



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# UNCTAD E-News

Issue N° 1, April 2003

*Welcome to the first issue of UNCTAD E-News!*

## PREPARING FOR UNCTAD XI

Preparations for UNCTAD XI were high on the agenda of the thirty-first executive session of UNCTAD's Trade and Development Board, meeting in Geneva on 10 March 2003.

In his opening address, UNCTAD Secretary-General Rubens Ricupero proposed that the Conference conduct an assessment of global economic trends and prospects since UNCTAD X in 2000 (see [UNCTAD X website](#)). He also suggested that negotiations for UNCTAD XI focus on the following four themes:

- Development strategies in a globalizing economy;
- Building productive capacity and international competitiveness;
- Assuring development gains from the international trading system and trade negotiations;
- Partnerships for development.

Although the Conference agenda should be broad enough to cover all trade and development issues, it should be focused enough, said the Secretary-General, to provide a clear direction for UNCTAD's future work (see [statement by Mr. Ricupero](#)). He also highlighted the importance of involving the private sector, civil society and international development organizations.

The agenda of the meeting and details on the venue will be made available in May 2003.

## "CONFERENCE"?

*Why, after so many years, is the organization still called a "conference"? The explanation is to be found in the origins and purpose of UNCTAD.*

*In 1964, a first UN Conference on Trade and Development was convened in Geneva. Its mandate was to consider "all vital questions relating to international trade, primarily commodity trade and economic relations between developed and developing countries." Following the conference, UN member States decided to establish UNCTAD as an organ of the General Assembly with a permanent secretariat in Geneva. Its role was to service future Conferences, to be held every four years, and to follow up on the mandates approved by them.*

*To date there have been ten Conferences: Geneva, Switzerland (1964); New Delhi, India (1968); Santiago, Chile (1972); Nairobi, Kenya (1976); Manila, Philippines (1979); Belgrade, Yugoslavia (1983); Geneva, Switzerland (1987); Cartagena, Colombia (1992), Midrand, South Africa (1996); Bangkok, Thailand (2000).*



## Interview with Ms. Lakshmi Puri, Director of UNCTAD's Trade Division



*Ms. Lakshmi Puri was appointed Director of UNCTAD's Division for Trade in Goods and Services, and Commodities (DITC) in October 2002. She had previously served in the Indian Foreign Service in policy-making and administration, and in bilateral and multilateral economic diplomacy. She was appointed Ambassador to Hungary from 1999 to 2002.*

**UNCTAD: What is your vision of UNCTAD's work in the area of trade and development?**

**LP:** UNCTAD has a mandate on trade and development which is unique. It is the focal point in the UN system on trade and development issues. It looks at the impact of trade on development as well as their interlinkages with other issues, such as finance, investment, environment and technology. It is often felt that the WTO, the major focus of multilateral trade negotiations, encompasses a large body of international trade issues. So UNCTAD's role has also to be looked at in relation to those negotiations. And there I see UNCTAD as performing the role of a development monitor, which identifies the development dimensions of the various aspects of the negotiations. It should elucidate and analyse them, as well as help the international community to understand them and incorporate them in the multilateral trading system that is emerging. In this complex scenario, it is UNCTAD that is best equipped to provide the strategic view as well as the ground reality regarding international trade issues. There is a raft of agreements and processes outside the WTO: in the regional trade agreements, in the bilateral framework. This implies looking at the WTO, but outside and beyond it as well.

**UNCTAD: How do you think UNCTAD can help developing countries on the road to Cancun?**

**LP:** We have a very detailed roadmap of our own to help developing countries on the way to Cancun. Regional conferences and activities covering most of the issues in the Round are being organized, including on competition and market access. We have specific intergovernmental meetings scheduled. One of them deals with environmental goods and services, the other with the so-called "Mode 4", which is the temporary movement of natural persons for the delivery of services. Yet another is on special and differential treatment. A number of analytical studies and issues papers are also being prepared and we are providing real-time technical assistance for the post-Doha process to developing country delegations, both here in Geneva and in the capitals. This is part of the Secretary-General's technical assistance plan presented in February 2002.

