

Workshop on the teaching, research and policy design of Natural Resources and Economic Development

Dar-es-Salaam, Tanzania, 12-16 July 2010

PROSPECTUS

With the support of the Government of Norway

In cooperation with the Norwegian Oil for Development Initiative and
the University of Dar-es-Salaam

Background:

The UNCTAD Virtual Institute (Vi) works with universities and research institutes in developing and least developed countries to strengthen their capacity to teach and research trade, investment and development issues, and to increase the relevance of their work for their countries' policymaking. It does this, inter alia, by producing teaching materials and resources, providing academics with opportunities for professional development, and supporting an academic network working on trade, investment and development issues. Please visit <http://vi.unctad.org> for more information.

Purpose of the workshop:

The Virtual Institute, in cooperation with UNCTAD's Special Unit on Commodities, has developed a teaching material on "Natural Resources and Economic Development" for academic and research institutions in developing countries. The material consists of two modules: "Mining and Economic Development" and "Oil/Gas and Economic Development".

To share and discuss the content of this teaching material, the Vi is organizing a workshop for university lecturers, researchers and government officials from developing and in particular least developed countries in English-speaking Africa. The workshop is sponsored by the Government of Norway, and held in cooperation with the Norwegian Oil for Development Initiative and the Vi member in Tanzania, the University of Dar-es-Salaam.

The objectives of the workshop are:

- To enhance participants' knowledge and understanding of the linkages between natural resources and economic growth and the policies needed to harness oil, gas and minerals for development;
- To provide opportunities for participants to strengthen their analytical skills in this area, including the identification of topical policy-oriented research questions and methodologies that could be used to address them;
- To discuss how to integrate the teaching material and other workshop elements into participants' future teaching and research;

- To discuss how to use the teaching material and methodologies presented at the workshop to assess current policies and design new ones;
- To facilitate and enhance communication between academics and policymakers.

Language: English

Target participants:

- Lecturers and researchers from universities and research institutions working on natural resources and development;
- Government officials directly involved in policymaking on minerals, oil and gas.

Target countries:

- Least Developed Countries from English-speaking Africa;
- Non-LDC African countries can also attend, either on a self-funded basis, or as resource persons for the workshop.

Workshop content:

The following topics will be presented and discussed with participants during the workshop:

1. *Natural Resources and Development: An Overview of Theoretical Linkages and Empirical Evidence*

This introductory part of the workshop will analyze why an abundance of natural resources seem to induce prosperity in some countries while others appear to be trapped in stagnation, victims of a sort of a “natural resource curse”. It will give an overview of the characteristics which differentiate resource-abundant winners and losers, and discuss various economic and political theories, as well as empirical evidence, that try to explain the variation in experiences among these countries.

2. *Oil, Gas and Development*

The subsequent part of the workshop will present an overview of the oil and gas industry and its linkages with the process of economic development. First, exploration and production will be discussed, in particular the geographical distribution of resources, the technologies available for extraction and refining, and the costs structure. Second, the main characteristics of oil/gas markets will be examined, including the root causes of price volatility. A taxonomy of oil and gas companies will also be proposed. A policy discussion will then examine the trade-off between exporting crude/natural gas and transforming the same in the producing country. The management of resource revenues in terms of transparency, accountability and strategic reinvestment of earnings will also be discussed.

3. *Minerals and Development*

The third part of the workshop will analyze production and international trade of mineral commodities, and related policies. After setting out basic facts about mining and minerals in terms of extraction costs and production, geographical distribution of reserves and international trade flows, this section will review the ways in which minerals are traded. In particular, it will examine the most common pricing strategies and discuss issues such as metal price risk management, and WTO related questions (i.e. non-tariff barriers, anti-

dumping practices, voluntary export restrictions). It will then analyze the recent patterns of Foreign Direct Investment in the sector and the key components of mining investment regimes in terms of taxation, licensing provisions and transparency. Three main channels through which the mining sector affects development will be discussed: the impact on the industrialization process; macroeconomic stability (here the traditional “Dutch disease” argument is confronted with more recent theories based on rent-seeking behaviour); and the effects on poverty at the microeconomic level. Against this background, the role of national and international policies to harness mining and mineral commodities for development will be discussed.

Funding for the workshop:

UNCTAD will cover travel, lodging and boarding expenses for all selected participants from the Least Developed Countries, and for workshop resource persons from non-LDCs. Participants can also attend on a self-funded basis. Those who would like to participate as resource persons or at their own cost, are invited to indicate so in the application form.

UNCTAD will cover the course fee and provide relevant publications and teaching materials free of charge to all selected participants and resource persons, including the self-funded.

All selected participants and resource persons will be responsible for obtaining valid visas and medical insurance for the duration of their stay in Tanzania prior to the workshop and at their own cost.

Application information and deadline:

To apply for the workshop, the following documents are required:

1. Detailed curriculum vitae (including any publications on subjects covered by the workshop);
2. The attached application form duly completed;
3. A letter of nomination from your institution indicating its support of your application and explaining how your participation in the workshop will contribute to your future work.

A Selection Committee will review each application and select participants and resource persons for the workshop based on the supporting documents and the relevance of the workshop for their teaching, research and policymaking work.

It is the responsibility of each applicant to ensure that the completed application form and all required documentation are received at the Virtual Institute, UNCTAD, **by 21 May 2010**. Applications received thereafter will not be considered.

Please send all applications to:

Ms. Vlasta Macku
Chief, UNCTAD Virtual Institute
Fax: +41-22-917 00 50
Email: vlasta.macku@unctad.org