



## United Nations Conference on Trade and Development

Distr.: General  
1 October 2012

Original: English

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### Trade and Development Board

#### Trade and Development Commission

Fourth session

Geneva, 12–16 November 2012

Item 4 of the provisional agenda

#### Promoting and strengthening synergies among the three pillars

## Synthesis report on the implementation of the provisions of the Accra Accord related to commodities: 2008 to 2012

Note by the UNCTAD secretariat

### *Executive summary*

This report synthesizes the major outputs delivered by the UNCTAD secretariat during its implementation of the Accra Accord provisions specifically related to commodities as contained in paragraphs 91–93, 98, 183 and 208.

Despite the efforts of the secretariat (and those of other agencies), the commodity problematique endures. In 100 developing countries (out of 150) that depend on commodities for at least 60 per cent of their foreign earnings, exposure to price volatility, structural and institutional weaknesses and trade-distorting support measures continuously marginalize and impede their gainful participation in international trade. Furthermore, declining real commodity prices over the long term, although cyclical booms in high prices have been seen, exerts cost–price squeezes on producer margins and dampens the terms of trade of national economies. These in turn restrain competitiveness and entrepreneurial growth in commodity-dependant developing countries, while limiting the opportunities to diversify into the profitable segments of global commodity chains.

The outcomes of the thirteenth session of the United Nations Conference on Trade and Development (UNCTAD XIII) – the Doha Mandate and Doha Manar – recognized this endemic commodity problematique. They “reaffirm and build upon the Accra Accord, which remains valid and relevant”. The Accra Declaration itself includes a pledge to “strengthen the commodity sectors by substantially increased public and private investment, and greater value added and diversification.”

During the four-year implementation of the Accra Accord from 2008 to 2012, the secretariat, whilst ensuring greater synergies among the three pillars of UNCTAD's work, continued to assist commodity-dependent developing countries in improving their capacities to harness development gains from commodities trade and promoting intergovernmental cooperation to address the trade and development problems associated with the commodity economy, including the food crisis and poverty reduction.

This synthesis brings together the major deliverables of the secretariat – under the three pillars of research and development, consensus building and technical cooperation – in the area of commodities trade and development during the implementation of the Accra Accord.

## Introduction

1. The United Nations Conference on Trade and Development (UNCTAD XII) adopted the Accra Accord at its twelfth session held in Ghana in April 2008. The Accra Accord, for the first time in many years, had a comprehensive work programme, including institutional reconfigurations for the secretariat in the areas of commodities trade and development.

2. Paragraph 91 of the Accra Accord reaffirmed the central role of UNCTAD – in collaboration with key relevant international, regional and national organizations – in addressing the trade and development problems, including poverty reduction, associated with the commodity economy. It urged the secretariat to monitor developments and challenges in all commodity markets, with particular emphasis on agriculture, forestry, fisheries, metals and minerals, and oil and gas.

3. The Accra Accord instituted, over a four-year period, the commodity-specific Multi-year Expert Meeting on Commodities and Development to be hosted by UNCTAD. It mandated the secretariat to deliver “practical options and actionable outcomes” for addressing to the long-standing commodities trade and development problems as well as assuring development gains from the commodity economy.

4. The Accra Accord also mandated the secretariat to promote intergovernmental cooperation and consensus building on (a) the integration of commodity policies at all levels including poverty reduction strategies; (b) trade-related policies and instruments towards resolving the commodity problematique; and (c) commodity finance and investment policies that drive and leverage commodity-based trade and development prospects and opportunities.

5. As a first step towards implementation of the comprehensive mandate on commodities trade and development, the Secretary-General of the United Nations transformed the (former) Commodities Branch – using existing resources – into an autonomous unit, the Special Unit on Commodities, to report directly to the Secretary-General of UNCTAD.<sup>1</sup>

6. This synthesis report brings together major deliverables of the secretariat during its implementation of the commodity-specific provisions of the Accra Accord for the period from 2008 to 2012. It first notes the important management reforms in the institutional framework for the secretariat to implement the Accra Accord provision on commodities and trade. Then it presents briefly the outputs under the three pillars of UNCTAD – research and analysis, intergovernmental consensus building, and technical cooperation.

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<sup>1</sup> Accra Accord, para. 183.

## I. Management reform

7. Paragraph 183 of the Accra Accord urged the Secretary-General of the United Nations “to transform the existing Commodities Branch into an autonomous unit, within existing resources, reporting directly to the Secretary-General of UNCTAD” and “through the guidance and leadership of the UNCTAD Secretary-General, the unit should contribute more effectively to developing countries’ efforts to formulate strategies and policies to respond to the challenges and opportunities of commodity markets.”

8. Pursuant to paragraph 183 of Accra Accord, the former Commodities Branch was transformed, using existing resources, into an autonomous unit, the Special Unit on Commodities, in July 2008.<sup>2</sup> Reporting directly to, and under the guidance and leadership of the Secretary-General of UNCTAD, the Unit has contributed over the past four years to developing countries’ efforts to formulate national strategies and policies that respond to the challenges and opportunities of commodity markets.

9. Following an independent in-depth evaluation (TD/B/WP/213) of the Commodities Programme, which was mandated by the forty-ninth session of the Working Party on the Medium-term Plan and Programme Budget, the secretariat responded to the findings and recommendations of the evaluation report.<sup>3</sup>

10. The management response acknowledged the need to retool the Special Unit on Commodities for UNCTAD in order to regain its leadership role in the area of commodities by strengthening research and analysis, playing a more proactive role in consensus building – through the intergovernmental machinery and multi-stakeholder forums – and by providing more focused technical assistance underpinned by its analytical work.

11. In this context, the Secretary-General restructured the Special Unit on Commodities, streamlining all activities related to commodities, into two major sections: Research and Analysis, and Policy Implementation and Outreach. The two-way synergies generated between the sections required research and analysis to feed into technical cooperation activities, including donor-funded project funding, and strengthen partnerships through consensus building.

## II. Research and analysis

### **Contributions to the intergovernmental Multi-year Expert Meeting on Commodities and Development: 2008–2012**

12. Pursuant to paragraph 208 of the Accra Accord, the Trade and Development Board at its fifty-fifth session, held 15–26 September 2008, established the Multi-Year Expert Meeting on Commodities and Development. At this session, the Trade and Development Board also determined the topics and the terms of reference for each session of the Expert Meeting from 2008 to 2012.<sup>4</sup> Besides addressing pre-agreed topics, the expert meetings reviewed the commodity market situation and outlook, commodity price trends and development in the food and energy sectors, and emerging challenges and opportunities in

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<sup>2</sup> Accra Accord, para. 183.

<sup>3</sup> Management response to the in-depth external evaluation of UNCTAD’s commodities programme (TD/B/WP(53)/CRP.1).

