

# Concept Note & Agenda

## COMMODITIES & DEVELOPMENT REPORT 2023

# Inclusive Diversification and Energy Transition

**Joint UNCTAD-UNECLAC webinar**

Monday 25 March 2024

3 p.m.–4.30 p.m. (Geneva time)

11 a.m.–12.30 p.m. (Santiago time)

## Background

While diversification brings long-term economic benefits, producing a wider range of more In October 2023, UNCTAD launched a new Commodities and Development Report titled “Inclusive Diversification and Energy Transition.” This report highlights that most developing countries depend heavily on exporting commodities, and they are often very vulnerable to various shocks such as fluctuations in exchange rates, drop in commodity prices, pandemics, and conflicts. As a result, these so-called commodity-dependent developing countries (CDDCs) have volatile incomes and slow growth in productivity. Their limited range of commodities exported also affects public revenue and the potential for investing in sustainable development.

If CDDCs are to achieve the Sustainable Development Goals (SDGs) by the deadline of 2030 in this increasingly uncertain global economic and political environment, they will need to become more resilient. Resilience implies that they have to move along value chains and diversify production to generate a greater variety of exports. Diversification not only insures against future market shocks, but also fosters economic growth and drives structural transformation.

CDDCs should leverage untapped potential in renewable energy sources to explore new energy markets and green products that can help create new jobs, boost incomes and reduce inequalities. The global community needs to play a more active role in providing the support needed for green industrial policies in commodity-dependent developing countries to succeed. Commodity-dependent developing countries need access to affordable and sufficient investment financial services and capacity building, from teams of professionals and technicians through research, development and innovation centres to economic infrastructure and industrial policies.

The decarbonization of the economy, based on renewable energy technologies and electromobility, will largely depend on the availability of various minerals, such as copper, lithium, zinc, nickel, and rare earth elements, among others. For this reason, in recent years and with the acceleration of the energy transition worldwide, the demand for these resources has grown significantly, increasing pressure on countries rich in these minerals to expand their production capacity.

The Latin America and Caribbean (LAC) region has a wide diversity of these critical energy transition minerals. Traditionally, the mining countries in the region have focused on the extraction and export of minerals, mostly concentrates, despite having the potential to expand their production capacity of refined products, as well as goods and services upstream and downstream of the value chains of energy transition technologies.

## Objective

The main objective of this webinar is to inform participants about the key findings and messages of the UNCTAD’s Commodities and Development Report 2023. This dissemination activity is also an opportunity to receive feedback on the report and seek guidance on the issues that could be explored in the forthcoming UCDRs. This activity will also promote dialogue on the opportunities and challenges of economic diversification associated with value chains around minerals, in the context of the energy transition.

# Commodities and Development Report 2023

UNCTAD's Commodities and development report 2023 critically examines various issues including inclusive diversification, energy transition and green industrial policies. Regarding UNECLAC, several topics such as the pivotal role of critical energy transition minerals in achieving sustainable development could be of interest for the audience.

## Guiding questions for discussion

- What are the major policy recommendations contained in UNCTAD's report regarding the Latin America and Caribbean region? What opportunities for inclusive economic diversification are identified in the context of the energy transition?
- What are the main challenges for Latin American developing countries regarding the growing demand for critical minerals such as lithium and copper for green technologies, and how can they effectively address them?
- How can the energy transition support countries in the region not only to increase their exports of primary resources but also to scale up in global value chains, for example, in the processing and industrialization of these minerals?
- Considering the importance of a just transition, what specific policies and supportive measures are necessary to ensure that communities affected by extractive activities do not fall behind during the transition to a low-carbon economy?
- What integration and regional collaboration mechanisms should Latin American countries consider to support their efforts in economic diversification?
- What is the role of the global community and advanced economies in supporting Latin American countries towards a just transition to a low-carbon future?

## Format

This webinar will be conducted in Spanish (without translation) online via the Zoom platform. Participation includes ECLAC and UNCTAD staff, diplomatic missions, academia, beneficiary countries, and international institutions based in ECLAC region.

## Registration

All participants are required to register [here](#).

## Programme

The detailed programme is available [here](#).

<b>Geneva Time</b>	<b>Santiago Time</b>	<b>Content</b>
3:00 – 3:15 p.m.	11:00 a.m.– 12:15 p.m.	<b>Opening remarks</b>
3:15 – 3:30 p.m.	12:15 – 12:30 p.m.	<b>Presentation:</b>  Commodities and Development Report 2023
3:30 –4:15 p.m.	12:30 – 13:15 p.m.	<b>Panel discussion</b>
4:15 – 4:30 p.m.	13:15 – 13:30 p.m.	<b>Questions &amp; Answers</b>

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