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Trade and Development Board
Trade and Development Commission
Multi-year Expert Meeting on Commodities and Development
Second session
Geneva, 24–25 March 2010
Item 2 of the provisional agenda

Provisional agenda and annotations

I. Provisional agenda

1. Election of officers
2. Adoption of the agenda and organization of work
3. Developments and challenges in commodity markets: current situation and outlook
4. Review and identification of opportunities for the diversification of the energy matrix, including renewable energies, with awareness of countries' needs, to ensure a proper balance between food security and energy concerns
5. Trade-related policies and instruments and how to use them for resolving commodity problems
6. Investment and financial policies for accessing financial resources for commodity-based development, including with respect to official development assistance, Aid for Trade and other possibilities
7. Adoption of the report of the meeting

II. Annotations to the provisional agenda

Item 1. Election of officers

1. It is recommended that the expert meeting elect a Chair and a Vice-Chair-cum-Rapporteur.

Item 2. Adoption of the agenda

2. The provisional agenda for the expert meeting is reproduced in chapter I above. The expert meeting will have two days to complete its work (24–25 March 2010). The provisional schedule of meetings for the two days is attached to this document. Detailed programmes will be available at the latest one week before the start of the meeting.

Documentation

TD/B/C.I/MEM.2/6 Provisional agenda and annotations

Item 3. Developments and challenges in commodity markets: current situation and outlook

3. The Accra Accord, in paragraph 91, states, “UNCTAD should continue to play a key role, with appropriate coordination with other international and regional actors, including with relevant international commodity bodies, to address the trade and development problems associated with the commodity economy, giving due attention to all commodity sectors such as agriculture, forestry, fisheries, metals and minerals and oil and gas. In this context, it should monitor developments and challenges in commodity markets and address links between international commodity trade and national development, particularly with regard to poverty reduction.” Accordingly, the expert meeting will monitor developments and challenges in commodity markets, giving due attention to key commodity sectors and consider their development implications.

Expected outcome

4. The discussion on this topic, which will include presentations by experts and representatives of relevant international organizations and commodity bodies, will serve to put into focus – and inform UNCTAD member States about – the salient developments in key commodity sectors and markets from a development perspective. The discussions will provide a context for appraising the opportunities and challenges arising from the current developments in the commodity markets and provide outlook on possible future developments.

Documentation

TD/B/C.I/MEM.2/7 Recent developments in key commodity markets: trends and challenges

5. To facilitate the discussion, the UNCTAD secretariat will prepare a background note entitled “Recent developments in key commodity market: trends and challenges”. The document will review recent market developments in key commodity markets, including agriculture, energy, and metals and minerals. It will highlight short- and medium-term price trends, factors affecting supply and demand, and trade. It will also identify some of the main challenges facing commodity-dependent developing countries in these sectors.

Item 4. Review and identification of opportunities for the diversification of the energy matrix, including renewable energies, with awareness of countries' needs, to ensure a proper balance between food security and energy concerns

6. Pursuant to the mandate contained in the Accra Accord (paras. 91 and 98), UNCTAD should continue to play a key role – with appropriate coordination with other international and regional actors, including with relevant international commodity bodies – in addressing the trade and development problems associated with the commodity economy. “UNCTAD’s work on energy-related issues should be addressed from the trade and development perspective, where relevant in the context of UNCTAD’s work on commodities, trade and environment, new and dynamic sectors, and services” (para. 98) Accordingly, based on the review of the state, and prospects, of the future energy matrix and, in particular, the role of renewable energy sources, experts might want to consider what framework best combines domestic efforts with supportive international cooperation in order to change the current composition of the energy matrix in favour of sustainable and renewable energy sources in the future.

Expected outcome

7. The discussion on this topic will include presentations by experts, international and regional actors, and representatives of the private sector and civil society. It is expected to pay particular attention to ways in which the future energy matrix could be diversified towards more sustainable and renewable sources with a view to attaining not only energy security, but also limiting emissions of greenhouse gases that damage the climate. What are the pros and cons of alternative approaches to the development of alternative energy sources, including renewable sources in the future energy matrix? What is the likely impact of the development of some of these renewable energies (e.g. biofuels) on food security?

Documentation

TD/B/C.I/MEM.2/8 The future energy matrix and renewable energy: implications for energy and food security

8. To facilitate the discussion on this topic, the UNCTAD secretariat will prepare a background note that reviews the state and prospects of future energy matrix, and in particular the role of renewable energy sources, and the issues of bio-fuel production from the perspective of its implications for energy and food security.

Item 5. Trade-related policies and instruments and how to use them for resolving commodity problems

9. The Accra Accord, in paragraph 93, states that UNCTAD should “assist commodity-dependent developing countries, particularly small commodity producers in their efforts to develop national commodity strategies, including mainstreaming commodity policies into their national and regional development strategies, build supply-side capacity and attain competitiveness, move up value chains and diversify commodity sectors...” (para. 93(a)); and “Promote intergovernmental cooperation in the field of commodities and consensus-building on...trade-related policies and instruments for resolving commodity problems...” (para. 93(b)).