<sup>4</sup> Terms of reference for multi-year and single-year expert meetings (TD/B/55/9).

all commodity sectors. For each expert meeting, the secretariat prepared background documents to facilitate the substantive debate and discussions. These were complemented by papers and presentations made by experts. Below are the highlights of the expert meetings convened during the implementation period of the Accra Accord.

**(a) Multi-year Expert Meeting: 6–7 April 2009**

13. The first session of the Multi-year Expert Meeting on Commodities and Development took place in Geneva from 6–7 April 2009. The secretariat prepared three background notes covering (a) Recent commodity market developments: trends and challenges (TD/B/C.I/MEM.2/2); (b) Integrating commodity policies into development and poverty reduction strategies: success stories, transparency and accountability (TD/B/C.I/MEM.2/3); and (c) 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). These background notes were complemented by 23 substantive papers and presentations of experts who attended the meeting.<sup>5</sup>

14. The documents and presentations anchored the substantive discussions at the Expert Meeting. The experts reviewed commodity boom-and-bust cycles as well as long-standing issues facing commodity-exporting developing and emerging countries. These included, inter alia, (a) macroeconomic and governance challenges of commodity revenues management; (b) the high volatility and declining secular trends of commodity prices; (c) the lack of diversified trade, which increases the vulnerabilities of commodity exporters to international price shocks; (d) trade barriers, including tariff escalation and tariff peaks for processed products from developing countries; (e) market-distorting subsidies among developed countries; (f) power imbalance in the governance of value chains, which is detrimental to the power of small producers vis-à-vis large corporations; and (g) supply-side constraints, including high transportation costs among landlocked and small island developing countries, and poor economic linkages.

15. Following the completion of the Expert Meeting, the secretariat prepared and submitted a report (TD/B/C.I/MEM.2/5) of the meeting to the second session of the Trade and Development Commission, held in Geneva, 3–7 May 2010.

**(b) Multi-year Expert Meeting: 24–25 March 2010**

16. The second session of the Multi-year Expert Meeting on Commodities and Development was held in Geneva from 24–25 March 2010. As required, the secretariat prepared four background notes: (a) Recent developments in key commodity markets: trends and challenges (TD/B/C.I/MEM.2/7); (b) Addressing the commodity problematique through trade-related policies (TD/B/C.I/MEM.2/9); (c) The future energy matrix and renewable energy: implications for energy and food security (TD/B/C.I/MEM.2/8); and (d) Access to commodity finance by commodity-dependent countries (TD/B/C.I/MEM.2/10). Fourteen papers and presentations were also made by experts at the meeting.<sup>6</sup>

17. During the two-day meeting, experts discussed key issues in relation to the developments and challenges in the commodity trade and development, including boom-and-bust cycles, the global financial crisis and the financialization of commodity markets, with some specialized commodities markets having become popular as an asset class. The

<sup>5</sup> The papers and presentations are available online at <http://archive.unctad.org/Templates/Page.asp?intItemID=4791&lang=1>.

<sup>6</sup> The papers and presentations are available online at <http://archive.unctad.org/templates/Page.asp?intItemID=5374&lang=1>.

meeting also delved deeper into the impact of the global financial crisis on price and market volatility, deteriorating terms of trade, debt crisis, and food and energy insecurity.

18. After the expert meeting, the secretariat prepared and submitted the report (TD/B/C.I/MEM.2/11) of the meeting to the Trade and Development Commission on 9 April 2010.

**(c) Multi-year Expert Meeting: 24–25 March 2011**

19. The third session of the Multi-year Expert Meeting on Commodities and Development was convened in Geneva from 23–25 March 2011. During this session, experts reviewed and addressed, among other issues, (a) current developments and challenges and the outlook in the commodity markets; (b) policy actions to mitigate the impact of highly volatile prices on the incomes of commodity-dependent countries; and (c) new approaches to resolving commodity-related problems based on effective multi-stakeholder partnerships.

20. The secretariat prepared three background notes, as per pre-agreed topics on (a) Recent developments in key commodity markets: trends and challenges (TD/B/C.I/MEM.2/13); (b) 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); and (c) Innovative approaches to resolving commodity-related problems based on effective multi-stakeholder partnerships (TD/B/C.I/MEM.2/15).

21. Besides the three background notes prepared by the secretariat, 15 substantive papers were presented by experts. The presentations, largely from industry, academia and country representatives, focused on country- and industry-level experiences in dealing with volatile prices and commodity markets.<sup>7</sup>

22. Following the Expert Meeting, the secretariat prepared and submitted a report (TD/B/C.I/18) of the meeting to the third session of the Trade and Development Commission, which took place from 6–10 June 2011 in Geneva.

**(d) Multi-year Expert Meeting: 25–26 January 2012**

23. The fourth session of the Multi-year Expert Meeting on Commodities and Development was convened in Geneva from 25–26 January 2012. The secretariat prepared two background notes and an annex: (a) Recent developments in key commodity markets: trends and challenges (TD/B/C.I/MEM.2/19); (b) 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 (TD/B/C.I/MEM.2/18); and (c) 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 (TD/B/C.I/MEM.2/18/Add.1).

24. The secretariat's background notes were complemented by 14 substantive presentations by experts from the public and private sectors, international agencies and international commodity bodies.<sup>8</sup> Following the expert meeting, the secretariat prepared and

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<sup>7</sup> A full listing of documents and presentations is available online at <http://archive.unctad.org/Templates/Page.asp?intItemID=5902&lang=1>.

<sup>8</sup> Documents and presentations of the fourth session are available online at <http://archive.unctad.org/templates/page.asp?intItemID=6241&lang=1>.

submitted the report (TD/B/C.I/MEM.2/20) of the meeting to the Trade and Development Commission for its fourth session, scheduled for 12–16 November 2012.

25. The fourth session was held back-to-back with the Global Commodities Forum (23–24 January 2012), also organized by the secretariat. The substantive discussions of the session were anchored by the above-mentioned key documents. They focused on, among other issues, (a) developments and challenges in commodity markets, with a focus on emerging issues, and policy and development implications such as the green economy, climate change and technology; (b) salient features in key commodity sectors and markets from a development perspective based on key presentations by industry analysts and representatives of international organizations and commodity bodies; and (c) new approaches to resolving commodity-related problems based on effective multi-stakeholder partnerships.

26. The discussions provided the context for appraising the opportunities and challenges arising from developments in commodity markets and provided outlooks on possible future developments and challenges facing commodity-dependent developing countries.

