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**Review of UNCTAD activities to assist
commodity-dependent developing
countries, including small commodity
producers, in their efforts to address
commodity challenges and promote
development gains from commodity
production and trade –**

Annex

Annex to the note by the UNCTAD secretariat

	<i>Outputs delivered</i>	<i>Ongoing activities</i>
<p>91. UNCTAD should continue to play a key role, with appropriate coordination with other international and regional actors, including with relevant international commodity bodies, to address the trade and development problems associated with the commodity economy, giving due attention to all commodity sectors such as agriculture, forestry, fisheries, metals and minerals and oil and gas. In this context, it should monitor developments and challenges in commodity markets and address links between international commodity trade and national development, particularly with regard to poverty reduction.</p>	<p><i>Intergovernmental and expert meetings and reports</i></p> <p>As requested by the General Assembly, UNCTAD prepared reports: “World commodity trends and prospects” for the Assembly’s deliberations item of the provisional agenda on macroeconomic policy questions: commodities. Papers were prepared for the sixty-third, sixty-fourth and sixty-sixth sessions of the General Assembly: A/63/267, 12 August 2008; A/64/184/, 29 July 2009; and A/66/207/, 28 July 2011 (including on the causes of excessive commodity price volatility).</p> <p>For the first session of the Multi-Year Expert Meeting on Commodities and Development held in Geneva (6-7 April 2009), the secretariat prepared the following key background documents: “Recent commodity market developments: trends and challenges” (TD/B/C.I/MEM.2/2); “Integrating commodity policies into development and poverty reduction strategies: success stories, transparency and accountability” (TD/B/C.I/MEM.2/3); and “Coping with changing commodity prices: Facilitation of efforts by developing countries to address challenges and take advantage of opportunities”(TD/B/C.I/MEM.2/4).</p> <p>For the second session of the Multi-Year Expert Meeting on Commodities and Development held in Geneva (24-25 March 2010), the secretariat prepared the following key background documents: “Recent developments in key commodity markets: trends and challenges” (TD/B/C.I/MEM.2/7); .</p> <p>For the third session of the Multi-year Expert Meeting on Commodities and Development, held in Geneva (19-20 March 2011), the secretariat prepared the following key background documents:</p> <p>Recent commodity market developments: trends and challenges (TD/B/C.I/MEM.2/13);</p>	<ul style="list-style-type: none"> ○ Updating of the “Dublin draft” of the CFA incorporating the outcome and conclusions of the Dublin workshop.

<i>Outputs delivered</i>	<i>Ongoing activities</i>
<p>Policy actions to mitigate the impact of highly volatile prices and incomes on commodity dependent countries and to facilitate value addition and greater participation in commodity value chains by commodity-producing countries. (TD/B/C.I/MEM.2/14);</p> <p>Innovative approaches to resolving commodity related problems based on effective multi-stakeholder partnerships (TD/B/C.I/MEM.2/15);</p> <p>Report of the Multi-year Expert Meeting on Commodities and Development on its third session (TD/B/C.I/MEM.2/16).</p>	<ul style="list-style-type: none"> ○ The United Nations, through UNCTAD, continues to be the depository for International Commodity Agreements (ICAs). UNCTAD facilitated and hosted the United Nations Cocoa Conference, (Geneva, 21-25 June 2010) where a new International Cocoa Agreement, 2010 was successfully negotiated and adopted. ○ UNCTAD organized the Global Commodities Forum, with two sessions held in Geneva (22-23 March 2010 and 31 January-1 February 2011), to address the challenges and problems of the commodity economy in a holistic manner, in particular, better functioning of markets and supply chains; better commodity policies and regulations and more sustainable modes of production and use of commodities. ○ UNCTAD contributed to analysis of the food crisis caused by soaring food commodity prices and participated in the High-Level Conference on Food Security held in Rome in June 2008, under the auspices of United Nations Secretary-General. ○ Through an inter-divisional task force, UNCTAD prepared for the High-Level Conference on Food Security (June 2008) the report “Addressing the global food crisis: Key trade, investment and commodity policies in ensuring

