

**UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT**

**GLOBAL COMMODITIES FORUM**

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## **Opening Ceremony**

### **Statement**

By

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Authority

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UNCTAD.

H.E. Mr. Triyono Wibowo, Ambassador of Indonesia and President of the Trade and Development Board of UNCTAD

Dr. Mukhisa Kituyi, Secretary General of UNCTAD

Excellencies,

Distinguished participants,

First of all, I would like to thank UNCTAD for inviting me to participate at the 5th Global Commodity Forum. This Forum has become an important venue for all stakeholders to discuss on the contribution of commodities for sustainable development.

Mr. President,

The economies of many developing countries depend on one or few commodities. The performance of the commodity sector thus plays a critical role in poverty reduction, ensuring food security, generating export earnings, and creating job opportunities. Therefore, this sector is given a priority among development policies aimed at registering high economic growth.

In the recent years, developing countries have benefited from the global price boom by exporting primary commodities. This situation would not in itself assist developing countries in pursuing their economic transformation agenda as most developing countries export their resources with little or no value addition. This in turn has limited their overall participation in the Global Value Chains and reduced their share in the global trade. Hence, adding value in the export of primary products is imperative for sustainable economic growth.

Export diversification, more importantly, value addition should be the principal focus of developing countries. Adding value to primary commodities accelerates structural transformation and builds economic resilience. This could be realized only when developing countries pursue an industrialization process based on their comparative

advantages. I am confident that this Forum, with its particular focus on the global value chains, will come up with practical policy recommendations aimed at transforming economies.

Mr. President,

The Government of Ethiopia has been implementing policies aimed at achieving sustainable economic growth and economic transformation. We have been consistently investing in transforming our agricultural sector with the objective of registering an inclusive and a rapid economic growth as a means of promoting industrialization. As a result, Ethiopia has been registering a double-digit economic growth with a substantial reduction of poverty. Ethiopia has become one of the fastest growing economies in Africa. The Government continues to implement the five-year Growth and Transformation Plan, which aims, among others, to add value to our commodities.

In line with our objective of modernizing the agricultural sector, we have established the Ethiopian Commodity Exchange in 2008. The Commodity Exchange has been transforming the agricultural market by relying on technology and knowhow tailored to the local context. It has brought efficiency, integrity and transparency to the agricultural marketing system. Moreover, it has commercialized the small scale farming by empowering the farmers.

Mr. President,

Finally, I would like to underscore that the policy priority of developing countries should be adding value to their commodity resources to accelerate their industrialization process and maximize their benefit from participating in the global value chain. Commodities could contribute to sustainable and inclusive economic growth when developing countries design and implement a comprehensive development policy. This also requires an enabling international economic system that discourages excessive speculation and financialization of the global commodity market.

I thank you.

Statement by H.E. Ambassador Dr. Addis Alem Balema,  
Director General of the Ethiopian Commodity Exchange Authority  
At  
The Global Commodity Forum

Geneva April 7, 2014