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ELEVENTH MEETING OF THE INTERGOVERNMENTAL FOLLOW-UP AND COORDINATION COMMITTEE ON ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES (IFCC-XI)
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OVERVIEW OF THE SITUATION OF COMMODITIES IN DEVELOPING COUNTRIES

(Document prepared by the Common Fund for Commodities - CFC)

OFFICE OF THE CHAIRMAN OF THE GROUP OF 77
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Prepared by the Common Fund for Commodities – CFC

on request from the Group of 77 (G-77)
Eleventh Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries (IFCC – XI)

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1.0 Introduction

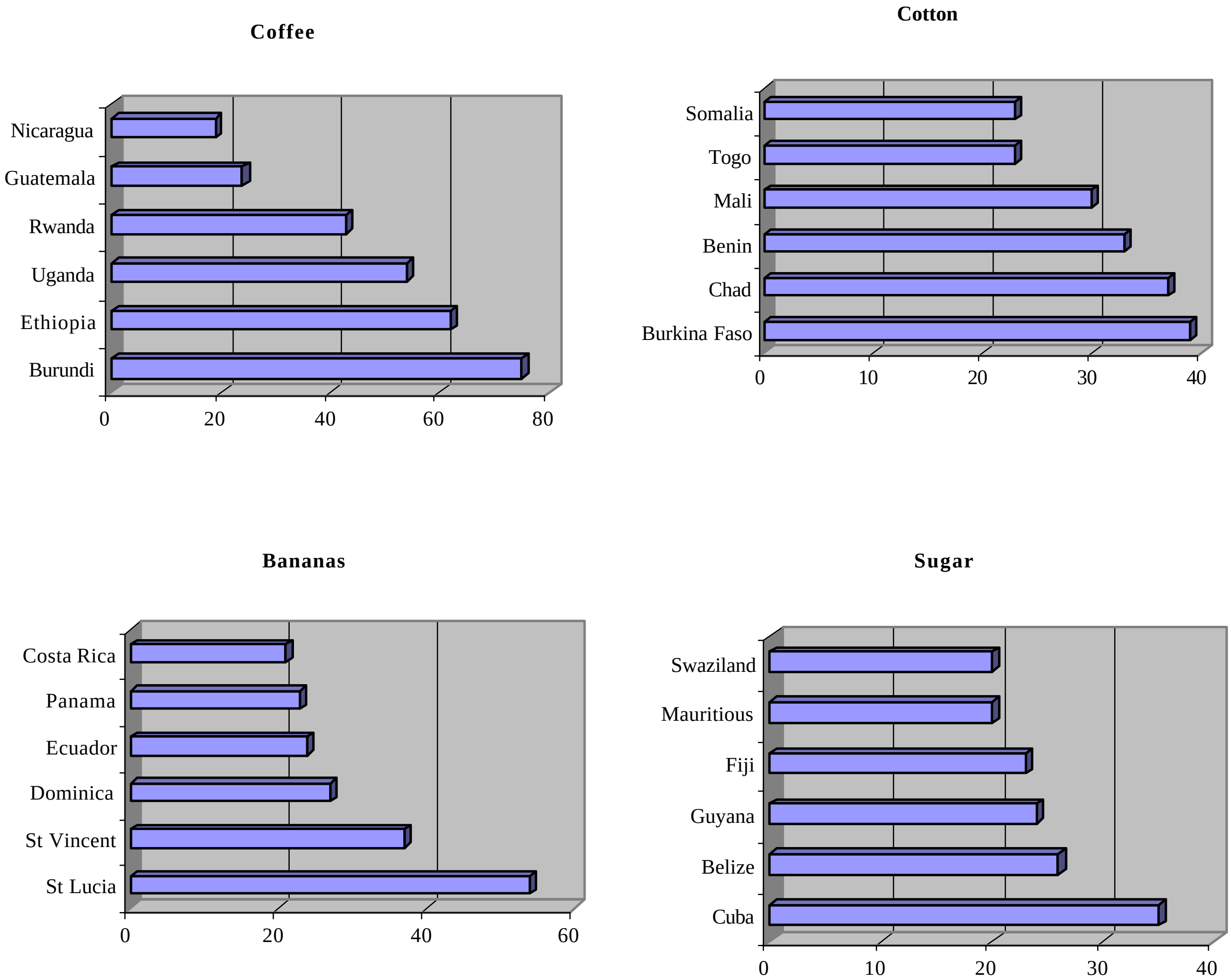
Interest in the commodities problem has re-emerged since the start of the new millennium, in the wake of the collapse in commodity prices in the 1990s. Commodity issues lost their appeal when the efforts to establish a new economic order, including the Integrated Programme for Commodities, ran out of steam in the 1980s and the attempts to regulate commodity markets and prices through international buffer stocks were abandoned during the 1990s. Commodity matters were largely ignored by the international community in the hope that the solution to the attendant problems would emerge by itself. The problems of commodity producers in developing countries continued to persist, however. The impact of adverse trends has been particularly severe on "commodity-dependent developing countries" (CDDC). The international community chose largely to ignore commodity issues over the last decade. In February 2003, President Jacques Chirac of France stated that a "conspiracy of silence" surrounded the commodity problem. It is time to break this silence and to bring back commodities to the centre of the development debate and develop and implement actionable measures in this area to ameliorate the economic conditions of commodity producers.

