



Commodity Dependence & Sustainable Development

Friday 21 June 2019, 10 a.m.-1 p.m.

Kazakh Room (XIV), Palais des Nations, Geneva, Switzerland

Background

In many developing countries, an overreliance on exports of raw commodities, denominated “commodity dependence”, can negatively affect development, in particular increasing the challenges of meeting the Sustainable Development Goals. A country is considered to be commodity export-dependent if more than 60 per cent of its merchandise exports are commodities.

UNCTAD estimates that, in 2013-2017, more than half of all countries in the world (102 out of 189) and two thirds of developing countries are commodity dependent. For reasons that include vulnerability to high commodity price volatility and the occurrence of persistence negative price shocks, commodity dependence can negatively affect development.

Achieving the Sustainable Development Goals requires successfully addressing the challenges presented by commodity dependence, such as commodity price-volatility and vulnerability to negative terms-of-trade shocks. Developing countries should add more value to their commodities and diversify into non-commodity activities, especially through a process of sustainable structural transformation. They should anticipate the boom and bust cycle of commodity prices with prudent macroeconomic and fiscal management policies. Finally, they should plan how to convert natural resources wealth into better jobs and livelihoods for their citizens.

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UNCTAD assists countries in these efforts of addressing the challenges of commodity dependence. This involves a combination of rigorous, fact based economic research, together with specific projects in individual commodity-dependent countries targeting different commodities, as well as engaging in policy dialogue with member countries.

The Seminar

As part of UNCTAD's research and policy dialogue efforts, UNCTAD's Commodities Branch will hold a seminar on Commodity Dependence and Development on June 21st, 2019 at the Palais des Nations in Geneva, Switzerland.

The objective of this seminar is for participants to examine and debate the state and recent evolution of commodity dependence around the world, its implications for development, and to debate policy implications and further research and analysis needs that emerge from ongoing work.

The programme of the seminar is divided into two parts, as indicated below.

Provisional programme

Seminar Start

10:00 – 10:15 Welcoming remarks

Pamela Coke-Hamilton, Director, Division of International Trade and Commodities, UNCTAD

10:15 – 11:15 First Session: Commodity Dependence and Development

Moderator: **Yanchun Zhang**, Chief, Commodities Branch, DITC, UNCTAD

Commodity Dependence: A Twenty-Year Perspective

Rodrigo Cárcamo, Economic Affairs Officer, Commodities Branch, DITC, UNCTAD

Based on UNCTAD's new publication *Commodity Dependence: A Twenty-Year Perspective*, this presentation will present the current state and evolution of commodity-dependence, analyse the evidence of a relationship between export concentration and the level of development, and discuss recent examples of countries that have increased their export diversification

Commodity Dependence: Emerging Opportunities for the Analysis of Inclusive Growth

Justin Van de Ven, Research Fellow, NISR (UK) and Melbourne Institute of Applied Economic and Social Research

In light of results reported in *Commodity Dependence: A twenty-year perspective*, this presentation will discuss pressing topics for research relating to commodity dependence and development. A key focus for discussion will be emerging opportunities to explore time-series relationships between commodity dependence and a broad dashboard of indices for inclusive growth.

Alessandro Nicita, Economic Affairs Officer, Division of International Trade and Commodities, UNCTAD

Questions and Discussion

11:15 – 12:45 **Second Session: Panel Discussion**

During this session, the panellists will discuss the policy implications emerging from commodity-dependence on developing countries, both in terms of fostering productive and export diversification and value addition, as well as in how to mitigate the negative consequences of commodity dependence on development, such as those via exchange rate volatility, vulnerability of GDP growth to negative terms-of-trade shocks, and others.

Moderator: **Yanchun Zhang**, Chief, Commodities Branch, DITC, UNCTAD

Roberta Piermartini, Chief, Trade Cost Analysis, Economic Research and Statistics Division, The World Trade Organization, Geneva

Fernando Avalos, Senior Economist, Monetary and Economic Department, Bank of International Settlements

Fritz Brugger, Senior Scientist, ETH Zurich, Center for Development and Cooperation NADEL

Samuel Gayi, former Head of Special Unit on Commodities, UNCTAD

Questions and Discussion

12:45 – 13:00 **Closing remarks**

Pamela Coke-Hamilton, Director, Division of International Trade and Commodities, UNCTAD

H. E. Ms. Silvia Elena Alfaro Espinosa, Ambassador and Permanent Representative, Permanent Mission of Peru to the international organizations in Geneva

H. E. Mr. François Xavier Ngarambe, Ambassador and Permanent Representative, Permanent Mission of the Republic of Rwanda to the United Nations Office and other international organizations in Geneva

Who should attend

The seminar aims at bringing together those stakeholders interested in the challenges and opportunities available for resource-abundant economies. This includes delegates and other policy-influencing officials from commodity exporting or importing countries, especially from commodity-dependent economies; researchers from academia, international organisations and NGOs working on theoretical or empirical analysis and monitoring of these issues, notably including commodity dependence; and other members of civil society.

Registration

All participants (holding a United Nations pass or not) should register online before 19 June 2019. Information are available at: <https://unctad.org/en/pages/MeetingDetails.aspx?meetingid=2168>

For more information, please contact the Commodities Branch:

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