

**75th session of the Working Party  
4–6 September 2017**

**Agenda item 3:  
Review of UNCTAD technical cooperation activities**

# **Special Unit on Commodities (SUC)**

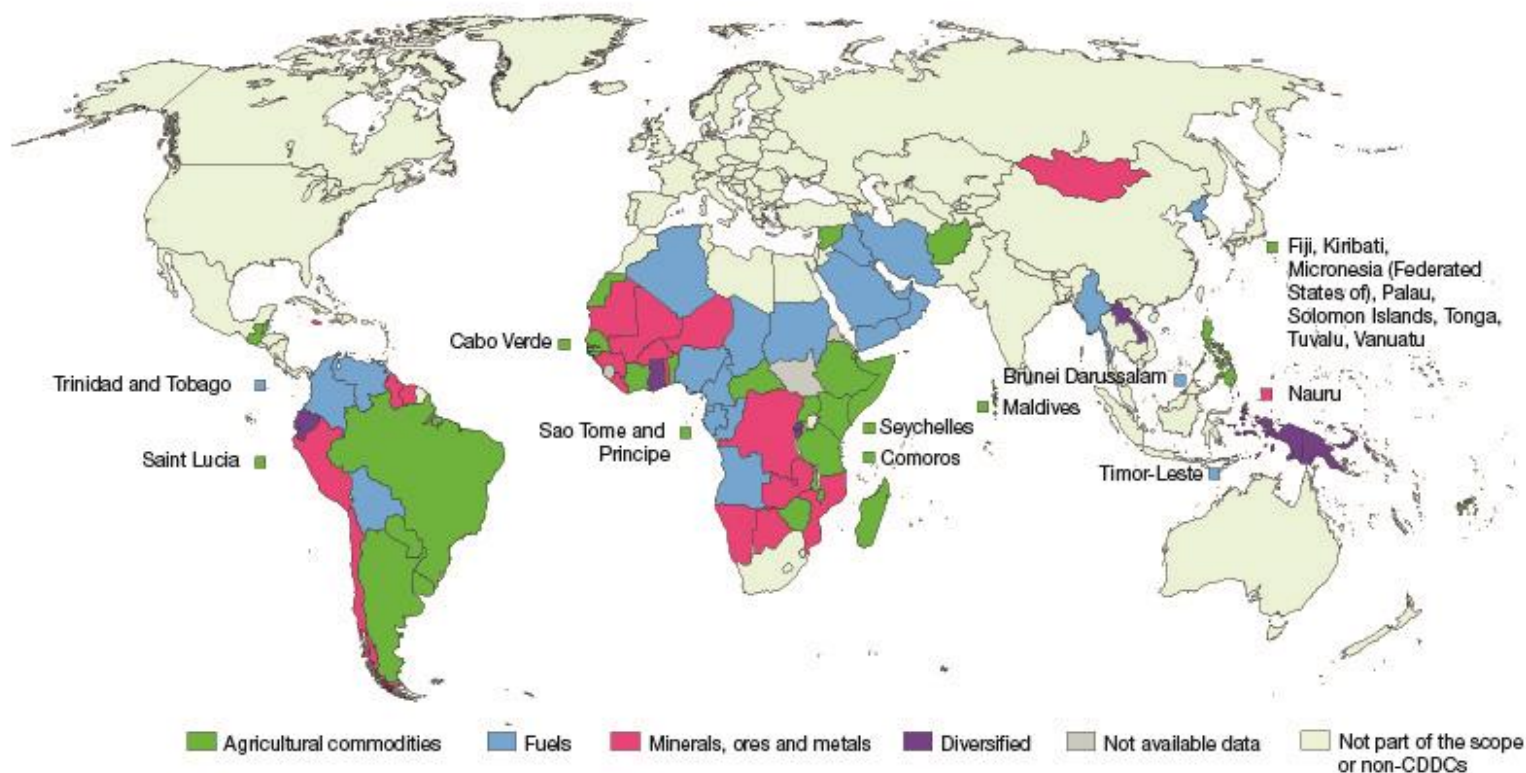
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# Most developing economies remain dependent on exports of primary commodities.

Commodity export dependence by commodity group in developing countries, 2014/15



Source: Special Unit on Commodities, UNCTAD, using data from UNCTADStat

Note: Commodity export dependence is measured as the ratio of primary commodity exports (agricultural products; minerals, ores and metals; and, oil) to total merchandise exports, in value terms

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**SUC's TC activities aim to reduce countries' dependence and increase their development gains from commodities.**

### Objectives of SUC technical cooperation activities

- To **improve the capacity** of commodity-dependent developing countries to harness development gains from their production and trade of commodities;
- To **enhance international cooperation** to addressing trade and development challenges associated with the commodity economy (e.g. food security, poverty reduction and sustainable development).

**In 2016, the SUC implemented five technical cooperation projects.**

## SUC technical cooperation activities, 2016

<b><i>Project</i></b>	<b><i>Description</i></b>
<b>Global Commodities Forum</b>	A free, multi-stakeholder conference to debate solutions to the development challenges associated with the production and trade of commodities.
<b>INFOCOMM</b>	A free online platform offering market information on selected agricultural commodities.
<b>Trust Fund on Iron Ore Information</b>	A subscription-based service providing an annual report and online statistical database on the iron ore market.
<b>UN Development Account (9<sup>th</sup>) Project 1415P</b>	A capacity-building project on "Strengthening the capacity of the ECCAS to enhance development linkages from the mineral resources sector".
<b>UN Development Account (10<sup>th</sup>) Project 1617K</b>	A capacity-building project on "Promoting cotton by-products in Eastern and Southern Africa".

