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Promoting and strengthening synergies among the three pillars

Progress report on the implementation of the provisions of the Accra Accord related to commodities

Note by the UNCTAD secretariat

Executive summary

The present report highlights activities the UNCTAD secretariat implemented in 2010 towards the achievement of objectives in the area of commodities set out in the Accra Accord. It covers such areas as (a) contribution to the Commission on Trade in Goods and Services, and Commodities; (b) coordination with other international organizations and commodity bodies; (c) UNCTAD stakeholder meetings on commodities; (d) activities in minerals, metals and energy and in agricultural commodities; (e) technical cooperation; (f) training and collaboration with UNCTAD's Virtual Institute. The report focuses on efforts to build consensus among stakeholders and on synergies among the three pillars of UNCTAD's work.

Today, the commodity problematique endures, albeit with new twists, jointly and severally affecting the macroeconomic stability of about 92 commodity-dependent developing countries (CDDCs) and the livelihoods of more than 2 billion small-scale producers and workers in those countries.

Based on its analytical work and the organization of variety of forums, the UNCTAD secretariat facilitated consensus-building on national and international policies in the areas of agricultural commodities, minerals, metals, and energy, of interest to CDDCs. Results from workshops and publications provide recommendations on ways for various stakeholders to cooperate in order to maximize developmental gains. UNCTAD's work has reiterated the urgent need to reach a development-friendly outcome to the Doha Round of trade negotiations, including the elimination of trade-distorting agricultural support and subsidies among developed countries.

The secretariat – in collaboration with sister United Nations agencies, donors and partners – implemented technical assistance underpinned by analytical work to (a) provide producers and policymakers with information tools necessary to best respond to market signals and product standards; (b) address issues of sustainable and equitable management of extractive industries resources; and (c) provide research-based advice and training to policymakers and analysts from developing countries on all major issues of the day concerning commodity-based development.

Introduction

1. In April 2008, the Twelfth United Nations Conference on Trade and Development (UNCTAD-XII) adopted the Accra Accord, which formed the basis for UNCTAD's work for the following four years. The agreed work programme on commodities, including institutional arrangements, marks both a continuation and a new departure – or revival – of work on commodities in UNCTAD.

2. Paragraph 91 of the Accra Accord reconfirmed that UNCTAD should continue to play a key role – with appropriate coordination with other international and regional actors, including with relevant international commodity bodies (ICBs) – 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, the secretariat was requested to “monitor developments and challenges in commodity markets and address links between international commodity trade and national development, particularly with regard to poverty reduction”.

3. It also mandated UNCTAD to promote intergovernmental cooperation and consensus-building on:

(a) Ways of integrating commodity policies into national, regional and international development and poverty reduction strategies;

(b) Trade-related policies and instruments for resolving commodity problems; and

(c) Investment and financial policies for accessing financial resources for commodity-based development.

4. With regard to institutional arrangements concerning the UNCTAD secretariat, the Accra Accord urged the Secretary-General of the United Nations to transform the existing Commodities Branch into an autonomous unit reporting directly to the Secretary-General of UNCTAD. It also indicated that, through the guidance and leadership of the Secretary-General of UNCTAD, this unit should contribute more effectively to developing countries' efforts to formulate strategies and policies to respond to the challenges and opportunities of commodity markets.

5. This report reviews developments in the implementation of the Accra Accord provisions relating specifically to commodities as contained in paragraphs 91–93, 98, 183 and 208 for the year 2010.

6. The commodity problematique continues to be of major concern in the twenty-first century, as the commodity sector constitutes the key economic activity in most developing countries in terms of foreign exchange earnings, fiscal revenues, income growth, employment creation and livelihood sustenance for over 2 billion people dependent on the agricultural sector. The policy challenge for commodity-exporting countries can be

illustrated by recent developments as commodity prices reached historical peaks in 2008, followed by a collapse and renewed rise in 2010.

I. Contribution to the Commission on Trade in Goods and Services, and Commodities

7. In follow-up to the Third United Nations Conference on the Least Developed Countries (LDC–III) and in preparations for the Fourth United Nations Conference on the Least Developed Countries (LDC–IV), the UNCTAD secretariat prepared a note entitled “In Quest of Structural Change: Revisiting the Performance of the Least Developed Countries” (TD/B/EX(49)/2). This evidence-based, retrospective analysis of the performance of LDCs during the past decade contributes to the evolving collaborative development vision for an accelerated structural transformation of the LDCs.