27. In summary, the secretariat, in compliance with the provisions of paragraph 208 of the Accra Accord, convened four Multi-year Expert Meetings on Commodities and Development, from 2009 to 2012. During this period, the secretariat prepared 17 background notes, in addition to the 58 substantive papers and presentations made by experts. The major research outputs of these expert meetings are provided in Table 1.<sup>9</sup>

Table 1

Year	Number of research documents	
	UNCTAD	Experts <sup>∞</sup>
2009	4	22
2010	5	14
2011	4	15
2012	4	7
<b>Total</b>	<b>17</b>	<b>58</b>

Source: Compiled using data from UNCTAD.

<sup>∞</sup> An analytical paper that is 10 pages and more is considered a research document.

## Contributions to the United Nations General Assembly resolutions on commodities

28. Besides the research and analytical works undertaken by the Special Unit on Commodities on key issues related to commodities trade and development, the secretariat is obligated to backstop deliberations on commodities at the General Assembly, contribute to chapters on commodities issues in the annual United Nations reports, the *World Economic Situation and Prospects* and the *World Economic and Social Survey*, and deliver a major report, working papers and ad hoc studies on traditional as well as contemporary issues on commodities.

<sup>9</sup> Opening statements, keynote addresses and introductory presentations are not included in Table 1.

29. Pursuant to the United Nations General Assembly resolutions on commodities, the secretariat is obligated to prepare and submit biennially analytical reports on world commodity trends and prospects for its deliberations. During the implementation of the Accra Accord, the secretariat prepared and delivered two such reports, one in 2009 and one in 2011.

#### **General Assembly: 2009**

30. Pursuant to United Nations General Assembly resolution 61/190, the secretariat prepared and submitted in July 2009 an analytical report (A/64/184) on world commodity trends and prospects for the sixty-fourth session of the General Assembly under item 51(d) of the provisional agenda (Macroeconomic policy questions: commodities). The paper reviewed developments in commodities markets, highlighting the sharp fall of commodity prices in the wake of the international financial crisis and economic recession which ended a five-year boom.

31. The General Assembly paper also analysed the market fundamentals – demand, supply, price, stocks, etc. – that impacted price discovery, value adding and retention, and reconfiguration of national policies in light of the global food and energy crisis. Policy prescriptions from the report vouched for measured use of regulatory and market instruments to instil confidence and stability in the marketplace. Policies to address longer-term structural issues of the commodity economy and integrate commodity policies into wider development and poverty reduction were important elements.

#### **General Assembly: 2011**

32. In compliance with General Assembly resolution 64/192 on commodities, UNCTAD prepared and submitted in September 2011 an analytical report (A/66/207) on world commodity trends and prospects for the sixty-sixth session of the General Assembly under item 17(d) of the provisional agenda (Macroeconomic policy questions: commodities).<sup>10</sup>

33. This report provided in-depth analyses of the world commodity situation and prospects, with particular emphasis on excessive volatility in commodity prices and markets. It reviewed the global commodity markets in light of the global surge in prices of key agricultural, food and energy (oil and gas) products which had surpassed their 2008–2009 levels. Surging commodity prices contributed to popular uprisings and food riots in some countries as food-price inflation and rising energy costs took their toll. Furthermore, the unprecedented rise in commodity prices attracted an influx of speculative investors (e.g., hedge funds, commodity-index funds and exchange-traded funds) into commodity markets, fuelling speculation.

34. The report recommendations included that global initiatives and national policies be effectively aligned, resourced and implemented so as to address the critical issues affecting international commodity trade and the development prospects of developing countries. Policy measures should aim to improve market functioning and increase countries' resilience to external imbalances, shocks and volatility in prices and markets.

### **Contributions to the World Economic Situation and Prospects Report**

35. The Special Unit on Commodities has been contributing to the non-oil commodities sections of the chapters on international trade in the *World Economic Situation and Prospects* Report. During the review period, 2008–2012, the secretariat made contributions

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<sup>10</sup> A/RES/64/192.



in each of the past four years on the global situation of key agricultural and food products, industrial and precious metals, minerals and raw materials, that is, non-oil commodities.<sup>11</sup>

### **Major reports, working papers and ad hoc studies**

36. Pursuant to paragraph 92 of the Accra Accord, the secretariat had strengthened its role in research and analysis on commodities and trade-related issues of importance to its clientele of commodity-dependent developing countries. It continues to seek and strengthen research partnerships with leading think tanks and academia, leveraging such partnerships to deliver cutting-edge research on commodities and trade-related issues. Highlighted below are briefs on selected reports, working papers and analytical studies.

#### **2012: UNCTAD Commodities and Development Report**

37. The UNCTAD *Commodities and Development Report* (UNCTAD/SUC/2011/9) is the major analytical report on commodities, to be published bi-annually by UNCTAD. The report provides a balanced and critical analysis of important issues in commodities trade and development related to energy, mining, minerals and metals, food and agriculture. It replaces the *World Commodity Survey*, published in collaboration with Cyclope.<sup>12</sup>

#### **2012: The State of Commodity Dependence 2012**

38. *The State of Commodity Dependence 2012*, to be published biannually, provides an overview of the commodity-related situation of 154 developing countries. Graphical presentations depict regional and global perspectives of commodity dependence in developing countries over the period 2009–2010.

#### **2012: The Potential Establishment of Emergency Food Reserve Funds**

39. This timely study explored the potential for establishing national and regional emergency food reserves to help address food supply problems in poor countries. The creation of food reserves is pertinent in light of the global food price crisis and the failure of market forces to deliver food where it is most needed in times of food stress and shortages. This paper reviewed earlier schemes and new schemes based on lessons learnt as well as methods of financing food reserves to ensure food security. Greater reliance on domestic or regional supplies and the deployment of public reserves of staple foods are policy options available to low-income food-deficit countries.<sup>13</sup>

#### **2012: Extractive Industries: Optimizing value retention in host countries**

40. This study (UNCTAD/SUC/2012/1) focused on ways to improve local content of natural resources-rich developing countries in servicing foreign companies operating in extractive industries. It also explored the challenges and opportunities for natural resources-rich countries to optimize value-adding and value-retention. The report (UNCTAD/SUC/2012/1) show-cased experiences in three natural resources-rich countries,

<sup>11</sup> The non-oil commodities section (pp.51–58) in the chapter on international trade (prepared by UNCTAD) of the *World Economic Situation and Prospects Report 2011* is available online at [http://www.un.org/en/development/desa/policy/wesp/wesp\\_archive/2011wesp.pdf](http://www.un.org/en/development/desa/policy/wesp/wesp_archive/2011wesp.pdf).

<sup>12</sup> The last edition of the *World Commodity Survey* was issued in 2003.

