

# Report: Multiyear Expert Meeting on Commodities and Development

The Multi-year Expert Meeting on Commodities and Development was held on 25 and 26 April 2018. It was opened by UNCTAD's Deputy-Secretary General, Ms. Isabelle Durant. In her opening statement, she highlighted some of the challenges faced by commodity-dependent developing countries, in particular the least developed countries, including their vulnerability to shocks and the negative effects of price fluctuations on their economic performance. She noted the need to develop policies to diversify economies and exports of commodity-dependent developing countries, which constitute 67 per cent of developing countries. Some of these policies were discussed by participants on the second day of the Meeting.

At its opening plenary on 25 April 2018, the Meeting elected Ambassador Eloi Laourou of Benin as its Chair and Ms. Margret Kaemba of Zambia as its Vice-Chair-cum-Rapporteur. The Meeting agreed to authorize the Vice-Chair-cum-Rapporteur to finalize the report after the conclusion of the session.

I, therefore, have the honour to present the report to you on behalf of the Chair and Vice-chair who were unable to be here today due to other pressing commitments.

The Multi-year Expert Meeting discussed two substantive issues, namely:

1. Recent developments, challenges and opportunities in commodity markets
2. Diversification and value addition

Under the first substantive item, the Meeting reviewed the recent trends in different commodity markets, namely agriculture; minerals, ores and metals; and energy. Several issues were raised during the discussion, the overarching theme being that developing

countries' strong dependence on commodities continues to be a challenge to their development and attainment of the Sustainable Development Goals. Most participants were of the view that economic and export diversification is the best way of ensuring that commodity-dependent developing countries do not repetitively suffer from the vagaries of national and international commodity markets.

Under the second substantive item, the Meeting discussed the ways and means of achieving economic diversification and adding value to primary commodities. The discussion highlighted the need to adopt complementary horizontal and targeted policies to achieve this objective. Horizontal policies include sustainable fiscal policy for development throughout the business cycle. Moreover, effective monetary policies and avoiding overvaluing exchange rates are important in diversification efforts.

As for targeted policies, they range from human capital investments to meet sector-specific needs, to infrastructure development. Several case studies were shared to illustrate these recommendations.

The Meeting concluded with the Chair recommending that exchanges of experiences be pursued as this could be a basis for pushing forward identified best practices and processes that already under way in some developing countries.

Thank you.