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<p>sustainable food security and alleviating poverty” (UNCTAD/OSG/2008/1).</p> <ul style="list-style-type: none"> ○ UNCTAD is active in addressing the global food crisis as a member of the High-Level Task Force (HLTF) on the Global Food Security Crisis. Building on the Rome High-Level Conference on Food Security, the HLTF produced, with contribution from UNCTAD, a “Comprehensive Framework of Action (CFA)” (July 2008) to address the global food crisis in a coherent and coordinated way. ○ UNCTAD played a key role in the Madrid High-Level Conference on Food Security for All (26-27 January 2009) held within the context of the “Comprehensive Framework of Action”. UNCTAD is actively engaged with other members of the HLTF in the follow-up activities to the Madrid Conference, including identification of options for coordinated financing and resource mobilization for in-country action. UNCTAD, in cooperation with the World Trade Organization (WTO), updated the CFA, in particular the section on “Trade, tax policies and international food markets”, the latest version of which was discussed in Dublin, the Republic of Ireland in May 2010. 	
<i>Publications and other substantive outputs</i>	
<ul style="list-style-type: none"> ○ “African Mining Regions: Framework Report”. ○ Contributed a chapter on “The State of Commodity Dependence” for the publication on “Progress: Performance of the LDCs in the Current Decade prepared for the Trade and Development Board on LDC in June 2010s. 	<ul style="list-style-type: none"> ○ “Tropical Agribusiness competitiveness, lessons for low-income CDDCs”. ○ “Barriers to food trade in Africa: Policy implications”. ○ “UNCTAD Commodity and Development Report” Preparation of “Policy Briefs” based on on-going technical cooperation and research and analytical work. ○ Contribution to the chapter on commodities in the

	<i>Outputs delivered</i>	<i>Ongoing activities</i>
		World Economic and Social Prospects (WESP).
	<i>Technical cooperation</i>	
92. UNCTAD should enhance its efforts, under the three pillars of its work, to help commodity-dependent developing countries to harness development gains from the current boom in commodity prices, as well as to deal with trade and development problems related to commodity dependence.	<i>Intergovernmental and expert meetings and reports</i>	
93. In this context, it should:	<i>Publications and other substantive outputs</i>	
(a). Assist commodity-dependent developing countries, particularly small commodity producers, in their efforts to: develop national commodity strategies, including mainstream commodity policies into their national and regional development strategies; build supply-side capacity and attain competitiveness; move up value chains and diversify commodity sectors; comply with public and private international trade standards; access commodity information and databases; take advantage of export opportunities for commodities in emerging markets; assist developing countries, upon request, in building human and institutional capacities; assist developing countries, on request, to promote and improve transparency and accountability in the public, private and corporate sectors in order to enable the countries concerned to maximize the benefits that accrue to them from the extractive industries, taking into account, where appropriate, the implementation of relevant initiatives on extractive industries; establish effective marketing systems and support	<ul style="list-style-type: none"> ○ Pursuant to paragraph 92, the secretariat produced the following selected analytical studies: <ul style="list-style-type: none"> ▪ “Cocoa study: Industry structures and competition (UNCTAD/DITC/COM/2008/1).” Analysed the vertical integration and horizontal concentration in the cocoa marketing and supply chain (22 December 2008). ▪ “Development impacts of commodity futures exchanges in emerging markets (UNCTAD/DITC/COM/2008/9)”. ▪ “The Iron Ore Market 2007- 2009” (UNCTAD/DITC/COM/2008/7)”. ▪ “The Iron Ore Statistics” (UNCTAD/SUC/2008/4). ▪ “Iron Ore - Half-year statistical update” (electronic, 10 November 2008). ▪ Overview of World’s Commodity Exchanges 2008. ▪ “The Iron Ore Market 2008-2010” (UNCTAD/SUC/2009/2). ▪ “The Iron Ore Statistics” (UNCTAD/SUC/2009/4). ▪ “Iron Ore - Half-year statistical update” (electronic, 10 January 2010). ▪ “The Iron Ore Market 2009-2011” (UNCTAD/SUC/2010/3). 	<ul style="list-style-type: none"> ○ “Energy and Mining Issues/Capturing: Value from Information”.

