



Commodities: Making trade work for commodity-dependent countries

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 - c. Technical Cooperation**



UNCTAD - Commodities nexus

Est. 1964: Commodities – a pillar of UNCTAD’s “**trade & development arm**” of UN secretariat

SUC - who are we?

Established (*transformed*) July 2008 (AA Para. 183) *

SUC - our vision?

“**Make trade work & benefit**” commodity-dependant countries, particularly LDCs thru ‘sound policies’

SUC - our core competencies? **

1. Research & analysis
2. Consensus building - Intergovernmental forum
3. Technical cooperation

SUC Mandates on Commodities (2)



SUC work on commodities is cut out!

UNCTAD Mandates:

Accra Accord

Doha Mandate



Others:

- **MDGs**
- **Monetary Consensus**
- **Istanbul Plan of Action for LDCs 2012-20**



Fact: Doha Mandate 'reaffirms and builds upon the Accra Accord, which remains valid and relevant.'

Commodity?

(3)



Commodity:

A basic good that is traded (for a price) raw, semi- and fully-processed product in;

- physical markets, or
- commodity exchanges (spot or futures)

Commodity Types?

(4)



1. Agri-foods:

Coffee, cotton, corn, fisheries, palm oil, rice, sugar, wheat, vegetable oils

2. Minerals & Metals:



Industrial (base) metals: aluminum, copper, iron ore, zinc

Hydro-carbons/fossil fuels – coal, crude oil, natural gas

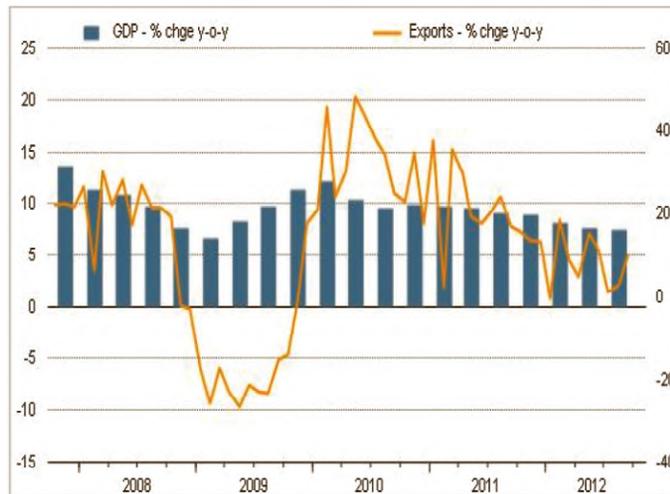
Precious metals: diamonds, gold, silver

Rare Earth Metals – cerium, graphite

Basic commodity analysis: price trends, market snapshot, dependency, food crisis (5)

China GDP and exports

Click on the chart for full-size image

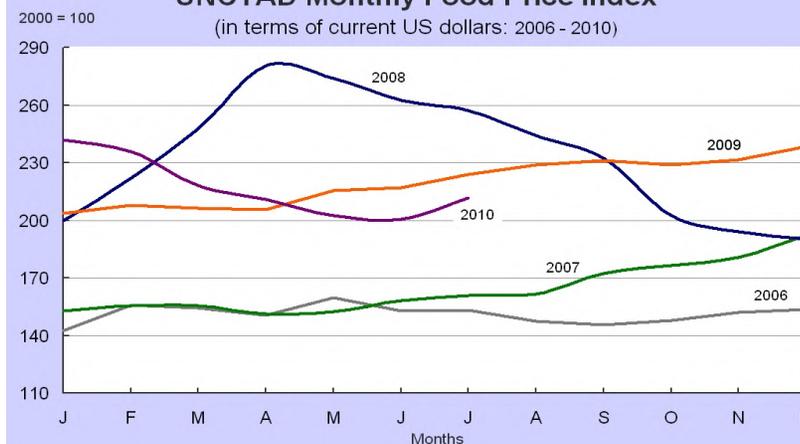


UNCTAD non-oil commodity price index - All Groups January 1960 - August 2010 (In current US\$ and Special Drawing Rights)



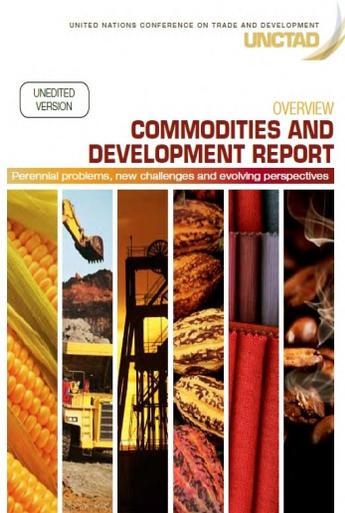
UNCTAD Monthly Food Price Index

(in terms of current US dollars: 2006 - 2010)

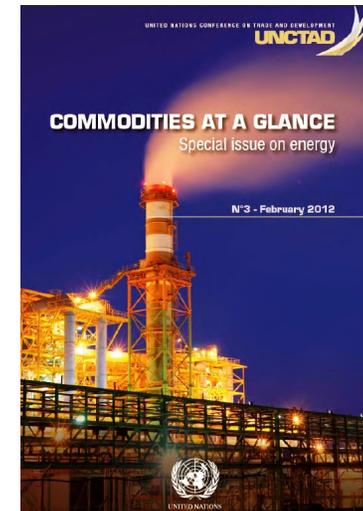
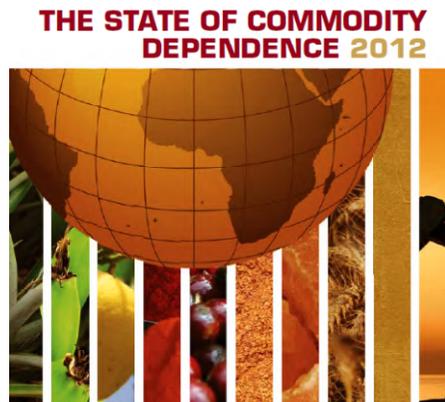