<sup>13</sup> Article 11 of the International Covenant on Economic, Social and Cultural Rights states that every person has the right to adequate food. The secretariat study is available online at [http://unctad.org/en/PublicationsLibrary/suc-miscDP03\\_en.pdf](http://unctad.org/en/PublicationsLibrary/suc-miscDP03_en.pdf).

where a regulatory framework is a necessary prerequisite towards increasing local content in extractive industries.<sup>14</sup>

#### **2011: Do remittances reduce vulnerability to climate variability in West African Countries? Evidence from panel vector autoregression**

41. This paper empirically examined the role of remittances in smoothing the gross domestic product (GDP) fluctuations induced by precipitation variability and both meteorological and natural shocks. Using panel vector autoregression, it analysed six West African countries from 1983 to 2009, where remittances inflows are heavily dependent on economic shocks in host countries. The results suggest that remittances are an important element of macroeconomic stability in countries that are most vulnerable to precipitation variability.<sup>15</sup>

#### **2011: Unravelling the underlying causes of price volatility in world coffee and cocoa commodity markets**

42. The paper empirically examined the patterns and underlying causes of excessive price volatility for two major soft commodities – coffee and cocoa. Both commodities are of critical economic importance to many poor commodity-dependent developing countries. Analysis of historical prices indicated that coffee price volatility had uneven or differing reactions depending on the nature of the market shock. Also oil price spillover effects on coffee and cocoa markets were assessed using cointegration and causality models. Although long-run causality was established between oil prices, and coffee and cocoa prices, only cocoa was found to have an equilibrium relationship with oil in the long term. It is therefore imperative that cocoa- and coffee-exporting countries manage price risks and address regulatory frameworks to curb volatility in prices and markets.<sup>16</sup>

#### **2011–2012: Commodities at a Glance**

43. *Commodities at a Glance* is a new product produced by UNCTAD on a quarterly basis beginning in March 2011. It provides pictorial snapshots of comprehensive data on commodities concerning topical issues of importance to commodity-dependent developing countries (CDDCs). This quarterly publication collects, presents and disseminates accurate and relevant statistical information linked to international primary commodity markets in a clear, concise and friendly format.

44. Two issues of *Commodities at a Glance* have since been published in July 2011 and February 2012. These issues focused on cotton and energy, respectively. The forthcoming issue number four will focus on food security.

45. *Commodities at a Glance: Special issue on Cotton in Africa* focused on the world cotton industry, with an emphasis on African cotton-producing countries. The cotton sector in Africa is critical to the provision of sustainable rural livelihoods and the economic development of these countries. This issue was specifically prepared for the Pan-African Cotton Meeting, held in Cotonou, Benin, June 2011.<sup>17</sup>

46. *Commodities at a Glance: Special issue on energy* described world energy trade, price, and production and consumption trends with a particular focus on Africa. Over the last three decades, world consumption of primary energy nearly doubled from 280

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<sup>14</sup> [http://unctad.xiii.org/en/SessionDocument/suc2012d1\\_en.pdf](http://unctad.xiii.org/en/SessionDocument/suc2012d1_en.pdf).

<sup>15</sup> [http://unctad.org/en/PublicationsLibrary/suc-miscDP02\\_en.pdf](http://unctad.org/en/PublicationsLibrary/suc-miscDP02_en.pdf).

<sup>16</sup> [http://unctad.org/en/PublicationsLibrary/suc-miscDP01\\_en.pdf](http://unctad.org/en/PublicationsLibrary/suc-miscDP01_en.pdf).

<sup>17</sup> [http://unctad.org/en/docs/suc20112cotton\\_en.pdf](http://unctad.org/en/docs/suc20112cotton_en.pdf).

quadrillion British thermal units (Btu) in 1980 to 490 quadrillion Btu in 2008. The dramatic increase in consumption may be partly explained by global economic growth, rapid industrialization in developing countries and increasing world population and urbanization.

47. Most of the projected increase is expected to come from non-Organization for Economic Cooperation and Development countries, particularly India and China which account, respectively, for 18 per cent and 36 per cent of the increase. The Middle East is expected to experience the most rapid growth in demand, at 2 per cent per year, largely due to fast growing energy demand sectors, such as petrochemical industries and power generation. Demand in Africa, particularly sub-Saharan Africa, is also expected to grow as electricity supply will need to increase in response to population growth.<sup>18</sup>

48. Research and analysis was undertaken by UNCTAD within the ambit of the two remaining pillars: consensus building and technical cooperation. A large number of research and analytical studies were produced, sometimes in partnership, using extrabudgetary resources.

### III. Intergovernmental consensus building

49. The consensus-building pillar of UNCTAD's work on commodities and trade is critically important because of the sheer numbers of people – more than 2 billion – involved in agricultural and food production for employment, income generation, livelihoods sustenance and poverty reduction. Poverty reduction starts with addressing the core problems associated with agricultural foods and commodities production in the developing world.

50. Paragraph 93(b) of the Accra Accord mandated UNCTAD to “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 possibilities.”

51. The UNCTAD secretariat maintained its extensive inter-agency cooperation network, with a view to promoting a comprehensive approach to commodity sector development. It continued its close cooperation with organizations both within and outside the United Nations system, such as the Common Fund for Commodities (CFC), Food and Agriculture Organization of the United Nations (FAO), World Trade Organization (WTO), International Trade Centre (ITC), World Bank, Department of Economic and Social Affairs, United Nations regional commissions and international commodity bodies.

52. UNCTAD continues to service a number of conferences and international commodity bodies and study groups, and serve as a neutral platform for policy dialogue, given its mandate on key issues regarding global commodity supply chains, markets and international trade and development. Some of these events have become flagship events in their domains: the Bürgenstock Conferences, the Africa Oil, Gas and Minerals Trade and Finance Conferences, the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development, the United Nations Cocoa Conference and the Global Commodities Forum.

<sup>18</sup> [http://unctad.org/en/PublicationsLibrary/suc2011d6\\_en.pdf](http://unctad.org/en/PublicationsLibrary/suc2011d6_en.pdf).

## **Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition**

53. Pursuant to paragraph 98 of the Accra Accord, UNCTAD continues to provide advisory services and trade-related capacity-building activities to natural resources-rich developing countries. The secretariat organized, in collaboration with partners, the thirteenth UNCTAD Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition in Bamako, 10–13 November 2009.

54. The Bamako conference was held in the midst of the global economic and financial crisis. The secretariat had a clear message that natural resources-rich countries need to diversify away from dependence on one or two tradable commodities in order to stabilize national incomes, manage foreign exchange rate upheavals due to Dutch Disease effect and assure sustainable growth and development.

55. The conference brought together over 500 participants from all sectors with interest in oil and gas, and minerals in Africa. Conference participants deliberated on key issues including the extreme vulnerability of natural resources-rich countries to price volatility; lack of local downstream processing or transformation of raw materials onshore and in-country; energy security for regional integration and growth; appropriate legal and regulatory framework to stimulate investment and increase local content; access to credit and financial services; and sustainable extraction, management and use of resource revenues for broad-based development and growth.

