

**STATEMENT BY SECRETARY GENERAL KOFI ANNAN**

MADE 14 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE  
ON TRADE AND DEVELOPMENT**

**Eleventh Session**

**São Paulo, Brazil**

**13-18 June 2004**

*check against delivery*

**THE SECRETARY-GENERAL**  
--  
**STATEMENT AT OPENING**  
**OF THE ELEVENTH MINISTERIAL CONFERENCE**  
**OF THE UNITED NATIONS CONFERENCE**  
**ON TRADE AND DEVELOPMENT**  
Sao Paulo, 14 June 2004

President Lula da Silva,  
Prime Minister Shinawatra,  
Excellencies,  
Ladies and Gentlemen,

It is a pleasure to welcome you to the eleventh Ministerial Conference of the United Nations Conference on Trade and Development.

I would like to pay tribute to President Lula da Silva, to the city and state of Sao Paulo, and to the people and Government of Brazil for generously hosting this event.

I would also like to congratulate UNCTAD on its fortieth anniversary. Without UNCTAD these many years, the debate on development would not have been as rich, and people throughout the world would have been much poorer.

This conference comes at an opportune moment. The world has what it takes to improve living standards for all people. We have years of experience that have taught us what works, and what doesn't. We have new technologies that protect the environment and spread a wealth of information. We have an unprecedented political consensus around the Millennium Development Goals. We even have the beginnings of a global economic recovery.

What we lack, all too often, is coherence, which is rightly the main theme of this conference.

Consider the Asian entrepreneur who is thrilled to learn of a new market opportunity in the developed world, only to realize that trucks can't transport his products because of inadequate roads.

Consider the African farmer, eager to take advantage of duty-free access to global markets, only to find her competitive advantage nullified by sophisticated packaging regulations, or by subsidies paid to competitors in wealthier countries.

Or consider the indigenous cultivator of medicinal herbs here in Latin America, who does not know whether his people's contribution will be recognized and fairly rewarded.

Policies ought not to give with one hand and take away with the other. Rules designed to liberate ought not to create new barriers. Countries which press others to liberalize trade should be willing to do the same themselves. If they don't, we politely call it lack of coherence; but we could just as accurately call it discrimination.

And that is what people are looking to this conference to take a strong stand against.

What we also lack, in too many respects, is a development-friendly trading regime. That may be changing. The European Union, United States and others have taken important initiatives. There have been advances in making life-saving medicines more affordable and available. Moreover, the successful use of the WTO dispute settlement mechanism in several cases, including one brought by Brazil on cotton subsidies, has shown how a rule-based system can help producers in developing countries.

What we need now is a successful conclusion to the Doha negotiations. It is increasingly clear that this can be achieved only if developing countries are granted full access to the markets of the industrialized world, and if agricultural and other subsidies that distort world markets are dramatically reduced or eliminated. Such an outcome would strike a blow not only for coherence, but for development and justice, too.

We must also take advantage of the opportunities offered by South-South trade cooperation and integration. The new round of multilateral talks that will be launched here to expand the Global System of Trade Preferences among Developing Countries holds great promise. If developing countries agree to reduce the average tariffs applied to each other by 50 per cent, this would generate an additional \$15.5 billion in trade. This is not an alternative, but a complement to the multilateral liberalization process. But it could be a decisive move in the development of what President Lula has called "a new global trade geography" -- one that gives trade among developing countries its rightful place in international economic relations.

Excellencies,

Let me close by paying tribute to Rubens Ricupero, who will soon complete his tenure as Secretary-General of UNCTAD after nine years of service. His lasting imprint on UNCTAD is assured, as he led his team through a major redesign and reform effort. His impact on global policy-making has been equally striking, as he showed himself fearless in speaking out against injustice and hypocrisy. Rubens, thank you for all you have done to make UNCTAD an increasingly effective forum, and for being such a strong advocate for people in need.

And now, dear friends, your work begins.

Let us forge real partnerships for development.

Let us help developing countries take full advantage of trading opportunities.

And let us find our way to a development-led approach to trade and other policies that will enrich and empower all the world's people.

Thank you very much.