It is being increasingly recognised that commodity issues have a significant bearing on development efforts. This being increasingly recognised as evident from the resolutions on commodities A/57/236 and A/58/481 of the General Assembly of the United Nations, submitted by Venezuela and Morocco respectively on behalf of the Group of 77 (G-77) and adopted in December 2002 and 2003.

1.1. Commodity Dependence of Developing Countries

It is estimated that out of the roughly 2.5 billion people engaged in agriculture in developing countries, about one billion derive a substantive part of their income from export commodities. For many developing countries, commodities remain the backbone of their economies. Out of the total 141 developing countries, 95 depend on commodities for at least 50 percent of their export earnings. Approximately half of the countries in Africa derive over 80 percent of their merchandise export income from commodities. In particular the economies of the least developed countries (LDCs) are based on commodities which represent about 70 percent of their total merchandise exports. The majority of the landlocked developing countries (LLDCs) and small island developing states (SIDS) are also commodity-dependent. In the middle-income countries, it is frequently the poorer strata of the population which is often involved in commodity production. Overall, 73 percent of the poor live in rural areas, where the production of commodities is the main source of livelihood. Rural households in Ethiopia, Malawi, and Vietnam, for example, derive about three-quarters of their income from commodity-related activities.

Dependence on Selected Commodities (% share of total exports)



1.2 Declining Prices and Price Volatility

One major feature of the commodity market over the last few decades has been the constant downward trend and high volatility of commodity prices. Since the 1970s, the international prices of commodities exported by developing countries have declined, in many cases sharply. As shown in Table 1, UNCTAD data indicates that over the 24 years from 1977 to 2001, real prices declined for 41 out of 46 leading commodities. According to the World Bank, real commodity prices declined significantly from 1980 to 2002, with the World Bank's index for commodity prices down 47 percent and metal and mineral prices down 35 percent. For example, the 2002 real price of coffee was just 14.2 percent of its price in 1980. A study on 10 major tropical agricultural commodities showed that in 2002 developing countries would have earned USD 243 billion more if real prices of these 10 selected products had remained as high as the 1980 price level[1]. This is almost five times the world's official development assistance. It should be noted, however, that there has been some recent recovery in commodity prices, especially minerals, mainly due to the weak US dollar and strong demand from China, but in general real prices continue their long-term downward trend.