56. UNCTAD has since put in motion the ministerial resolution which requested the secretariat to help establish the Natural Resources Information Exchange in Africa.<sup>19</sup> This information exchange should assist natural resources-rich countries in Africa and elsewhere to capture the untapped value from geosciences information with the view of optimizing natural resource development and management.

57. Since the conference in November 2009, the secretariat helped to facilitate the fourteenth conference, held in Sao Tome and Principe, 21–25 November 2010, and the fifteenth conference convened in the Congo, 2–6 April 2012.

## **Global Commodities Forum**

58. Pursuant to paragraph 93(b) of the Accra Accord, UNCTAD launched in March 2010 the Global Commodities Forum (GCF), a major multi-stakeholder meeting which discusses and seeks solutions to the perennial problems associated with commodities production, trade and development. The GCF was supported by partners including the Swiss Government and the CFC.

59. The inaugural session focused on extractive industries – oil, gas and metals. Participants assessed volatility in resource markets and prices; sustainable supply capacities; resource curse and diversification options; commodity finance and risk management; logistics and sustainable natural resources development.

60. GCF 2010 brought together more than 500 participants including ministers to attend the two-day meeting. The discussions on key issues were based on 17 substantive presentations.<sup>20</sup> After the meeting, the secretariat prepared the report of the first GCF.<sup>21</sup>

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<sup>19</sup> [http://archive.unctad.org/sections/wcmu/docs/MYEM2012\\_Commodities\\_Davis\\_en.pdf](http://archive.unctad.org/sections/wcmu/docs/MYEM2012_Commodities_Davis_en.pdf).

<sup>20</sup> All papers and presentations are available online at <http://www-dev.unctad.org/Templates/Page.asp?intItemID=5352&lang=1>.

61. The second GCF was held in Geneva, from 31 January–1 February 2011. The Forum attracted around 600 participants from all stakeholder groups, including ministerial and other high-level policymakers, regulators, business leaders, experts, academics and representatives of non-governmental organizations.

62. GCF 2011 discussed issues such as commodity market financialization and price volatility, policy effectiveness in commodity-producing countries, commodity market regulation, commodity finance and logistics. A total of 96 papers and presentations, including 88 substantive papers, were delivered at the Forum.<sup>22</sup> The secretariat prepared a report (UNCTAD/SUC/2011/5) on GFC 2011 following the meeting.<sup>23</sup>

63. The third GCF, with the appropriate theme of “Globalization and Commodity Trade: Harnessing Development Gains from Commodity Production”, was held in Geneva, 23–24 January 2012. The theme was selected because many developing countries are excessively dependent on a few tradable exports for foreign exchange earnings, employment and income generation, livelihood sustenance and poverty reduction.

64. Commodity dependence among developing countries has increased since 2002 by 7.1 per cent (from 85 to 91 countries).<sup>24</sup> The high commodity prices over that period have had limited positive impacts on the living standards of more than 2 billion people in developing countries dependent on agriculture. Many CDDCs are classified as least developed countries (LDCs), where the rates of extreme poverty declined only from 58 per cent in 2002 to 53 per cent in 2007 before the world food and financial crises.

65. GCF 2012 addressed key issues related to the fallout from the euro zone debt crisis, which is raising loan rates globally, and mounting food and petroleum bills for poor nations as well as trade-related innovations in response to high credit costs.

66. A special session was held for stakeholders to discuss opportunities for collaboration focusing on private sector solutions to the challenges faced by developing countries. Four statements and 33 substantive papers and presentations were made at the GCF 2012.<sup>25</sup>

67. The GCF brings together all stakeholder groups, including ministerial and other high-level policymakers, regulators, business leaders, experts, academics and representatives of non-governmental organizations. It is generously supported by partners including the CFC, the Swiss State Secretariat for Economic Affairs and the Governments of China and France.

### **Collaborations with other international organizations and commodity bodies**

68. UNCTAD continued its active cooperation with international commodity bodies. Pursuant to Accra Accord paragraph 93(b), and at the request of the International Cocoa Organization, the Special Unit on Commodities assisted International Cocoa Organization

<sup>21</sup> GFC 2010 report (UNCTAD/SUC/2010/4) is available online at [http://www.unctad.info/upload/SUC/GCF/gcf2010\\_Report\\_en.pdf](http://www.unctad.info/upload/SUC/GCF/gcf2010_Report_en.pdf).

<sup>22</sup> All papers and presentations are available online at <http://www.unctad.info/en/Global-Commodities-Forum-2011/Presentations/>.

<sup>23</sup> GFC 2011 report (UNCTAD/SUC/2011/5) is available online at [http://unctad.org/en/docs/suc2011d5\\_en.pdf](http://unctad.org/en/docs/suc2011d5_en.pdf).

<sup>24</sup> Commodity dependence is defined here as countries whose commodity exports represent more than 60 per cent of merchandise exports.

<sup>25</sup> All papers and presentations are accessible at <http://www.unctad.info/en/Global-Commodities-Forum-2012/Presentations/>.

member countries and other interested stakeholders in preparing the successor agreement to the 2001 International Cocoa Agreement which expires in 2012. The seventh International Cocoa Agreement was successfully adopted by consensus on 25 June 2011 at the United Nations Cocoa Conference, held under the auspices of UNCTAD in Geneva from 21 to 25 June 2011.

69. The seventh International Cocoa Agreement marked the end of long and intensive negotiations which began in autumn 2008. This new Agreement aims to develop and strengthen cooperation between producer, consumer and industry (private sector) towards the global sustainable production and trade of cocoa.<sup>26</sup>

70. The secretariat played a key role in the High-Level Meeting on Food Security for All (26–27 January 2009) held in Madrid. The key goals of the conference were to (a) reaffirm the conclusions of the Rome High-Level Conference on Food Security held in June 2008 and the Comprehensive Framework of Action; (b) indicate policies and actions to address both immediate and longer-term challenges to food security; (c) describe the process through which stakeholders will work out a broader partnership on agriculture and food security; and (d) identify the potential for increasing and improving the effectiveness of financial contributions.

71. UNCTAD is currently engaged with other members of the High-Level Task Force on the Global Food Security Crisis in follow-up activities to the Madrid Meeting, including the identification of options for coordinated financing and resource mobilization for in-country action.

72. UNCTAD contributes to the Group of 20 initiative on commodities, with nine other international organizations, in the areas of the Agricultural Market Information System and research and analysis. The Agricultural Market Information System, launched after the 2007–2008 food crisis during the French Presidency of the Group of 20, aims to improve the gathering and sharing of quality data on food balance sheets. UNCTAD participated in meetings and contributed to ongoing work such as the programme on indicators to monitor price volatility for the major internationally-traded food crops.