The 2010 Multi-year Expert Meeting on Commodities and Development

8. Pursuant to paragraph 208 of the Accra Accord and the adoption by the fifty-fifth session of the Trade and Development Board (15–26 September 2008), the Multi-Year Expert Meeting on Commodities and Development has been established. The second session of the Multi-year Expert Meeting took place in Geneva 24–25 March 2010. The secretariat prepared four background notes covering (a) Recent developments in key commodity markets: trends and challenges (TD/B/C.I/MEM.2/7); (b) Addressing the commodity problematique through trade-related policies (TD/B/C.I/MEM.2/9); (c) The future energy matrix and renewable energy: implications for energy and food security (TD/B/C.I/MEM.2/8); and (d) Access to commodity finance by commodity-dependent countries (TD/B/C.I/MEM.2/10).

9. The Multi-year Expert Meeting examined the implications of recent global financial crisis for commodity markets as well as key issues facing commodity-dependent developing countries. These included, inter alia, (a) the “financialization” of commodity markets and the need for a tighter regulation and greater transparency to reduce price volatility; (b) the vulnerability of mineral resource-endowed countries to Dutch disease and resource curse; (c) the need to increase the contribution of renewable energies to the total energy matrix and the balance between food security and energy concerns; (d) the liquidity crisis in trade finance market in the aftermath of the financial crisis and different sources of finance; (e) the declining terms of trade and market-distorting subsidies among developed countries; (f) the trade barriers, including tariff and non-tariff measures such as stringent standards; (g) the diversification of the economic base through appropriate policy measures. The secretariat prepared a report of the Expert Meeting (TD/B/C.I/MEM.2/11) submitted to the second session of the Trade and Development Commission.

10. The third session of the Multi-year Expert Meeting on Commodities and Development took place 23–25 March 2011. The secretariat prepared three background notes covering (a) Recent developments in key commodity markets: trends and challenges (TD/B/C.I/MEM.2/13); (b) Policy actions to mitigate the impact of highly volatile prices and incomes on commodity-dependent countries, and to facilitate value addition and greater participation in commodity value chains by commodity-producing countries (TD/B/C.I/MEM.2/14); (c) Innovative approaches to resolving commodity-related problems based on effective multi-stakeholder partnerships (TD/B/C.I/MEM.2/15). The secretariat will prepare a report of the Expert Meeting to be submitted to the third session of the Trade and Development Commission, to take place 6–10 June 2011.

II. Coordination with other international organizations and commodity bodies

11. The UNCTAD secretariat coordinated activities in 2010 with an extensive network of partners in order to promote a comprehensive approach to commodity sector development. It continued its close cooperation with organizations both within and outside the United Nations system, such as the Common Fund for Commodities (CFC), the Food and Agriculture Organization of the United Nations (FAO), the World Trade Organization (WTO), the International Trade Centre UNCTAD/WTO (ITC), the World Bank, the United Nations Department of Economic and Social Affairs (DESA), the United Nations regional commissions, and international commodity bodies (ICBs). Other counterparts include universities and research institutions, as well as the private sector, particularly financial institutions. The collaborations were reflected through the participation of staff members of the Special Unit on Commodities in numerous meetings, conferences and workshops organized by other organizations, academic institutions, civil society and the business community. Through substantive presentations at these meetings, UNCTAD contributed to develop capacities and build consensus on commodity issues.

12. Through a number of meetings and presentations to the officials of the future French G-20 presidency, the secretariat contributed to the definition of presidency's agenda on commodities alongside FAO, the International Fund for Agricultural Development (IFAD), the Organization for Economic Cooperation and Development (OECD), the World Food Programme (WFP), the World Bank, the World Trade Organization (WTO), UNCTAD, the International Food Policy Research Institute (IFPRI) and the United Nations High-level Task Force on the Global Food Security Crisis (HLTF). UNCTAD worked closely with these eight other international organizations to prepare a draft joint document entitled "Price Volatility in Food and Agricultural Markets". It presents options for G-20 consideration on how to better mitigate and manage the risks associated with the price volatility of food and other agriculture commodities in order to protect the most vulnerable economies.

