



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# UNCTAD E-News

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## ONE-YEAR COUNTDOWN TO UNCTAD XI

UNCTAD's eleventh ministerial conference will be held in São Paulo, Brazil, from 14 to 18 June 2004.

During the week-long conference, a number of sessions on trade, investment, finance, technology and development-related topics will be organized around the main theme - "enhancing coherence between national development strategies and global economic processes". Debates will focus on ways to make trade work for development, bearing in mind the outcomes of the recent summits on [Financing for Development](#) and [Sustainable Development](#). Emphasis will be on improving competitiveness and building capacity in the productive sector.

UNCTAD XI will take place at a critical juncture - during the final stages of trade negotiations at the [World Trade Organization](#) (WTO) and the conclusion of a number of regional trade arrangements, including the [Free Trade Area of the Americas](#) (FTAA). Both the WTO and FTAA negotiations are to end on 1 January 2005.

Meeting only six months before their conclusion, the conference will be an important opportunity for the UN system to take stock of the negotiations and look at how they are contributing to the Millennium Development Goals.

The conference is UNCTAD's highest decision-making body. It meets every four years to set priorities and guidelines for the organization, and provides an opportunity to debate key economic and development issues.

UNCTAD XI will be held at São Paulo's Anhembi Conference Centre. Participants will include representatives of Governments, non-governmental organizations and the private sector from all over the world.

**UNCTAD XI**  
São Paulo, Brazil, 14 – 18 June 2004

For more information check the UNCTAD website at: <http://www.unctad.org/>, or contact the UNCTAD public information office (tel: +41 22 9075788, e-mail: [public.information@unctad.org](mailto:public.information@unctad.org))



## MINISTERS FROM THE POOREST DEVELOPING COUNTRIES MEET TO PLAN CANCUN

[LDC trade ministers met in Dhaka](#), Bangladesh, from 31 May to 2 June to examine development issues and to decide on a common position at the WTO ministerial conference to be held in Cancun (Mexico) in September this year.

The 16-point declaration adopted at the Dhaka meeting includes proposals on the temporary movement of people, particularly unskilled and semi-skilled workers, to developed countries, and a binding commitment on duty- and quota-free access for all LDC products. An important new proposal calls for a mechanism to compensate LDCs for deteriorating exports caused by the loss of preferences.

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The world's 49 least developed countries (LDCs) have been hard hit by trade liberalization. Agriculture, textiles and services, the sectors the worse affected, are in most cases the mainstay of their economies. In Benin, Burkina Faso and Mali alone, around 11 million people depend directly on cotton as their only source of cash income. In other West African countries, over 90% of cotton production is exported, accounting for one-third of export earnings.

## ANGOLA HOSTS AFRICAN OIL CONFERENCE

"When flying over Africa at night, you cannot help but notice that most of the continent, with the exception of the north, the southern tip and a barrier of light along the West African coast, is pitch black". This comment by UNCTAD Secretary-General Rubens Ricupero was made after he attended the [7th African Oil & Gas, Trade & Finance Conference](#) in Luanda (Angola) from 20 to 23 May. And the barrier of light Mr. Ricupero referred to was in fact burning gas, which instead of being used efficiently for power generation, is flared off.

This problem of the poor use of existing resources was one of the topics of the conference. Others included the need to secure appropriate financing for large-scale projects and the issues involved in trading natural resources on stock exchanges. Participants also exchanged experiences on how to manage fluctuating oil prices, and discussed different forms of collaboration between local oil producers and international investors to ensure that Africa benefits from its oil resources.

The conference attracted over 500 participants from 41 countries, including 11 energy ministers, heads of African oil companies, bank executives and representatives of financing institutions.

First organized in 1994, the conference is part of UNCTAD's programme on oil marketing, risk management and finance in developing countries. It serves as a forum for public-private sector discussions on oil market issues.