**UNCTAD: This month, the WTO will address the services issue, and more specifically the movement of people. Why is this such a controversial issue?**

**LP:** It is a very important issue. When we talk about services in the multilateral trade negotiations and about development balance in those negotiations, Mode 4 for the temporary movement of natural persons to deliver services - and I emphasize temporary - is a key balancing element. It should be treated



with the same priority as negotiations on the commercial presence of service providers in a foreign country. Why do I say that? Because it is the only way developing countries can derive significant benefits from the liberalization of trade in services. In order for them to increase their participation in services trade, particularly exports, it is important that Mode 4 be liberalized. Why is it controversial? Because it is mistakenly identified with immigration. We are trying to separate those two issues and to put Mode 4 in its proper economic perspective, relating it to factors of production; just as goods and services move across borders, so must people - albeit in a regulated way. But that regulation must not be too restrictive. What we are trying to emphasize is that Mode 4 can benefit both developed and developing countries. We feel that developed countries stand to gain in terms of cost-quality competitive services. At the same time, they can use the services of natural persons without the problems associated with immigration.

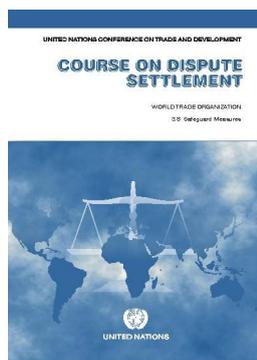
**UNCTAD: The Doha Round has been called the Development Round. Do you think it will live up to its expectations?**

**LP:** We all have to hope it does, because this is indeed a litmus test and a moment of truth. Cancun should show that there is significant progress on agriculture; enhanced market access for commodities and manufactures; TRIPS and public health; special and differential treatment, and services. It should also record some improvement in implementing the WTO agreements. Whether or not it really is a development round is something that will be determined by the outcome.

## Modules on Dispute Settlement now Available

The 41 modules of the UNCTAD Dispute Settlement Course in International Trade, Investment and Intellectual Property will be available on the UNCTAD website at <http://r0.unctad.org/dispsett/course.htm> by 1 August 2003.

Developed as part of a technical cooperation project on dispute settlement in trade, investment and intellectual property, the course is used to train participants in UNCTAD workshops. It will also serve as teaching material for universities and training institutes in developing and transition countries.



The course focuses on dispute settlement in the context of the World Trade Organization (WTO), the World Intellectual Property Organization (WIPO), the International Centre for Settlement of Investment Disputes (ICSID), and the arbitration rules of the UN Commission on International Trade Law (UNCITRAL).



## On-line version of UNCTAD's World Investment Directory

You can now access foreign direct investment (FDI) statistics and information on transnational corporation (TNC) operations on-line at the following address: <http://www.unctad.org/en/subsites/dite>

Information for each country is available in two formats: a detailed profile and an "FDI in Brief", highlighting the most interesting aspects. Statistical definitions and sources, listings of relevant national laws and regulations, information on bilateral and multilateral agreements and a bibliography are also available.

Material on transition economies and most developed countries is already available on-line. Information on all other developed countries will be posted within the next few months. Data on other countries will follow shortly.

## Latin American training course on trade and development issues

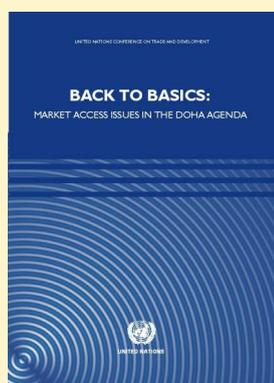
Government officials and academics from Latin America were trained on "key issues on the international economic agenda" in Santiago, Chile, from 31 March to 11 April. Participants focused on the role of trade, investment and development and explored the different trade and development strategies applied in the region.