13. In accordance with UNCTAD's mandate and at the request of the International Cocoa Organization (ICCO), the Special Unit on Commodities assisted ICCO member countries and other interested stakeholders in preparations for a new International Cocoa Agreement for discussion at the United Nations Cocoa Conference, which took place in Geneva 21–25 June 2010 under UNCTAD auspices. Following consensus reached between cocoa exporting and importing countries, the United Nations Cocoa Conference successfully concluded negotiations for the International Cocoa Agreement, 2010 (TD/COCOA.10/L.4). For the first time in the history of international cocoa agreements, the new Agreement, which will take effect in 2012, will enter into force for a period of 10 years, a sign of clear recognition by all parties of the long-term value of the Agreement and their commitment to it.

14. In the context of the European Union (EU)–African, Caribbean and Pacific Group of States (ACP) All-ACP Agricultural Commodities Programme (AAACP), the secretariat has collaborated closely with the FAO, CFC, the World Bank and ITC in order to strengthen the capacities of agricultural value chain stakeholders, and to develop and implement sustainable commodity strategies in ACP countries.

15. UNCTAD worked collaboratively with the CFC and EU Cos-cotton in the preparation of the Pan-African Cotton Meeting (PACM), to be held in June 2011. The overall objective of the PACM is to establish a Road Map for the cotton sector in Africa within the context of three core themes: productivity, marketing and value addition. The strategy will be integrated into the EU–Africa Partnership in the Comprehensive Africa Agriculture Development Programme framework.

III. UNCTAD stakeholder meetings on commodities

The Global Commodities Forum

16. Pursuant to paragraph 93 (c) of the Accra Accord, UNCTAD was mandated to “contribute to building effective multi-stakeholder partnerships with a view to identifying innovative approaches to resolving commodity-related problems,” the Global Commodities Forum (GCF) was held in Geneva 22–23 March 2010. The GCF was organized by UNCTAD and co-sponsored by the Common Fund for Commodities, the State Secretariat for Economic Affairs of the Swiss Federal Department of Economic Affairs, and the Governments of France and China. It was also supported by other stakeholders, including international industry associations. The Forum provided a platform for high-level participants from member States, the private sector and governments to discuss the key perennial issues of the commodity economy. It was attended by more than 500 participants, including ministers and other policymakers, commodity producers, traders, financiers, consultants, academics and other experts, many of whom spoke and gave presentations in both plenary and parallel sessions.

17. The GCF two-day discussions focused on the instability of commodity markets, problems of commodity policies, sustainability of commodity supply chains, access to commodity finance, logistics and market regulation. Approximately 50 presentations and interventions contributed to an important debate on how to develop the global commodity economy positively. The following main issues were identified:

(a) The external accounts of many CDDCs, which are closely linked to commodity prices and to medium-and long-term investments in commodity-related infrastructure and logistics, are often adversely affected by negative terms-of-trade changes related to commodity market unpredictability;

(b) The financialization of commodities markets has added volatility to the other problems of the commodities sector. At the same time, some private sector participants, including representatives of commodity exchanges, stressed that commodities that were not traded in exchanges displayed higher levels of volatility;

(c) Access to finance at all stages in the commodity supply chain has been reduced as a result of the financial crisis;

(d) Due to adverse terms-of-trade changes, Dutch disease and “resource curse” symptoms, many CDDCs endowed with mineral resources or fertile lands continue to be trapped in the paradigm of monocultural economies and related underdevelopment, contributing to poverty;

(e) As prices for many commodities did not reach their historical peak in real terms and in many cases continue to fall, so does the ability of small-scale commodity producers in CDDCs to maintain sustainable livelihoods;

(f) With access to commodity finance becoming more complicated, the providers of commodity finance also had to face a tighter regulatory environment due to Basel II, within the context of addressing the challenges of developing countries.