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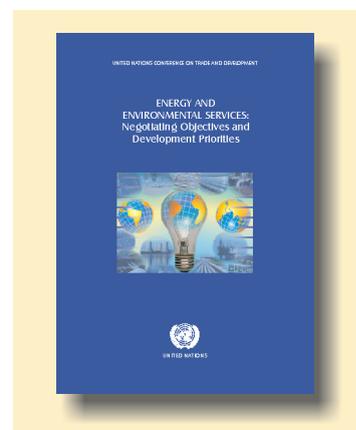
The Angola conference was organized jointly by UNCTAD, Angola's Ministry of Finance and SONANGOL, its national oil company.



## NEW STUDIES ...

[\*Energy and Environmental Services: Negotiating Objectives and Development Priorities\*](#): provides an insight into the negotiating positions of members of the World Trade Organization (WTO) on energy and environmental services. Intended mainly for trade negotiators, it explains what is at stake and reviews the options when formulating requests and offers in these two sectors of the WTO negotiations on services.

[\*Managing "Request-Offer" Negotiations under the GATS: The Case of Energy Services\*](#): highlights the importance of the energy sector in development. It argues that WTO negotiations should be used as a tool to enhance domestic capacities in the energy services sector. They should take into account a country's needs and help to promote, rather than constrain, domestic energy policies. If not, liberalizing energy markets could have a negative impact on development. The study also includes a useful checklist for services negotiators.



## Interview with Simonetta ZARRILLI

*Simonetta Zarrilli has been working with UNCTAD on trade, energy and development issues for several years. She is editor and co-author of the UNCTAD publication, **Energy and Environmental Services: Negotiating Objectives and Development Priorities**.*



**UNCTAD: Why are the energy issues currently being discussed in WTO of such vital importance to developing countries?**

**SZ:** The energy sector is directly linked to development; energy is in fact a pre-condition for development. It is hard to imagine how a country can develop if people spend hours every day gathering wood for cooking and heating, or if there is no electricity supply for industry. At present, energy services are being negotiated at the WTO. Energy-related issues are also included, or could be included, in other WTO negotiations as well. For instance those on market access for non-agricultural products, investment, competition and the environment. Furthermore, for a number of energy-rich countries like the Russian Federation, Algeria and Saudi Arabia, it is a key negotiating factor in their accession to WTO.



**UNCTAD: Pressure is being put on developing countries to open their energy sectors. What is UNCTAD's position?**

**SZ:** The energy sector is attracting a lot of attention in the services negotiations. Developing countries, and especially energy-rich developing countries, are being encouraged to liberalize their energy services markets. UNCTAD's position is that liberalization could benefit developing countries provided certain pre-conditions are put in place. Developing countries should secure a bigger share of the energy services market, where most of the money is. In other words, developing countries should try to get more business in the energy services sector. But that is not all; they should also achieve better access to energy. One-third of the world population - mostly in rural areas - does not have electricity, and in some African countries, access is limited to 2-3% of the population only! In sum, if the energy services negotiations are used as a development tool to improve both access to energy and the capacity to provide energy services, then the negotiations can be beneficial.

**UNCTAD: What can UNCTAD do to help countries build their own capacity in this sector?**

**SZ:** UNCTAD has done a lot of work in this area. We have organized two meetings on energy services: one in July 2001 and another just a few weeks ago. We recently launched a new publication on energy and environmental services; and we have ongoing cooperation with OPEC and the OECD on the specific issue of energy services. Moreover, in May, UNCTAD organized a conference on oil and gas in Luanda, Angola. It was the seventh of its kind and has become a major meeting on the subject for Africa. During the meeting, it was clear that energy-rich countries like Angola are not satisfied with just exporting their crude oil; they want their own value-added industry around the oil sector. As you can see, there is continuity of work and activities in this field.

## TRAINING.....

Check out the new website of the UNCTAD training and capacity building programme at <http://www.unctad.org/trainfortrade!>

### Training course on economic issues in Beirut

Government officials from the Western Asian region attended the third UNCTAD training course on "key issues on the international economic agenda", in Beirut, Lebanon, from 16 to 27 June. This time, the training focused on investment and trade facilitation measures.

The Beirut 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 and Social Commission for Western Asia (ESCWA).

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