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## Summary of SUC technical cooperation activities, 2016

### Global Commodities Forum (SDG 1, 2, 7, 8, 9 and 12)

**Outputs:** UNCTAD held the seventh Global Commodities Forum in Nairobi, Kenya on 15-16 July 2016, as part of UNCTAD 14.

Theme: "Breaking the chains of commodity dependence".

40 panellists, 250 participants, including 20 ministers and deputy ministers.

Sponsored the participation of five experts from developing countries.

All but one of the panels included one or more women.

**Results:** Participants recommended five cross-cutting policies for governments, contained in the final report.

**Next steps:** UNCTAD will now organize the Forum biennially, with the next one in 2018 in Geneva.

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## Summary of SUC technical cooperation activities, 2016 (cont.)

### INFOCOMM (SDG 1, 2 and 12)

**Outputs:** Profile updates for 11 agricultural commodities: banana, cocoa, coconut, coffee, cotton, gum Arabic, mango, palm oil, pineapple, soy beans and tea.

The profiles are available in English, French and Spanish.

**Results:** In 2016, INFOCOMM continued to provide valuable information and analysis on selected agricultural commodities, freely accessible online to producers, researchers and analysts.

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## Summary of SUC technical cooperation activities, 2016 (cont.)

### Trust Fund on Iron Ore Information (SDG 8 and 9)

**Outputs:** The Iron Ore Market Report 2016 covered developments in the iron ore and steel markets in 2015, an overview for 2015-2016, and as well as country, company and project information.

UNCTAD launched the Iron Ore Statistics database on its UNCTADStat platform.

The database contains data from 1970 until the most recent reporting month, covering 119 countries and more than 150 ready-to-use analytical country groupings.

**Results:** In 2016, the Trust Fund on Iron Ore Information remained a rare and vital source of detailed market information on iron ore, delivering its annual report to 16 subscribers and its online database to 8 subscribers.

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## Summary of SUC technical cooperation activities, 2016 (cont.)

UN DA Project 1415P (SDG 7, 8, 9, 17):  
"Strengthening the capacity of the ECCAS to enhance development linkages from the mineral resources sector"

**Outputs:** Implemented in two ECCAS countries - Chad and the Republic of the Congo (Brazzaville) - from 2014 to 2017.

Completed two national needs assessments.

Held one regional and two national capacity-building workshops, total of 268 participants, of whom 21 women.

Organized a study tour to Ecuador.

**Results:** The workshops and study tour equipped policy makers to implement best practices and practical considerations for local content regulations that promote local participation in the industry.

**Next steps:** 2017 activities include a regional study, a national workshop in Congo, a study tour to Angola and will conclude with a regional workshop.



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## Summary of SUC technical cooperation activities, 2016 (cont.)

### UN DA Project 1617K (SDG 1, 2, 8, 9, 12): "Promoting cotton by-products in Eastern and Southern Africa"

**Outputs:** Implemented in four ESA countries - Tanzania, Uganda, Zambia and Zimbabwe - from 2016 to 2019.

Activities only began as of mid-2016.

Completed background papers for three of the four project countries.

Conducted two inception missions.

**Results:** The background papers and inception missions undertaken in 2016 provided a strong basis for planning the substantive activities in the project countries.

**Next steps:** 2017 activities include conducting baseline surveys on cotton by-products in all four countries, followed by three national capacity-building workshops.

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## The Way Forward

- UNCTAD is aligning its TC work in the area of commodities with the 2030 Agenda (esp. SDG 7, 8, 9 and 12) and the organization's new mandate elaborated in the Nairobi Maafikiano, e.g.
  - "continuing to support commodity-dependent developing countries, particularly the least developed countries, through policy reviews, dialogues and technical assistance in maximizing the developing benefits of links between commodity production and trade." -- Sub-theme 2, para 55(d), Nairobi Maafikiano.
  - "continuing to support cotton-producing developing countries in particular the least developed countries, in their specific needs and challenges"; -- Sub-theme 2, para 55(d), Nairobi Maafikiano.

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## UNCTAD faces a persistent gap in funding for TC requests in the area of commodities and development.

- Extra-budgetary resources diminished, after the completion of the European Union (EU) funded All ACP Agricultural Commodities Programme (AAACP), in December 2011.
- Between 2011-2014, funding for technical cooperation programmes and projects in the area of commodities had been minimal.
- Two proposed projects were funded by United Nations Development Account :
  - 9th Tranche (1415p): \$641,000. Implementation started in 2015.
  - 10th Tranche (1617k): \$ 591,000. Implementation started in 2016.
- TC expenditure recovered from \$34,000 in 2014 to \$153,000 in 2015 and to \$417,000 in 2016. Support is needed to responding to **incoming TC requests** in the area of commodities and development. **SDG-related funding opportunities** emerge.

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## Project Proposals in the Pipeline

- Supporting sub-Saharan African (SSA) countries to improve the smallholder farmers' access to market-based agricultural mechanisms (WRS and COMEX)
- Strengthening the statistical, analytical, technological, research and marketing capacities to improve value added of the Gum Arabic sector in African economies along the Gum Arabic Belt
- Strengthening national capacities of landlocked CDDCs for better integration into regional and global value chains
- Guyana: Diversification of agricultural sector; Sustainable development of gold mining

Scaling up the 9<sup>th</sup> tranche  
DA project

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**For information on UNCTAD's TC activities in the area of commodities and development, please contact:**

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