18. The stakeholders at the GCF agreed that regulation was important for commodities markets and that, during the recent cycle of boom and bust, regulation was at best inadequate. The wide and deep debate initiated by the GCF made a substantial contribution to addressing in an informal and multi-stakeholder format the key issues of the commodity economy, trade and finance, and enabled UNCTAD to better implement its mandate in partnership with key stakeholders. The GCF played a crucial role in identifying potential

policies to implement at national, regional and international levels in order to overcome the perennial problems of the commodity economy, at the heart of the Accra Accord.

19. The Forum moreover suggested that the GCF become an annual event. The next GCF was scheduled for 31 January–1 February 2011 and addressed (a) the instability of mineral and agricultural markets and their interconnectedness; (b) the effectiveness of commodity policies and the sustainability of the production and use of commodities, long-term energy and food security; (c) the role of innovation and early warning systems; and (iv) commodity finance and logistics. The Report of the First GCF is contained in the document UNCTAD/SUC/2010/4.

IV. Minerals, metals and energy

A. The Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development

20. The secretariat hosted, participated in and serviced the regular session of the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF) held in Geneva 1–4 November 2010. The meeting focused on further advancing preparations for upcoming meetings of the United Nations Commission on Sustainable Development (UNCSD) in 2010 and 2011 to review progress on the mining sector's contribution to the Johannesburg Plan of Implementation.

21. The delegates finalized the IGF Mining Policy Framework that will be addressed in the course of the nineteenth session of the UNCSD (New York, May 2011). This Framework is a compendium of best practices to enhance the contribution of mining to sustainable development. It summarizes the lessons learned by the IGF in the course of its activities. The Framework is proposed as a global reference or baseline for mining good governance globally. Members emphasized the need for expanded efforts in capacity-building so that the practices outlined in the framework are properly implemented.

22. The Forum moreover held a workshop to provide input in the World Economic Forum's (WEF's) Mineral Development Initiative, which was presented at the WEF in Davos in January 2011. This workshop is another indication of the growing recognition of the role of the IGF in global mining policy debates.

23. As required by its Terms of Reference, the members held their five-year review of the Forum. They reviewed recent experience, objectives, structure, functions, funding and work priorities. The Forum also decided to create a task force with the mandate to explore opportunities to expand cooperation with other organizations.

B. Trust Fund Project on Iron Ore

24. The secretariat has continued implementation of the Trust Fund Project on Iron Ore Information. It provides comprehensive information on developments in the world market for iron ore, for the use of steel and iron ore stakeholders such as producers, purchasers, shipping agents, suppliers of goods or services to the industry, analysts or consultants. In collaboration with professional partners, the secretariat produced three reports in 2010: (a) The Iron Ore Market; (b) Iron Ore Statistics; and (c) a statistical update in electronic form. The cost of producing these reports is covered by contributions from governments and by sales of publications.

25. The Iron Ore Market 2009-2011 was one of 11 UNCTAD publications selected for review by a readership survey of UNCTAD publications in 2010 (TD/B/WP(58)/CRP.1).

The results of the survey indicated that the Iron Ore Market 2009–2011 demonstrated an overall rating of 4 out of 5, most common for all 11 publications.

C. The African Oil, Gas and Minerals Trade and Finance Conference

26. Pursuant to paragraph 98 of the Accra Accord, UNCTAD continues to provide advisory services and trade-related capacity-building activities to natural resources-rich developing countries. In 2010, the secretariat organized, in collaboration with other partners, the fourteenth UNCTAD African Oil, Gas and Minerals Trade and Finance Conference and Exhibition in Sao Tome, Sao Tome and Principe, 21–25 November 2010.

27. The objectives of this conference were to (a) provide a forum for high-level policy dialogue between producers and consumers, investors and host countries and other stakeholders; (b) help in identifying ways of harvesting greater value from natural resources development, and retaining it on the African continent; (c) identify strategies for increasing diversification from extractive industry into other economic activities; and (d) identify appropriate policies and legal frameworks to promote the continued development of the energy and mining sectors on the continent and to enhance their contributions to Africa's development.

28. The conference brought together 300 participants from governments, international and regional agencies, academia, multinational corporations and civil society organizations. Participants noted with concern that, despite the African continent's rich endowment with mineral resources, very little industry has developed around the extractive industries, reflecting the fact that there are poor backward and forward linkages between the extractive industries and the rest of the national economy. The main outcome of the conference was a resolution recommending UNCTAD to facilitate the setting up by African governments of a task force that would define methods and criteria for evaluating local content in the extractive industries. The defined criteria, in line with the Africa Mining Vision, will be used by policymakers as benchmarks for developing their natural resources.