A steady decline in commodity prices has also been influenced by persistent surplus production leading to oversupply of some commodities in the international market. Excess surpluses have been particularly acute in the case of tropical beverages (cocoa, coffee and tea). As depicted in Table 2, production of cocoa exceeded consumption in each of the years from 1970 to 2000, with excess surplus of more than 20 percent in the years 1990, 1995 and 1996. Coffee excess surplus was more than 17 percent in 2000 alone. New market players, as exemplified by Vietnam in the case of coffee, also helped to drive prices downward[2].

1.3 Market Concentration

Agricultural commodity chains are increasingly dominated by transnational trading, processing and distributing companies. Nearly 40 percent of the world's coffee is traded by just four companies and 45 percent is processed by just three coffee-roasting firms. This has further aggravated the problem of downward commodity prices since producing countries and farmers have a smaller share of the revenues and final retail price derived from commodity trade. For example, in the case of coffee, the current value of retail sales amounts to USD 70 billion, but coffee producing countries only receive USD 5 billion of this value. Farmers obtain a fraction of the final retail price of the finished commodity product, ranging from 4 percent for cotton to 28 percent in the case of cocoa. Even in the case of bananas, which normally do not go through processing stages, less than 12

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1 These commodities are copper, coconut oil, palm oil, sugar, cocoa, coffee, tea, pepper, groundnuts, jute, cotton and rubber.

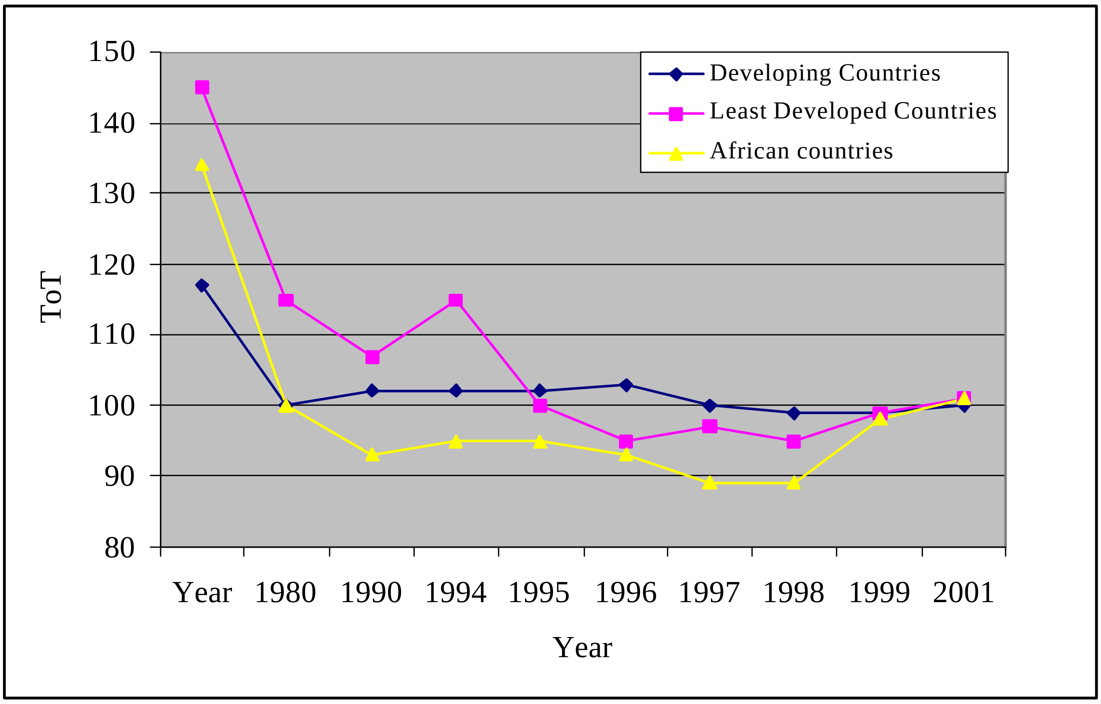
2 Vietnam, which in the 1980s was not even listed as a major coffee producer, is now the world's second biggest coffee producer.

percent of the final retail prices goes to producing countries and only 2 percent to the farmers.