### **UNCTAD stakeholder meetings on cotton and coffee**

73. In 2009, pursuant to the recommendations of the UNCTAD Secretary-General's High-Level Multi-Stakeholder Meeting on Commodities held in Geneva, 28–29 January 2008, the Special Unit on Commodities organized stakeholder meetings on individual commodities – cotton and coffee. Two commodity-specific stakeholder meetings were held in Geneva, on 2 December 2008 and 8 April 2009, respectively.

74. The cotton meeting brought together interested stakeholders from the public and private sectors, academia, international commodity bodies, regional agencies and civil society organizations. Seven state ministers from African countries attended, including Benin, Burkina Faso, Chad and Mali, the “Cotton Four” countries. The Cotton Four countries spearhead the cotton initiative within the WTO framework.

75. UNCTAD prepared the background study “The dollar slide: How does it affect West African cotton farmers?” (UNCTAD/DITC/COM/2008/7) which provided quantitative estimates of impacts of international nominal price fluctuations on producers of selected African countries. This was supplemented by various position papers, country statements and studies presented at the meeting.

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<sup>26</sup> TD/COCOA.10/5.

76. The meeting reviewed key development issues in the cotton industry including world cotton markets; economic and social impact of cotton which engages 100 million households in 36 countries; cotton and trade-related issues such as the Doha Round and post multi-fibre agreement; and proposals for action and cotton strategies at national and regional levels.

77. Pursuant to the request made by the African cotton-producing countries during the Multi-stakeholder Meeting on Cotton (December 2008), UNCTAD initiated follow-up consultations with key agencies and organized the Pan-African Cotton Meeting, in collaboration with the CFC, the Secretariat of the African Caribbean Pacific Group of States (ACP) and the *Comité d'orientation et de suivi-coton* (COS-coton) of the European Union-Africa Partnership on Cotton. The Pan-African Cotton Meeting, held in Cotonou, Benin, 27–29 June 2011, brought together over 100 participants.

78. The Pan-African Cotton Meeting aimed at defining a 10-year road map for the African cotton sector, by building on the existing national and regional strategies for the cotton sector, and taking into account the European Union-Africa Partnership Action Framework. The outcome was a Road Map intended to increase consistency between the different initiatives and give a general direction to the development of the African cotton sector across Africa.

79. Similarly, the coffee meeting brought together interested representatives from coffee-producing and exporting-countries, international commodity bodies, exporters, governments, academia, industry (e.g., food manufacturers) and civil society organizations. Participants reviewed the opportunities and challenges for trade in coffee; equitable and remunerative (fair pricing) participation of small-scale producers in global coffee chains; coffee supply and demand, quality and sustainable production and trade; and assistance to low-income coffee-exporting countries to enhance the sector's contribution to growth and development.

80. As a way forward, the meeting proposed (a) adopting measures to balance supply and demand to mitigate the effects of a downward trend and cyclical behaviour of coffee prices, particularly on coffee-dependent low income countries; (b) the promotion of sustainable coffee; (c) increasing productivity and quality through better marketing and research and development, and niche product development; (d) the conclusion of the WTO Doha Round of negotiations with clauses addressing the development needs of countries dependent on tropical beverages such as coffee; (e) global policy coherence and complementary collaboration among international organizations per area of focus; and (f) improving physical and institutional infrastructure to support coffee production and marketing in producing countries and promoting consumption in importing countries.

#### **IV. Technical cooperation**

81. In compliance with paragraph 93(a) of the Accra Accord, the Special Unit on Commodities implemented technical cooperation activities, including donor-funded projects, that helped build capacity in key areas of commodities (e.g., market information systems, commodity finance and agricultural standards) in many CDDCs. Some of these projects, which were regional and intraregional, covered the following major themes:

- (a) Agricultural market information services;
- (b) Compliance with international trade standards, technical regulations, food laws and certification schemes including sustainable standards;
- (c) Sustainable development issues in extractive industries;

(d) Commodity financing, commodity exchanges (e.g., warehouse receipt systems) and commodity risk management.

82. The secretariat's areas of work where extrabudgetary resources are often lacking received significant financial support in 2008 through funding from the European Union (EU) for the All ACP Agricultural Commodities Programme. The Programme was the single largest donor-funded project, in terms of the amount of funding (€3.4 million) and the geographical spread (covering all African, Caribbean and Pacific countries (ACP)), implemented by the secretariat that focused entirely on agricultural commodities and food crops.

83. Funded by the EU for €45 million over the period 2007–2011, the Programme was implemented collectively by five international organizations.<sup>27</sup>

84. The Special Unit on Commodities implemented four operative subcomponents with a budget allocation of €3.4 million (7.5 per cent of the total EU Programme budget). The major outputs of the Programme are highlighted below.

### **All ACP Agricultural Commodities Programme**

85. The All ACP Agricultural Commodities Programme (AAACP) was launched in September 2007 as an initiative of the European Commission and the ACP Secretariat. The main objective of the AAACP was to reduce poverty while improving and stabilizing the revenues and living conditions of agricultural commodity producers in all ACP countries.<sup>28</sup>

86. The total budget for the AAACP was €45 million. Of this, €15.8 million (one third) was earmarked for the EU-African cotton partnership.

87. At the end of December 2011, when the AAACP closed, the five international organizations had effectively utilized 95.2 per cent (€37.2 million) of their allotted budget of €38.9 million. For the AAACP as a whole, overall disbursement stood at 92.6 per cent (€41.7 million). UNCTAD disbursed 62 per cent (€2.1 million) of its allotted budget of €3.4 million.<sup>29</sup>

88. The four subcomponents implemented by UNCTAD were (a) agricultural market information services, (b) agricultural food standards, (c) commodity exchanges and (d) commodity finance. These project activities for UNCTAD were agreed upon by all parties: EU-Coordination Unit, UNCTAD and beneficiaries from ACP countries during the regional consultation ("Kickoff") workshops held in all ACP regions in 2008.<sup>30</sup> The four subcomponents are presented in Figure 1.

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<sup>27</sup> The international organizations implementing the Programme were CFC, FAO, ITC, UNCTAD and the World Bank.