<i>Outputs delivered</i>	<i>Ongoing activities</i>
<p>frameworks for small commodity producers, including economically viable safety net programmes; and develop commodity financing and risk management schemes (including commodity exchanges). In carrying out this work, UNCTAD should avoid duplication and therefore work in coordination with other relevant actors already active in this area.</p>	<ul style="list-style-type: none"> ▪ “Iron Ore - Half-year statistical update” (electronic, 16 December 2010). ▪ International Cocoa Agreement, 2010 (TD/COCOA/10.3). ▪ “The Iron Ore Market Report 2010-2012 (UNCTAD/SUC/2011/4). ▪ “Commodities at a Glance” No.1, March 2011, No.2 - “Special issue on Cotton in Africa”, July 2011 (UNCTAD/SUC/2011/2). <p>Provision of commodities-related training (in cooperation with UNCTAD Virtual Institute): Training session for government officials (Minsk, Belarus, July 2008), Training session for professional master’s students of the University of Dar es Salaam (Geneva, February 2010).</p> <p>UNCTAD Special Unit on Commodities Working Paper Series on Commodities and Development:</p> <p>“Unraveling the underlying causes of price volatility in world coffee and cocoa commodity markets”, by Noemie Eliana Maurice and Junior Davis. Discussion Paper 1, September 2011.</p> <p>“Do Remittances Reduce Vulnerability to Climate Variability in West African Countries? Evidence from Panel Vector Autoregression”, by Cécile Couharde, Junior Davis and Rémi Generoso. Discussion Paper 2, September 2011.</p> <p>“Climate Change: Selected Policy and Legal issues for the Extractive Industry”, by Anida Yupari Aguado. Discussion Paper 3, September 2010.</p>
<p><i>Technical cooperation</i></p> <ul style="list-style-type: none"> ○ UNCTAD implements jointly with four other International Organizations the EU-funded project entitled All-ACP Agricultural Commodities Programme (AAACP). 	<p>○</p>

<i>Outputs delivered</i>	<i>Ongoing activities</i>
	<ul style="list-style-type: none"> ○ Under the auspices of the AAACP, UNCTAD implements four components in selected beneficiary countries, namely, (a) market information systems including information on prices, technology, marketing chains and economic policies; (b) commodity finance (including warehouse receipt systems and review of regulatory frameworks); (c) commodity exchanges (including support to development of physical commodity exchanges, facilitation and enhancement of human capital), and (d) sustainability claims portal (including information on sustainable agriculture labels and agrifood standards, enhanced accountability, food laws and technical regulations). ○ The following trade-related TA activities were implemented in selected ACP countries under the auspices of the AACP: <ul style="list-style-type: none"> Market information services on commodities – InfoComm/Infoshare: The Market Information System Infocomm has been upgraded and rebuilt using a new platform. Agricultural commodity profiles have been developed specifically for the AAACP project. A capacity-building meeting was held in Cameroon in June 2009 on strategies for providing market information services to developing countries and the implementation of the InfoShare software in Cameroon. In collaboration with CARICOM and CARDI, UNCTAD organized a workshop on the Establishment of a Regional Market Intelligence System & Development of a Sustainability Claims Portal for the Caribbean, 17 - 19 February 2011, Port of Spain, Trinidad and Tobago. Pacific: based on agreements with the regional stakeholders, SPC/LRD and with other partners, a capacity-building workshop on market information systems was organized in Nadi, Fiji on 17-19 August 2011. This workshop was organized in collaboration with the Secretariat of the Pacific