Expected outcome

10. The discussion on this topic, which will include presentations by experts, and international and regional actors – as well as representatives of the private sector and civil society – will identify some practical policy measures through which commodity-dependent developing countries, in particular the low-income ones, could enhance their competitiveness, including value addition in the medium to long

term. How can these countries utilize the opportunities presented by the multilateral trading system (MTS) to enhance their competitiveness? Are any constraints in the MTS? How can they address these constraints?

Documentation

TD/B/C.I/MEM.2/9 Addressing the commodity problematique through trade-related policies

11. To facilitate the discussion on this topic, the UNCTAD secretariat will prepare a background note summarizing trade-related policies to enhance competitiveness, promote diversification, including value addition, as well as the encouragement of local participation in extractive industries in the medium and long-term. The aim is identify the opportunities in the MTS for diversification, including value addition. The paper will also discuss possible ways of addressing some of the constraints posed by the MTS, in particular the possible roles of the development partners in limiting the impact of these constraints.

Item 6. Investment and financial policies for accessing financial resources for commodity-based development, including with respect to official development assistance, Aid for Trade and other possibilities

12. The Accra Accord, in paragraph 93, states that UNCTAD should “Promote intergovernmental cooperation in the field of commodities and consensus-building on... investment and financial policies for accessing financial resources for commodity-based development, including with respect to official development assistance, Aid for Trade and other possibilities” (para. 93(b)).

Expected outcome

13. The discussion on this topic, which will include presentations by experts, international and regional actors – as well as representatives of the private sector and civil society – will identify how developing countries can respond better to the challenge of increasing access to finance by commodity producers and exporters, in particular in times of economic recession. What are the policy questions which could be addressed in order to meet the needs of smaller players needing commodity finance in low-income commodity dependent developing countries?

Documentation

TD/B/C.I/MEM.2/10 Access to commodity finance by commodity-dependent countries

14. To help focus the deliberations of experts on this on this topic, the UNCTAD secretariat will prepare a background note that examines the sources of, and access to, commodity finance and how they have been affected by the crisis, as well as tools and instruments which could be used to improve access to commodity and trade finance.

Item 7. Adoption of the report of the meeting

15. A draft report of the expert meeting will be submitted to the Trade and Development Commission at its next session. The expert meeting may wish to authorize the Rapporteur, under the authority of the Chair, to prepare the final report after the conclusion of the meeting.

Input from experts: trade and development implications of developments in commodity markets

Experts nominated by member States are encouraged to submit brief papers (approximately five pages) as contributions to the work of the meeting. The papers should be submitted to the UNCTAD secretariat in advance of the meeting and will be made available at the meeting in the form and language in which they are received. Papers, which should draw on the expert's experience, may address one or more of the following issues:

- What have been the drivers of price trends in recent years in commodity markets and what are the opportunities and challenges faced by commodity-dependent developing countries stemming from these trends?
- What are the pros and the cons of alternative approaches to the development of alternative energy sources, including renewable sources in the future energy matrix? What is the likely impact of the development of some of these renewable energies (e.g. biofuels) on food and energy security?
- What are the policy measures through which low-income commodity-dependent developing countries could enhance their competitiveness, including value addition in the medium to long term? How can these countries utilize the opportunities presented by the MTS to enhance their competitiveness? How can the constraints stemming from the MTS in this regards be addressed?
- What mechanisms are there for commodity producers and exporters to enhance their access to finance, particularly in times of economic recession? Do these mechanisms meet the commodity finance needs of smaller players in low-income commodity-dependent developing countries?

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Annex.**Provisional meeting schedule**

Wednesday 24 March 2010	Thursday 25 March 2010
<p><i>(10 a.m.–1 p.m.)</i></p> <p>Plenary</p> <p>Opening statement</p> <p>Item 1: Election of officers</p> <p>Item 2: Adoption of the agenda and organization of work</p> <p>Item 3:</p> <p>Developments and challenges in commodity markets: current situation and outlook</p> <ul style="list-style-type: none"> • Agricultural commodities • Energy, metals and minerals 	<p><i>(10 a.m.–1 p.m.)</i></p> <p>Item 5:</p> <p>Trade-related policies and instruments and how to use them for resolving commodity problems</p>
<p><i>(3 p.m.–6 p.m.)</i></p> <p>Item 4:</p> <p>Review and identification of opportunities for the diversification of the energy matrix, including renewable energies, with awareness of countries' needs, to ensure a proper balance between food security and energy concerns</p>	<p><i>(3 p.m.–6 p.m.)</i></p> <p>Item 6:</p> <p>Investment and financial policies for accessing financial resources for commodity-based development, including with respect to official development assistance, Aid for Trade and other possibilities</p> <p>Item 7: Adoption of the report of the meeting</p>