1.4 Terms of Trade in Developing Countries

A reflection of the declining commodity prices is the constant deterioration in the terms of trade of developing countries. Excluding oil and manufactured goods, the terms of trade of developing countries have declined by more than 20 percent since 1980. For African countries the decline is more than 25 percent. In other words, the prices of Africa's exports have fallen by more than one-quarter in relation to the prices of goods imported. In general, between 1980 and 2002 the terms of trade in the commodities sector, except for oils and manufactures, declined by more than 50 percent. The Graph below, based on UNCTAD statistics, depicts this trend in terms of trade of non-fuel commodity prices from 1980 to 2002.

Terms of Trade of Non-fuel Commodity Prices (1980-2002)



Many LDCs depend on their commodity exports to finance food imports (Net Food Importing Countries), mainly grains, as they are not self-sufficient. A decline in the their terms of trade implies that they have less resources to finance food imports, threatening their food security. LDCs have spent an increasing share of their limited foreign exchange on food imports, increasing from about 43 percent in the early 1970s to about 54 percent in 2001.

The deteriorating terms of trade of commodity producing developing countries is also closely interrelated with the capacity of these countries to service their foreign debt. It comes as no surprise that out of the 42 countries classified as Heavily Indebted Poor

Countries (HIPCs), 37 are considered commodity dependent. The HIPCs on average derive 84 percent of their merchandise export income from commodities. Debt relief initiatives under both HIPC and other systems (such as the Paris and London Clubs) thus need to take into account commodity issues.

1.5 Trade Distorting Measures: Tariffs, Subsidies and Technical Barriers

Market access for many commodities produced in developing countries has been severely hampered by market protection in developed countries. Regrettably, global trade is neither fair nor free. Global trade liberalisation has so far not been fully extended to agriculture and commodities, which continues to suffer distortions on account of subsidies, trade barriers, and in the form of tariff peaks and escalations, and compliance to sanitary and phytosanitary standards. Average agricultural tariffs in industrial countries are still two to four times higher than tariffs for manufactured goods. Although sometimes average tariffs on agricultural commodities may not be considered high, they hide the existence of tariff peaks which are substantially higher and particularly on products when they move up the value chain. The sector which by and large has the most frequent and highest rates of tariff peaks is that of agricultural commodities, especially meat, sugar, cereals, oilseeds, olive, tropical fruits (mainly oranges and citrus fruits, bananas and pineapples), groundnuts, and fish (mainly sardines and tuna).

Some countries also impose tariff escalations that increase along the processing chain of the product so that the higher the processing stage of the product the higher the tariff imposed. The main objective is to restrict imports of high value-added products, thereby, protecting the domestic processing industries. This limits developing countries to continuing to export commodities in primary form, instead of developing a local processing industry and moving up the value chain. The products which are affected by steep escalations vary according to countries and regions, but are mainly concentrated on coffee, tea, cocoa, sugar, cotton, soybeans, spices, vegetable, vegetable oils and oilseeds, tropical fruits, tropical nuts, rubber, tropical woods, jute, fishery, and hides and skins. For example, while 90 percent of cocoa beans are grown in developing countries only 29 percent of cocoa powder and 4 percent of chocolate are processed in producing countries. The reduction of tariff escalations has been identified as one of the most important issues to be addressed with in the framework of the WTO negotiations on agriculture.

Public support, mainly in the form of subsidies, also creates distortions in the commodity market. Domestic and export subsidies provided by developed countries have led to price decline for certain commodities through subsidy-induced production. In 2000 alone, an estimated USD 250 billion, or five times the total official international development assistance for that year, were provided as support to agriculture in OECD countries. Export subsidies and domestic support have depressed international prices, eroding the incomes and market shares of more efficient producers in developing countries where subsidies are not provided. Subsidies have been particularly high for sugar, rice, milk, cotton, wheat and meat products. For example, revenues for cotton farmers in West and Central Africa would increase by some USD 250 million if US cotton subsidies were abolished.