<i>Outputs delivered</i>	<i>Ongoing activities</i>
<p>Community and examined the establishment of a sub-regional system based in Fiji.</p> <p>Commodity exchanges and commodity finance:</p> <p>“Workshop on improving the functioning of commodity markets in Eastern and Southern Africa (ESA) through warehouse receipt systems and market-based interventions”, held in Lusaka, Zambia (30 September – 2 October 2009) in cooperation with COMESA and the Eastern Africa Grains Council.</p> <p>“National capacity-building workshop on the creation of a commodity exchange in Central Africa based in Cameroon”, held in Yaoundé, Cameroon (27-29 October 2009) in collaboration with Office National du Cacao et du Café, Cameroon.</p> <p>“Regional capacity-building workshop on factoring/receivable discounting for the Caribbean”, held in Barbados (November 2009) in collaboration with the Caribbean Development Bank.</p> <p>Workshop on Financing Gum Arabic Sector in Mali: Warehouse Receipt System/Inventory Credit:</p> <p>The Workshop was held 11–13 May 2010 in Bamako, Mali, in collaboration with the International Trade Centre and the Government of Mali (Cadre Intégré). It brought together some 80 participants representing the government of Mali, local financial institutions, gum Arabic producers and exporters across the country, warehouse receipt system experts and development partners.</p> <p>The workshop validated the outcome of a feasibility study to develop a financing mechanism based on warehouse receipt system and inventory credit for the gum Arabic sector in Mali, and identified preconditions and concrete steps in moving forward. It also built the capacity of participants on warehouse receipt system and enhanced the synergies with</p>	

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	<p>other on-going initiatives in the gum Arabic sector in Mali, in particular the integration of the validated financing mechanism in the gum Arabic sector strategy.</p> <p>Central Africa: Following the completion of the study on Value Chain Finance for Coffee and Cocoa in Cameroon, a capacity-building workshop was held in Kiribi, Cameroon 5-6 October 2010.</p> <p>Caribbean: A workshop on Enhancing Access to Finance for the Nutmeg Sector in Grenada was held in St. George's 7-8 July 2011. A study on the improvement of nutmeg value chain financing was completed with recommendations validated at the workshop. This activity contributed to the wider Nutmeg Sector Strategy for Grenada, developed in collaboration with ITC.</p> <p>Pacific: a fact-finding mission was completed in April of 2011 and a Pacific Regional Capacity Building Workshop on Enhancing Access to Finance for the Agricultural Sector was held in Nadi, Fiji on 20-21 October 2011. This workshop considered the key constraints in legal and regulatory frameworks for agricultural value chain financing in the Pacific region.</p> <p>East and Southern Africa: A national Workshop on Commodity Exchanges as an instruments for agrifood production and trade in East and Southern Africa was held on 21-22 November 2011, in Dar es Salaam, United Republic of Tanzania</p> <p>Sustainability Claims Portal: The first stakeholder consultation meeting to design and develop the Portal was held in Brussels, Belgium 16-17 April 2008.</p> <p>The portal was officially launched for the Pacific region during the Subregional Capacity-Building Workshop on the Development of Agrifood Standards, VanuGAP and Pacific</p>