29. In support of UNCTAD's work on commodities, the Prime Minister of Sao Tome and Principe, Patrice Trovoada, stressed the importance of comprehensive natural resources management policies that will boost local content and create wealth in host countries for the benefit of the majority of their population. In this respect he underscored the need for policy coordination in the development of natural resources in Africa to improve the contribution of extractive industries to the continent's development.

30. Prior to the conference, a high-level meeting on the implementation of the African Natural Resources Exchange (NRIE) was held in Geneva, which was a recommendation of the previous conference held last year in Bamako, Mali. At this meeting, cooperation agreements were signed between UNCTAD, the International Telecommunication Union (ITU), and eight African countries that will be implementing NRIE in the pilot phase. The Sao Tome Conference provided an avenue to review progress to date.

V. Agricultural commodities

A. Information portals

31. Pursuant to paragraph 93 of the Accra Accord, UNCTAD has assisted commodity-dependent developing countries in their efforts to access commodity information and establish more effective marketing systems. In this context, the secretariat has continued the implementation of two information tools – INFOCOMM and INFOSHARE. INFOCOMM

is a three-language electronic information portal embedded in the UNCTAD website, which provides profiles on selected commodities and links to external information resources. INFOSHARE is a database system for gathering and sharing qualitative and quantitative information on different agricultural commodities, including prices (farm-gate, import and export ones) as well as transportation and storage costs.

32. During 2010, the Special Unit on Commodities continued to transfer the information contained in the INFOCOMM portal to a new more modern and user-friendly interface platform. The official launch of the new INFOCOMM site is tentatively scheduled for June 2011.

33. Based on the experience garnered from the installment of INFOSHARE in four provinces of Cameroon the previous year, and in the context of AAACP, the secretariat prepared the implementation of similar market information systems in the Pacific and the Caribbean regions in 2010. The prototype for the Caribbean region was presented on a joint UNCTAD/Caribbean Community (CARICOM) secretariat workshop; another prototype, using mobile phone facilities, is ready for the implementation in the Pacific region. UNCTAD continued to support the INFOSHARE installation in Cameroon and organized a training workshop for database administrators in Geneva.

B. Agri-food safety and quality standards

34. The proliferation of complex and restrictive non-tariff measures applied “at and behind” borders in export markets is of concern to most CDDCs, and particularly to LDCs. Pursuant to the Accra Accord, UNCTAD continues to strengthen its work on market-access problems facing developing countries, focusing on sanitary and phytosanitary (SPS) measures and on compliance with food safety standards and quality requirements, including divergent food laws and regulations.

35. The secretariat continued developing the web-based Sustainability Claims Portal (SCP) commenced in 2008 (www.unctad.org/SCP). This tool is aimed at informing and educating producers, farmers, traders, exporters and policymakers in ACP countries on the design, development and existence of agri-food safety standards, labeling and certification schemes that integrate the three pillars of sustainability – economic, social and environmental concerns – in their operations, including production, processing and marketing. The SCP provides information on sustainability claims (e.g. fair-trade, organic, environmental, and geographical indicators), certification schemes and requirements, labels and labeling laws, general information on sustainability issues and relevant documents to key stakeholders in ACP countries.

36. The SCP was consolidated in 2010 through continued expansion and development of the certifier database (the portal now has information on over 150 certification labels and sustainability initiatives) upgrades of the “search” function, etc., and now provides a central access point to existing fair-trade, environmental and social accountability schemes.

37. The SCP was launched in the Pacific region through “The Subregional Capacity-Building Workshop: Development of Agri-food Standards, VanuGAP and Pacific Organic Standards and launch of the SCP” in Port Vila, Vanuatu, 30–31 March 2010. This workshop was positively received and attended by 40 participants from public and private sectors, regional agencies, research and academia, non-profit organizations, and government representatives from selected Pacific islands countries – Papua New Guinea, Samoa and Vanuatu. Additional roll-out workshops were scheduled in 2011 for the Caribbean countries (February), West Africa (May) and Eastern and Southern Africa (August).