SUC – Contribution UNCTAD's pillars (6)

Research & analysis



- Current price trends & markets analysis
- Commodity-specific analysis
- Commodity dependency
- Food crisis and poverty

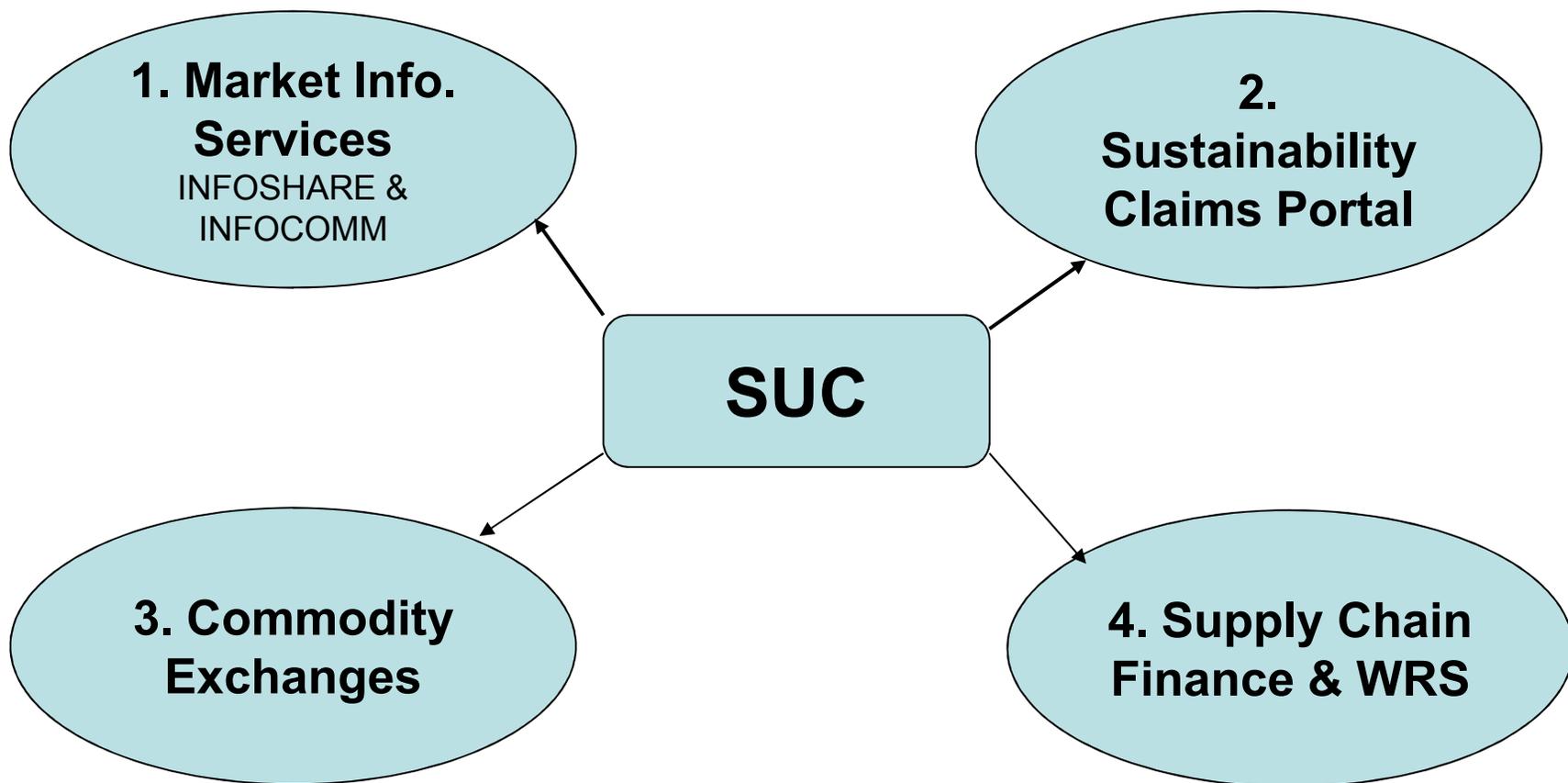


Consensus Building

- Multi-year Expert Meeting on Commodities & Development
- Global Commodities Forum
- International Commodity Agreements
- African Oil, Gas & Minerals Trade & Finance Conference
- SG High-Level Task Force on Global Food Security



Technical Cooperation



Technical Cooperation: EU AAACP

(9)



AAACP



Total Project Funds: Euro 45 million; UNCTAD 3.4 ml (7.5%)

5 Implementing IOs: CFC, FAO, ITC, UNCTAD, World Bank

EU-AAACP Website:

<http://www.euacpcommodities.eu/en>

Fact: Euro 15 million: EU-Africa Cotton Partnership

Commodities – Very Important for Everyone (10)

Commodity Dependent Countries:

- Over 100 developing countries depend on commodities for almost everything – foreign exchange, employment, income, livelihood sustenance and poverty reduction

People – You & me:

- Food
- Energy (oil)
- Wealth (gold & diamonds)
MNCs – Nestle, Cargill, Wal-Mart



Thank You



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www.unctad.info/Special-Unit-on-Commodities