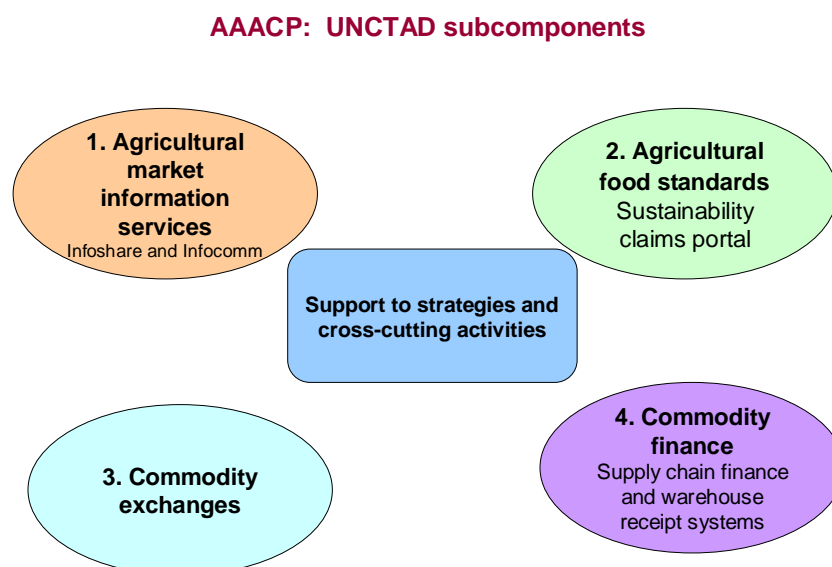
<sup>28</sup> [www.euacpcommodities.eu](http://www.euacpcommodities.eu).

<sup>29</sup> [http://www.euacpcommodities.eu/files/Session\\_1\\_-\\_AAACP\\_Overview\\_of\\_Main\\_Results\\_Achieved\\_CU.pdf](http://www.euacpcommodities.eu/files/Session_1_-_AAACP_Overview_of_Main_Results_Achieved_CU.pdf).

<sup>30</sup> Activities were assigned to the five implementing international organizations based on their respective competencies in relation to domain expertise in the subject area, management and capacity to implement, and outputs and impact (in ACP countries).



Figure 1



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89. The operational budget of €3.4 million over four years (2008–2011) enabled the secretariat to enhance and scale-up its works in the four areas for which work was already ongoing prior to the inception of the AAACP. For instance, UNCTAD had been strengthening its work on trade-related agrifood safety standards and quality requirements, technical regulations and food laws since 2000.

90. During the AAACP, UNCTAD delivered 17 capacity-building workshops, 199 papers and presentations and four analytical studies. This is shown in Table 2.

Table 2

<i>UNCTAD activities under AAACP</i>	<i>Capacity-building workshops</i>		<i>Number of documents</i>	
	<i>Regional</i>	<i>National</i>	<i>Papers and presentations</i>	<i>Analytical studies</i>
1. Agricultural market information services	2	–	18	–
2. Agrifood standards: sustainability claims portal	4	1	34	2
3. Commodity exchanges and commodity finance	6	4	147	2
<b>Total</b>	<b>12</b>	<b>5</b>	<b>199</b>	<b>4</b>

91. The implementation results of the activities undertaken by the secretariat are detailed in the reports submitted yearly, as mandated, to the respective sessions of the Trade and Development Commission since 2009.<sup>31</sup> These details are also available on the Unit

<sup>31</sup> Reports were submitted in 2009 (TD/B/C.I/4), 2010 (TD/B/C.I/10) and 2011 (TD/B/C.I/18).

webpage.<sup>32</sup> The present report provides a brief summary of what remains unreported and a summary of the outputs of the four subcomponents implemented by the secretariat under the AAACP, including how they contributed to the project-wide interventions at ACP regional and sectoral levels.

### **Agricultural market information services**

92. Pursuant to paragraph 93(a) of the Accra Accord, UNCTAD continued to assist CDDCs in their efforts to access commodity information and establish more effective marketing systems. In this context, the secretariat has continued to implement two virtual information tools: “Infocomm” and “Infoshare”. Infocomm is a three-language electronic information portal embedded in the UNCTAD website which provides profiles on selected commodities and links to external information resources. Infoshare is a database system for gathering and sharing information on commodity prices, including farm gate, import and export prices as well as transportation and storage costs.

93. With funding through the AAACP, the secretariat installed the database and software of Infoshare in four provinces of Cameroon and delivered three tailor-made capacity-building training programmes for participants, including trainers and relay agents from the National Cocoa and Coffee Board, the agriculture and commerce ministries, and coffee and cocoa producer organizations with a membership reach of 15,000 small-scale producers.

94. The secretariat continued to transfer the information from the Infocomm portal to a more modern and user-friendly interface platform. The database and software prototype for the Caribbean region was presented at a joint UNCTAD-Caribbean Community (CARICOM) secretariat workshop. UNCTAD continued to support the Infoshare installation in Cameroon and organized a training workshop in Geneva for database administrators.

95. In 2011, under the auspices of the AAACP, the secretariat organized a workshop on the establishment of a subregional agricultural market information system, held 17–19 August 2011 in Nadi, Fiji.

### **Commodities trade and agrifood safety and quality standards**

96. The proliferation of complex and restrictive non-tariff measures applied at and behind borders in export markets is of concern to most CDDCs, and particularly to LDCs. Pursuant to paragraph 93(a) of the Accra Accord, UNCTAD continued to strengthen its work on market access problems facing developing countries, focusing on sanitary and phytosanitary measures and on compliance with food safety standards including sustainability standards, divergent food laws and technical regulations.

97. Under the AAACP, the secretariat continued to expand, upgrade and consolidate the web-based sustainability claims portal ([www.unctad.org/SCP](http://www.unctad.org/SCP)).<sup>33</sup> This virtual tool for development aims to inform and educate producers, farmers, traders, exporters and policymakers in ACP countries on the design, development and existence of agrifood safety

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<sup>32</sup> <http://www.unctad.info/en/Special-Unit-on-Commodities/Events-and-Meetings/All-EU-ACP/>.

<sup>33</sup> Continued expansion and development of the portal assures a certifier database (the portal now has information on over 150 certification labels and sustainability initiatives), upgrades the “search” function and provides a central access point to existing fair-trade, environmental and social accountability schemes.

standards, labelling and certification schemes that integrate the three pillars of sustainability – economic, social and environmental concerns – in their operations, including production, processing and marketing. The portal provides information on sustainability claims (e.g., fair trade, organic, environmental and geographical indicators), certification schemes and requirements, labels and labelling laws, general information on sustainability issues and relevant documents for key stakeholders in ACP countries.

98. Through the AAACP, the secretariat successfully rolled out the sustainability claims portal in four regions of ACP countries – West Africa (Dakar, 24–25 May 2011), South and Eastern Africa (Dar es Salaam, United Republic of Tanzania, 10–11 November 2011), the Caribbean (Port of Spain, 17–19 February 2011) and the Pacific (Port Vila, 30–31 March 2010).

99. During these capacity-building regional workshops and the rollout of the sustainability claims portal in ACP regions, a total of 203 papers and presentations were made. In November 2011, two analytical studies were completed on (a) the sustainability claims portal – standards and the certification of agricultural products in West Africa and (b) agrifood and sustainability standards in the East and Southern African region.