C. Commodity exchanges and commodity finance

38. Under the auspices of the AAACP, UNCTAD is working with national stakeholders and international partners to improve agricultural commodity finance and exchanges at national and regional levels in the ACP. In 2010 the secretariat undertook the following activities:

(a) *Workshop on Financing Gum Arabic Sector in Mali: Warehouse Receipt System/Inventory Credit.* The workshop was held 11–13 May 2010 in Bamako in conjunction with ITC and the Cadre Intégré of the Government of Mali. It brought together some 80 participants representing the Government of Mali, local financial institutions, gum Arabic producers and exporters across the country, warehouse receipt system experts, and the international organizations working on gum Arabic sector development in Mali. As the main outcome of the workshop, the financing mechanism based on warehouse receipt system and inventory credit was integrated into the gum Arabic sector strategy in Mali. The workshop also raised the participants' awareness on warehouse receipt system and inventory credit;

(b) *Workshop on assessing the feasibility study of creating a guarantee fund for the cotton sector in Cote d'Ivoire.* The workshop was organized under the auspice of the Ministry of Agriculture and in collaboration with the Authority of Regulation of Cotton and Cashew Nut (ARECA). Held on 28–29 July 2010 in Abidjan, it was attended by some 75 participants. As the main outcome of the workshop, an action plan was established. It identified three steps to develop a guarantee fund for the cotton sector in Cote d'Ivoire: (a) defining the modalities of the guarantee fund; (b) elaborating a business plan of the fund; and (c) Establishing working groups for the functioning of the fund. The participants moreover agreed to set up a national steering committee for the cotton guarantee fund project;

(c) *Workshop on financing coffee/cocoa marketing in Cameroon: role of warehouse receipt system/inventory credit.* The workshop was held in Kribi, Cameroon, on 5–6 October 2010 under the auspice of the Ministry of Commerce and in cooperation with the National Cocoa and Coffee Board (NCCB). Some 60 participants – representing the Government of Cameroon, cocoa and coffee stakeholders, financial institutions and development partners – participated in the workshop. The meeting examined and validated the conclusions and recommendations of the study of value chain finance for coffee and cocoa in Cameroon, including (a) developing a primary business finance model for the cocoa sector by organizing high-performing producer organizations, linking their operations closely with microfinance institutions (MFIs) and banks, and enhancing refinancing of MFIs; (b) creating service centres/companies in the West and North-West coffee-producing areas, which would provide one-stop processing, grading and collateral management service to cooperatives and the public in general; and (c) establishing a rigorous regulatory function for commercial warehousing and collateral management services. One important follow-up activity of the workshop is to carry out a feasibility study for the creation of service centres/companies in the coffee-producing areas of Cameroon. Furthermore, the workshop enhanced the synergies with other ongoing initiatives in the coffee and cocoa sectors, and increased the knowledge and capacity of participants on warehouse receipt system and inventory credit.

(d) *Regional capacity-building workshop on enhancing the functioning of cereals markets in West Africa.* The regional capacity-building workshop was organized 9–11 December 2010 in Accra, Ghana, in partnership with the ROPPA and the CILSS. It brought together some 100 participants from the cereals supply chains, including commercial banks, microfinance institutions, governments, regional organizations, United Nations organizations and other development partners. The workshop highlighted the importance

and the value of warehouse receipt system (WRS)/warrantage and commodity exchanges in the region's agricultural development and trade promotion. The participants agreed upon the following priority actions for the development of these market-based instruments in West Africa: (a) to build up and share experience on WRS/warrantage and commodity exchanges in the region; (b) to promote warrantage by strengthening the role of MFIs and producers' organizations and improving post-harvest operations and storage management; (c) to develop WRS through the improvement of legal and regulatory framework, the harmonization of quality standards and capacity-building for different stakeholders; and (d) to reinforce the capacity of the existing commodity exchanges in the region. The meeting also identified the roles of different groups of actors in developing WRS/warrantage and commodity exchanges.