Another major issue affecting commodity trade are technical barriers in the form of sanitary and phytosanitary standards, sometimes referred to as food safety and agricultural health. The increasing complexity of sanitary and phytosanitary standards, the fact that they are generally developed with little involvement on the part of developing countries and the high costs in complying such standards have strained the capacity of developing countries to meet such standards, serving as an obstacle for marketing commodity products from developing countries. Even if standards are not deliberately used to discriminate, their growing complexity and lack of harmonisation could impede trading efforts of developing countries. There is also the issue that many developing countries lack the financial resources and administrative, technical and scientific capacity to comply with such ever increasing requirements.

1.6. Non-traditional Commodities

Many of the measures noted above (tariffs, subsidies, technical barriers and market concentration) have had a profound impact on commodity production in developing countries which, to some extent, have resulted in the reconfiguration of international agriculture trade. Developing countries have had to venture in new market opportunities by trading non-traditional commodities, which do not face the same level of competition and market barriers in developed countries. The World Bank reported that the biggest decline in export shares for developing countries has come in their traditional tropical products, such as coffee, sugar, cotton and cocoa, while the biggest gains have been non-traditional exports, such as fish, fruits, vegetables and cut flowers. It is striking to note that currently non-traditional products constitute about 50 percent of exports in the agriculture trade of developing countries, while the share of traditional products has declined to only 19 percent.

1.7 Rural-Urban Linkages

Historically it was the ability of rural areas to provide surplus food to urban areas which was one of the major driving forces behind the emergence of urban settlements. Urban-based activities, therefore, are critical to rural income generation since urban centres act as markets for the consumption of commodity products and as a link to national and export markets. Cities also provide the manufactured inputs necessary for commodity production in rural areas, such as machinery, fertilisers and pesticides. It is well recognised that urban markets are vital for the survival and improved well-being of commodity producers. Urbanisation plays a catalytic role in the commercialisation of commodity products, which also promotes rural-urban enterprises and increases urban-rural trade and other exchanges. In fact, for many developing countries, especially in Africa, the industrialisation process is mainly resource-based, with commodities produced in the rural areas as the obvious starting point.

Although the large majority of commodity production takes place in rural areas, it is mainly in urban areas that commodities are marketed, processed and consumed. Because of depressed commodity prices many producers in developing countries have had to abandon their farms and migrate to urban areas to look for new economic opportunities, creating pressure on urban areas and particularly on basic services like health, education, drinking water and housing. Healthy and robust rural areas would contribute to the decline in urban migration.

2.0 Main Intervention Areas and International Commitments

The problems of commodity-based economies, in particular with regard to the least developed countries and poor commodity-dependent producers in other developing countries, were underestimated in the 1980s and 1990s. It is therefore necessary to make increased efforts, paying attention to co-ordination among development institutions so as to avoid duplication and develop synergies. With the aim of reducing poverty and accelerating development, there would appear to be three main strategic intervention areas relating to commodities:

Production and Marketing

An efficient marketing chain from the commodity producer to the consumer is essential. A good measure of competition in this chain will increase the possibilities for producers to obtain a reasonable share of the price paid by the final consumer. Marketing chain development must be linked with efforts to improve productivity, quality and reliability of supply. The supply-side constraints are manifold and need to be addressed in conjunction with the marketing side and market access.

It is also important to ensure that finance is available to farmers for commodity production and processing. Viable models need to be developed to improve the flow of finance and credit to small farmers so that they can obtain the necessary inputs for their production. Agricultural co-operatives, associations and other actions by producers to organise commercially should be supported so as to increase their leverage in markets dominated by transnational companies. On the marketing side, promotion campaigns and measures to boost demand in consuming countries could also lead to increased aggregate demand for a commodity. For example, the CFC- financed project “Generic Cocoa Promotion in Japan” resulted in increased consumption of chocolate in Japan.