<i>Outputs delivered</i>	<i>Ongoing activities</i>
<p>Organic Standards, and the launching of the Sustainability Claims Portal, Port Vila, Vanuatu, 30-31 March 2010. This workshop was organized in collaboration with the Vanuatu Codex Committee, a key stakeholder in agri-food standards and sustainability claims.</p> <p>In collaboration with CARICOM and CARDI, UNCTAD organized a workshop on the Establishment of a Regional Market Intelligence System & Development of a Sustainability Claims Portal for the Caribbean, 17-19 February 2011, Port of Spain, Trinidad and Tobago.</p> <p>West Africa: The sustainability claims portal was officially launched for the West African region 24-25 May 2011, in Dakar, Senegal. This capacity-building workshop brought together key stakeholders in sustainability initiatives and government regulators representing the West African region.</p> <p>East and Southern Africa: The portal was officially launched for East and Southern Africa in Dar es Salaam, United Republic of Tanzania, 10-11 November 2011. This workshop brought together regional sustainability claims representatives to discuss the way forward for the Portal.</p> <p>Global: continuous updating of the portal.</p> <p>UNCTAD's Annual African Oil, Gas and Mines, Trade and Finance Conference (OILGASMINE)</p> <p>A platform for high level policy dialogue between all the stakeholders in the energy and mining sectors which include the producers, consumers, investors, host countries and local communities.</p> <p>4-7 November 2008, Malabou, Equatorial Guinea. The signing of a memorandum between the Government of</p>	

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	<p>Equatorial Guinea and ExxonMobil to capture and market natural gas currently flared off from oil wells. The project will (a) help the country reduce its greenhouse gas emissions; (b) expand gas processing at domestic plants; and (c) increase the supply of liquefied petroleum gas to domestic and regional markets, making African energy supplies more secure. It is hoped that the agreement will lead to similar projects around the continent.</p> <p>10-13 November 2009, Bamako, Mali.</p> <p>10-13 November, 2010, Sao Tome and Principe. The establishment of a Natural Resources Information Exchange (NRIE), a platform to provide continuous and interactive information on natural resource value chain. The NRIE is expected to benefit policymakers, investors, entrepreneurs and local communities. Progress made on the NRIE establishment include: identification of partners and conclusion of cooperation agreements; eight pilot countries have begun implementing NRIE by surveying existing database and upgrading their national data systems; and three other countries have requested to be participate in the pilot phase. Recently, NRIE was adopted as part of the framework of action for the development of the mineral resources in ACP countries.</p>	
<p>93 (b). Promote intergovernmental cooperation in the field of commodities and consensus-building on ways of integrating commodity policies into national, regional and international development and poverty reduction strategies; trade-related policies and instruments for resolving commodity problems; and investment and financial policies for accessing financial resources for commodity-based development, including with respect to ODA, Aid for Trade and other</p>	<p><i>Intergovernmental and expert meetings and reports</i></p> <p><i>Publications and other substantive outputs</i></p> <p><i>Technical cooperation</i></p> <ul style="list-style-type: none"> ○ Contributed to the following strategy development workshops organised by ITC for the following sectors: 	

	<i>Outputs delivered</i>	<i>Ongoing activities</i>
possibilities.	<ul style="list-style-type: none"> ▪ Nutmeg in Trinidad and Tobago. ▪ Spices in Jamaica. ▪ Coffee in Cameroon. 	
93 (c). Contribute to building effective multi-stakeholder partnerships with a view to identifying innovative approaches to resolving commodity-related problems.	<i>Intergovernmental and expert meetings and reports</i>	
	<ul style="list-style-type: none"> ○ UNCTAD Secretary-General's High-Level Multi-stakeholder Dialogue on Commodities in the context of UNCTAD XII, held in Geneva (28-29 January 2009) provided a forum to promote and exchange of views and build consensus on the main development challenges facing commodity-dependent developing countries and identify ways ahead. ○ The UNCTAD Global Commodities Forum (UGCF) provided a high-level forum for the exchange of views between key stakeholders on how to improve the functioning of commodities sector and supply chains; identified policy and regulatory interventions to deal with commodity problems tailored to the needs of all market participants, as well as how to undertake environmentally friendly and sustainable production of commodities (22-23 March 2010, 31 January-1 February 2011 and 23-24 January 2012). ○ UNCTAD's multi-stakeholder consultations on cotton. UNCTAD Secretary-General's Multi-stakeholder Meeting on Cotton (2 December 2008); Pan-African Cotton Meeting (Cotonou, 27-29 June 2011). 	