



The Global Commodities Forum (GCF)
22-23 March 2010

Closing remarks by Supachai Panitchpakdi
Secretary-General of UNCTAD

I am pleased to see that the Global Commodities Forum, which attracted many key policy makers business leaders and experts is successfully concluding its first two days meeting.

These two day the leading experts in leading fields shared their views and found that in spite of differences there are also some commonalities in their approaches and hence hopefully a fertile ground for consensus building among various stakeholder. That in fact will also support the process of intergovernmental negotiations on commodities.

We all know that commodities are very important for economic development and international trade. More than 90 developing economies are considered to be dependent on commodity exports.

The recent spectacular boom and bust in commodity markets created major dilemmas for all stakeholders in commodity markets, particularly in developing countries.

Addressing the causes of commodity market instability, and how markets might be made more predictable taking into accounts the needs of all stakeholders is of paramount importance.

In addition adequate policy measures and improved institutional arrangements could improve the prospects for commodity dependent economies.

There is a need to understand how to provide a better enabling framework to all stakeholders, and in particular the most vulnerable from commodity dependent countries, permitting them to interact in a more efficient way.

Commodity markets are still unstable with some price volatility and with a major risk of return another boom bust cycle, as the market fundamentals remain the same.

After careful deliberations GCF participants have proposed a number of ground-breaking initiatives to deal with some of the continuing problems of the global commodity economy. These include the development of an international association for commodity financiers to better serve commodity markets in the light of inadequate regulatory provision (Basel 2 for example).

Global Commodities Forum (GCF) needs to become a neutral high level multi-stakeholder platform organizing regularly at least annually such meetings. It was important that at the first meeting of GCF we reached out the crucial actors on the global commodities stage. As I said participants include ministers, policy-makers, banks, commodity trading firms, international exchanges, professional and advisory firms, and experts

Global Commodities Forum should help to implementing a positive agenda based on a holistic vision. Annual forums and other related meetings, and a creation of a Global Commodity E-Forum, would help to accumulate best practices both in business and policies and propose effective solutions to those in need to improve their performance and develop globally and locally sustainable modes of production and use of commodities.