(e) *Workshop to chart the way forward for the Implementation of a Commodities Exchange and a Warehouse Receipt System in Accra, Ghana, 15–16 September 2010.* The workshop sensitized key policymakers on the need for a Commodities Exchange (CX) and a WRS in Ghana in order to promote economic growth and financial empowerment of farmers. The workshop engendered knowledge-sharing with experts from other African countries, and helped to drive the policy direction for a CX and WRS in Ghana. A road map towards a speedy implementation of the project was developed.

(f) *Improving nutmeg value chain finance in Grenada project.* Improving access to finance for all stakeholders to facilitate sector operations and manage risk was identified as one of the priority objectives in the nutmeg strategy implementation plan in Grenada. In 2010, UNCTAD carried out, in close collaboration with the Ministry of Agriculture and the National Coordinating Committee, a study on the improvement of nutmeg value chain financing. The study reviewed the nutmeg value chain, conducted an in-depth analysis of the supply and demand for finance, identified gaps and bottlenecks in finance, and provided recommendations on improving the financing of the nutmeg value chain in Grenada.

39. UNCTAD participated in the Swiss Futures and Options Association (SFOA) Burgenstock meeting, 9–12 September 2010, in Interlaken, Switzerland. UNCTAD outlined developments in the field of commodity exchanges and possible improvements in Africa. Technical assistance and advice were provided through different meetings, missions and exchanges of information with Nepal, Mongolia, Pakistan and Thailand.

VI. Technical cooperation

40. Pursuant to the implementation of the Accra Accord, UNCTAD is assisting the commodity-dependent countries to:

- (a) Develop national commodity strategies, including mainstream commodity policies into their national and regional development strategies;
- (b) Build supply-side capacity and attain competitiveness;
- (c) Move up value chains and diversify commodity sectors;
- (d) Comply with public and private international trade standards (sanitary and phytosanitary standards compliance, agri-food safety standards and quality requirements);
- (e) Access commodity information and databases and take advantage of export opportunities for commodities in emerging markets;
- (f) Promote and improve transparency and accountability in the public, private and corporate sectors in order to enable the countries concerned to maximize the benefits that accrue to them from the extractive industries, taking into account, where appropriate, the implementation of relevant initiatives on extractive industries;

(g) Establish effective marketing systems and support frameworks for small commodity producers, including economically viable safety-net programmes; and

(h) Develop commodity financing and risk management schemes (including commodity exchanges).

41. Activities were implemented as part of the following technical cooperation projects, operational in 2010:

(a) All-ACP Agricultural Commodity Programme” (donor – European Commission; total amount of the project EUR 3,380,000);

(b) Global Commodity Forum (multi-donor);

(c) Collection and Dissemination of Iron Ore Statistics (multi-donor Trust Fund);

(d) Improving oil and gas, trade and finance in Africa (multi-donor); and

(e) Economic intelligence to serve the poorest (*L’intelligence économique au service des plus démunis*) (multi-donor, multi-year).

VII. Training and collaboration with UNCTAD’s Virtual Institute

42. From 15 to 20 February 2010, the Special Unit on Commodities co-organized the third training for professional master’s students in international trade of the University of Dar es Salaam in the area of commodity economics. It was the second study tour organized on UNCTAD premises in Geneva. It covered new areas, including trade and development issues in energy and oil and gas, finance and risk management, and introduction to organized commodity markets such as commodity exchanges. This has been a successful area of interdivisional cooperation and synergy between research and analysis, and technical assistance with sustainable impact on the institutional capacities of a commodity-dependent developing country. In the past four years, over 80 United Republic of Tanzania post-graduate learners have attended the UNCTAD course on commodity economics, of which the on-campus, one-week, hands-on version was evaluated as the best-taught of all external seminars facilitated by outside visitors to the programme.

43. The training was provided through the UNCTAD Virtual Institute on the importance of the extractive industries to development. The training covered both metal and mineral resources, with a focus on oil and gas. Graduate and postgraduate students from three Virtual Institute member universities from the Russian Federation participated in this training. This was followed by an interactive questions and answers session with the entire group. The students were assessed on the knowledge acquired on extractive industries and development through group assignments.

44. The data and information was provided regarding potential mentors for supervising three mining related research projects in Mali (gold), Togo (phosphates) and Guinea (a variety of minerals).