100. After the end of the AAACP in December 2011, the sustainability of the portal remains uncertain. Additional resources from the donor community are required to sustain, scale-up and replicate AAACP-supported activities elsewhere in developing countries to have lasting impact. ACP stakeholders who attended the sustainability claims portal rollout workshops wanted AAACP-supported activities such as the sustainability claims portal to continue.

### **Commodity finance and commodity exchanges**

101. UNCTAD continued to work with national stakeholders and international partners to improve agricultural commodity finance and exchanges at national and regional levels in the ACP. In 2011 the secretariat undertook three activities under the Commodity Exchanges and Supply Chain Finance subcomponents of the AAACP. These were:

(a) Commodity Exchanges as Instruments for Agrifood Production and Trade in East and Southern Africa, 21–22 November 2011, Dar es Salaam, United Republic of Tanzania;

(b) Pacific Regional Capacity-Building Workshop on Enhancing Access to Finance for the Agricultural Sector, 20–21 October 2011, Nadi, Fiji. Seventeen substantive presentations/papers and three statements were made at this regional workshop;

(c) Workshop on Enhancing Access to Finance for the Nutmeg Sector in Grenada, 7–8 July 2011, St. George's. Ten substantive presentations/papers formed the basis for discussions on financing opportunities and challenges for the nutmeg industry in Grenada.

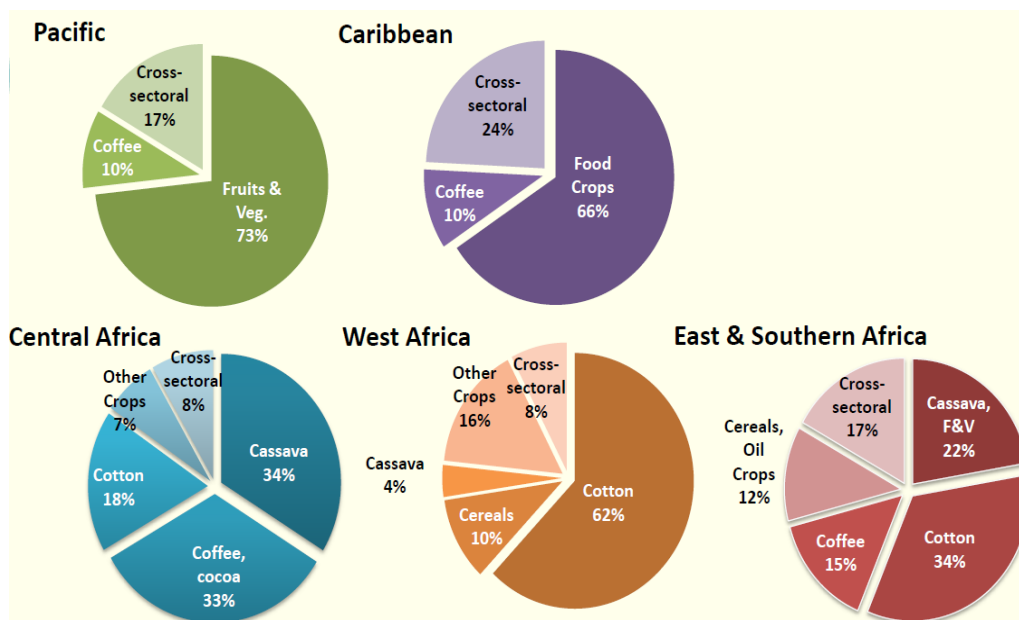
### **Contributions to agricultural development strategies and poverty reduction for ACP countries**

102. UNCTAD contributed to the overall objectives of AAACP by implementing four subcomponents. The outputs delivered by the secretariat contributed to (a) building the capacity of stakeholders in agricultural commodity chains to develop or adapt sustainable strategies and overseeing their implementation; (b) effectively implementing strategic priorities; (c) increasing awareness and, where feasible, adopting innovative market-based commodity financing risk management instruments; and (d) harnessing the benefits of

complementarities and synergies of partner international organizations and strategic partners, in favour of ACP stakeholders.

103. The secretariat's project activities in ACP regions and the results obtained have been factored into the overall results of the AAACP. The resource allocations within and across regions and agricultural sectors are shown in Figure 2.

Figure 2



Source: AAACP Project Coordination Unit, Brussels.<sup>34</sup>

104. With the termination of the AAACP in December 2011, the sustainability and longevity of most projects and supported activities remain uncertain. It is therefore imperative that additional resources from the donor community be found to sustain and scale-up, and replicate AAACP-supported activities in developing countries in order to have lasting impact.

### Contributions to the UNCTAD Virtual Institute

105. The Special Unit on Commodities supports the UNCTAD Virtual Institute in developing and delivering, on request, tailor-made training courses on commodity economics, production and trade, prices and trends, booms and busts, impact of the financial crisis on CDDCs, etc., for university staff and students, post-graduate researchers, and personnel from governments as well as the private sector.

106. The Unit co-organized the third training course for Master's students from the University of Dar-es-Salaam in the area of commodity economics. The course covered trade and development issues in energy and oil and gas, finance and risk management, and organized commodity markets such as commodity exchanges. Over the past four years, more than 80 post-graduate students from the United Republic of Tanzania have attended UNCTAD courses on commodity economics.

<sup>34</sup> [http://www.euacpcommodities.eu/files/Session\\_1\\_-\\_AAACP\\_Overview\\_of\\_Main\\_Results\\_Achieved\\_CU.pdf](http://www.euacpcommodities.eu/files/Session_1_-_AAACP_Overview_of_Main_Results_Achieved_CU.pdf).

107. In July 2012, the Unit assisted the UNCTAD Virtual Institute in delivering an intensive study tour programme for 23 students and two lecturers from the University of Dar es Salaam Business School from 9–13 July 2012. During the study tour, the Unit made a substantive presentation on the effects of the recent commodity boom on developing countries.

108. UNCTAD's Virtual Institute is a success in terms of interdivisional cooperation with the secretariat, helping the secretariat to leverage the synergies between research and analysis on one hand and technical assistance as well as institutional capacity-building in CDDCs on the other. The post-graduate level training courses being conducted in Dar es Salaam, the United Republic of Tanzania, and Dakar are generational results of UNCTAD's work on commodities (and other work), as they increase the human capital of beneficiaries irreversibly.

### **Iron Ore Trust Fund Project**

109. The secretariat implements the Trust Fund Project on Iron Ore Information. Reports generated by the project provide comprehensive information on developments in the world markets for iron ore for interested parties – producers, purchasers, shipping agents, suppliers, industry and government representatives, researchers, analysts and consultants. In 2012, the secretariat released, in collaboration with partners, two reports: (a) *The Iron Ore Market 2011–2013*; and (b) *Ore Statistics*. The reporting costs are offset by donor contributions from several governments and from sales of project publications.

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