Diversification

Resources have to be mobilised to support actions towards diversification into non-traditional agricultural exports and adding value by exporting processed products. Strategies should contemplate diversification from one commodity to others (e.g. from sugar or coffee to other crops), horizontal diversification (the branching out of commodities, starting completely unrelated production or services) as well as vertical diversification (moving up the value-added chain). As mentioned before, substantial changes have occurred in the product mix of global agricultural trade, with the share of non-traditional product increasing. In Kenya, for example, exports of fruits, vegetables and cut flower have become the second biggest source of foreign exchange.

It is worthwhile recalling the recommendations made by the Eminent Persons on Commodity Issues who met in Geneva in September 2003: “... the ability of countries to move away from excessive dependence on a few commodities would be much strengthened if for their efforts they had access to an ‘International Diversification Fund’. We find this proposal worthwhile as it would enable developing countries to utilise opportunities to diversify their productive capacity within the commodity sector, including through value addition.

Commodity Prices

One of the original objectives of the Common Fund was the financing of international buffer stocks, but for well-known reasons this arrangement has not been operationalised. It is still necessary to find a workable solution to the persistent problems of price decline and volatility. In the short-term, market-based price risk management schemes could help farmers manage the risk of falling prices on global commodities markets through the use of derivatives (futures and options). However, farmers in developing countries have very poor access to these instruments. In this regard, the Common Fund and the World Bank have initiated activities to combine efforts on price risk management in East Africa to explore new, market-based, approaches to assist these developing countries to better manage their vulnerability to the volatility of commodity prices of coffee and cotton, to begin with. These instruments would only make incomes predictable they would, however, not address the issue of the persistent decline in prices effectively and permanently[3].

Another possible solution to commodity price fluctuation would be to make compensatory financing schemes user-friendly and workable. Compensatory finance has an important potential role in insulating developing countries from the worst effects of international commodity price volatility, and indeed in reducing volatility. The international community has the experience of existing and erstwhile mechanisms and this experience could be used to improve its delivery and effectiveness. Compensatory financing should operate on the basis of ex-ante rather than ex-post mechanisms, in other words, clearly linking automatic payouts to specific occurrences.

2.1 Needs of Developing Countries and in Particular LDCs

Needs assessment and ascertaining the views of stakeholders in developing countries are essential instruments in the formulation of development policy. In this context, a survey undertaken by the Common Fund for Commodities among its developing member countries in 1999 showed that countries put particular emphasis on bulk export commodities, such as coffee, cotton, cocoa, sugar, rubber, edible oils, fruit, livestock and meat, and fish, which are central to their economies. It is important to strengthen the existing commodity base while diversifying into new area where opportunity exists. As stated in the first and second Five-Year Action Plans of the Common Fund, non-traditional commodities and those with development potential also need to be considered, taking into account the circumstances of each country concerned[4]. In the context of

3 The Common Fund is also contributing to the discussion on declining prices of commodities at the WTO Committee on Trade and Development.

4 In April 2004 the Executive Board of the Common Fund for Commodities requested that a new survey be undertaken to assess the needs of African countries in the area of commodity development. The survey will be implemented in 2005 and an outcome is expected in 2006.

poverty alleviation, the focus needs to be on the commodities of relevance to the least developed countries and the poorer strata of the population in other developing countries.

The Common Fund survey also identified main areas of concern in the production, processing and marketing of commodities. Specific areas identified are in the field of productivity improvement and the transfer of technology, including high-yielding varieties and the control of diseases and pests; cost of inputs; access to finance and investment; development of processing capacity and transfer of technology; reducing trade barriers and enhancement of market access as well as the marketing chain; fostering competition in purchasing structures; quality concerns and standards; storage, infrastructure and transport costs; declining and volatile commodity prices; and the need for human and institutional capacity building.

