He emphasized the need for coordination between the G77 and BRICS to ensure the smooth efficiency of global trade and investment.

President Wickremesinghe also touched upon the challenges of job creation in developing economies, quoting Joseph Stiglitz on technological changes making manufacturing skills capital-intensive, resulting in fewer jobs.

While advocating for global financial reforms, the President called on the G77 + China to formulate strategies for member countries to prepare for energy transition, digital transformation, the green economy, and a skilled workforce for the new global economy.

President Wickremesinghe also thanked President Museveni and the Government of Uganda for their hospitality and congratulated President Museveni on hosting the Third South Summit and assuming the Group of 77 + China Chairmanship.

The President also thanked Cuba for its leadership during the past year and commended their effective leadership in the Havana Declaration. As the G77 + China commemorates its 60th year, President Wickremesinghe emphasized the

importance of remaining united to overcome multidimensional challenges based on the group's founding principles of unity, complementarity, cooperation, and solidarity.

As the largest alliance of developing countries within the United Nations, the G77 provided a platform for the Global South countries to express and advance their collective economic interests. It also served as a forum for joint discussions on international economic issues, fostering cooperation among its member countries.

The Third Southern Summit was convened under "Leaving No One Behind," aiming to enhance collaboration among its 134 member nations in trade, investment, sustainable development, climate change, poverty alleviation, and the digital economy.

The presidency of the G77 + China summit, previously held by the Republic of Cuba, was assumed by the Republic of Uganda during this session.