The course is part of a series mandated at UNCTAD X in February 2000. The objective is to assist decision-makers in developing countries in understanding the development issues within UNCTAD's competence.

The course was organized jointly by UNCTAD and the Economic Commission for Latin America and the Caribbean (ECLAC) and hosted by ECLAC.

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## RECENT PUBLICATIONS



### Back to Basics: Market Access Issues in the Post-Doha Agenda

(UNCTAD/DITC/TAB/Misc.9)

"A 50% reduction in tariffs in agriculture would increase world welfare by US \$20 billion ...". The elimination of tariffs, the study argues, is more important in improving resource allocation than the elimination of export subsidies. Liberalizing merchandise trade would double world gains. Although benefits would be unequally distributed, developing countries as a whole would benefit most. The paper, which also devotes a large section to policy options, is intended to help developing countries set targets and find ways to move the post-Doha market access negotiations forward.



## FDI in Least Developed Countries at a Glance: 2002

(UNCTAD/ITE/IIA/6)

This new compendium provides information on the foreign direct investment (FDI) situation in each of the 49 LDCs. It reviews trends and changes in regulatory framework, and lists basic data for each country.

## How to Prepare your Business Plan

(UNCTAD/ITE/IIA/5)

This training manual was prepared as part of a technical assistance project to help least developed countries mobilize resources through venture capital funds. It is intended for middle and senior management in any type of business, from start-ups to large corporations. It can be used as a reference manual to prepare business plans or budget estimates for funding.

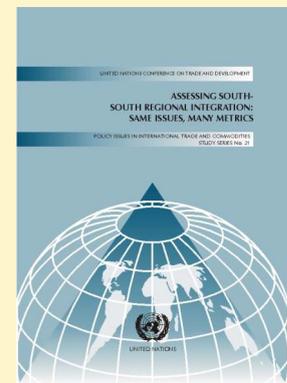
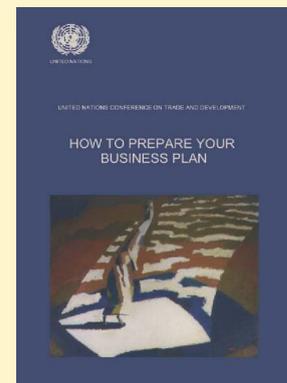
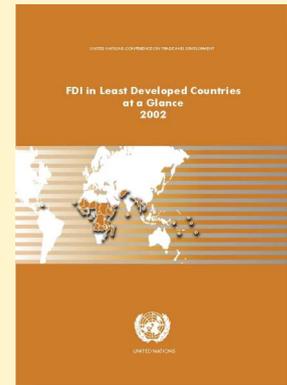
## Assessing South-South Regional Integration: Same Issues, Many Metrics

*Policy Issues in International Trade and Commodities, Study Series No. 21*  
by Lucian Cernat  
(UNCTAD/ITCD/TAB/22)

The study presents the results of a modelling exercise which analysed the trade effects of seven South-South regional trade agreements (RTAs): the Asian Free Trade Agreement (AFTA); the Andean Community; the Caribbean Community (CARICOM); the Common Market for Eastern and Southern Africa (COMESA); the Economic Community for West African States (ECOWAS); MERCOSUR; and the Southern African Development Community (SADC). Most were found to be both trade-creating and trade-expanding, increasing overall trade, even with third countries.

**Most of these publications are available on the UNCTAD website at:**  
<http://www.unctad.org>

**For information on how to order sales publications, please check the UNCTAD [digital library](#)**





## LOOKING AHEAD.....

### May meetings:

- 5-9 May:** Commission on Science and Technology for Development, sixth session (ECOSOC).
- 21-23 May:** Working party on the Medium-term Plan and the Programme Budget, fortieth session, second part

### June meetings:

- 25-27 June:** Expert Meeting on the Effectiveness of FDI Policy Measures

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