Representatives from many least developed countries identified areas in which they would require assistance at a joint workshop on "Enhancing Productive Capacities and Diversification of Commodities in LDCs, and South-South Co-operation" which was organised by the United Nations Conference on Trade and Development (UNCTAD) and the Common Fund for Commodities (CFC) in March 2001 in preparation for the Third United Nations Conference on the Least Developed Countries (LDC III). With a view to achieving sustainable development and equitable development and reducing poverty, the following actionable measures were recommended:

<u>Enhancing Productive Capacities</u>

– Transfer and adoption of suitable production technologies, including for small-scale operations;
– Strengthening research and development capacities in LDCs;
– Availability of improved seeds and planting material at the local or regional level;
– Institutional and human capacity building;
– Investment in supportive infrastructure.

<u>Quality and Safety Standards</u>

– Harmonisation of national and regional standards;
– Building of national and regional capacity for testing and certification.

<u>Post-Harvest Measures</u>

– Appropriate post-harvest treatment and storage so as to reduce losses.

<u>Horizontal and Vertical Diversification</u>

– Assessment of the feasibility of horizontal and vertical commodity diversification;
– Expansion of production and trade in non-traditional commodities;
– Value addition through local processing, particularly at the small and medium-scale level;
– Development of new uses;
– Valorisation of by-products and co-products.

Marketing

- Product differentiation and the development of niche markets ("decommoditisation" of commodities);
- Entering new regional markets and the development of the home market;
- Market information and commodity exchanges;
- Ways of addressing transport costs and other disadvantages of landlocked and small island developing countries.

Financing

- Availability of input credit for small farmers;
- Use of warehouse receipts to facilitate access to and reduce the cost of finance;
- Price risk management to mitigate the effects of volatile commodity markets;
- Creating enabling conditions to attract foreign direct investment (FDI).

Strategic Partnerships

- Complementarity of action by all developmental partners covering the whole production and marketing chain, taking into account the Integrated Framework for Trade-Related Technical Assistance to the LDCs.

In September 2004 UNCTAD convened a meeting of "Eminent Persons on Commodity Issues" to formulate recommendations on the basis of an analysis of the current commodity situation, its impact on development and implications for the particularly vulnerable groups of developing countries. Five subject areas have been identified as having highest priority. These are:

- Enhanced, equitable and predictable market access for commodities of key importance to developing countries, which has a lot to do with the trade negotiations;

- Addressing the problems of oversupply, which include not only subsidies but also gains in productivity;

- Making compensatory financing schemes user-friendly and operational, because right now they are very unoperational;

- Strengthening capacity and institutions; and

- Pursuing the possibilities for the creation of a new international diversification fund, so as to address this problem with adequate financing.

A range of measures and solutions for the commodity problem was also at the centre of discussion at a side-event jointly organised by the Common Fund and UNCTAD at UNCTAD XI in São Paulo in June 2004, on "Commodities, Poverty Alleviation and Sustainable Development." The event reviewed trends, prospects and actionable measures regarding the commodity markets and assessed their impact on development and poverty alleviation.

2.2 Commitments in International Fora

The issues of commodities and the need to strengthen the financial base of the Common Fund for Commodities have recently been raised a number of times in international fora.

The Programme of Action for the Least Developed Countries for the Decade 2001 to 2010, which was adopted at LDC III in May 2001, calls under Commitment 5 A, in the section on commodities, for measures in the fields of diversification; capacity-building and enhancing productive capacity; essential infrastructure to function in liberalised markets; encouraging private sector initiatives; use of modern price risk management techniques; and the development of niche markets. The Brussels Declaration also calls for "strengthening the activities covered by the Second Account of the Common Fund for Commodities". Resolution A/57/236 on commodities was adopted by the United Nations General Assembly in December 2002. Paragraph 8 of the resolution reads as under:

> "8. Underlines the need to strengthen the Common Fund for Commodities and encourages it, in cooperation with the International Trade Centre, the United Nations Conference on Trade and Development and other relevant bodies, to continue to strengthen the activities covered by its Second Account in developing countries with its supply chain concept of improving access to markets and reliability of supply, enhancing diversification and value addition, improving competitiveness of commodities, strengthening the market chain, improving market structures, broadening the export base and ensuring the effective participation of all stakeholders."

Resolution A/58/481 on commodities, adopted by the United Nations General Assembly in December 2003, recalls Resolution A/57/236 (above) and stresses "the urgent need to ensure its full implementation". It also "Takes note of the report of the Meeting of Eminent Persons on Commodity Issues" held at UNCTAD Headquarters in Geneva in September 2003. Paragraphs 14 and 15 of the Resolution read as follows:

> "14. Invites the United Nations Conference on Trade and Development, the Common Fund for Commodities and all other relevant organizations to provide useful, timely, accurate, comprehensive and user-friendly information and analysis on commodities and to enable the use of this information by commodity-dependent developing countries;"

> "15. Requests the Department of Public Information of the Secretariat to undertake, within existing budgetary resources, initiatives and activities to raise awareness and keep the

> commodities issue a high priority of Governments, the international community, media, academia and all other relevant stakeholders."

The Ministerial Conference of LDCs, which took place in Cotonou, Benin in August 2002, adopted the Cotonou Declaration, which refers to the Common Fund in paragraph 24 and 25 as follows:

> "Draw attention to the vital role commodities and agriculture play in their economies (as) an important provider of employment, export earnings, and Government revenue. In this context, call for strengthened collaboration between UNCCD, UNCDF, GEG and CFC and invite the international community to increase its financial and technical support to these institutions to that end."

> "Urge LDCs' partners to provide sufficient financial resources to multilateral development organisations and to strengthen activities covered by the Second Account of the Common Fund for Commodities, without a decline in other concessionary funds available for LDCs."

The Word Summit on Sustainable Development (WSSD) adopted in September 2002 the Johannesburg Declaration on Sustainable Development and a Plan of Implementation for the further implementation of Agenda 21. The Plan of Implementation in Item IX, Means of Implementation, Paragraph 80 calls upon the international community to:

> "Build the capacity of commodity-dependent countries to diversify exports through, inter alia, financial and technical assistance, international assistance for economic diversification and sustainable resource management, and address the instability of commodity prices and declining terms of trade, as well as strengthen the activities covered by the Second Account of the Common Fund for Commodities to support sustainable development."

The International Ministerial Conference of Landlocked and Transit Developing Countries, and Donor Countries and International Financial and Development Institutions on Transit Transport Co-operation held in August 2003 in Almaty, Kazakhstan, in recognition of the importance of commodity issues and the role played by the Common Fund in commodity assistance in Landlocked Developing Countries (LLDCs), adopted the following paragraphs as part of the Plan of Action:

> **"**42. The implementation of the Present Program of Action requires individual and concerted efforts by the landlocked and transit developing countries; their development partners; the organizations and bodies of the United Nations system; relevant international organizations, such as the World Bank, the regional development

banks, the World Trade Organization, the World Customs Organization, and the Common Fund for Commodities**,** and regional economic integration organizations, and other relevant regional and subregional organizations."

"2. Landlocked developing countries … are typically heavily dependent on a very limited number of commodities for their export earnings"

UNCTAD's eleventh session (UNCTAD XI) was held in São Paulo, Brazil from 13 to 18 June 2004 and commodities were one of the central issues discussed during the session, culminating in the adoption of the "São Paulo Consensus", which encapsulates the following paragraph on commodities:

"74. A concerted focus should be put on the difficulties faced by commodity-dependent developing countries. Efforts by these countries to restructure, diversify and strengthen the competitiveness of their commodity sectors, including through local processing, should be supported, including by the provision of enhanced market access on a secure and predictable basis, adequate technical and financial assistance, and strengthening of capacity and institutions, in both the public and the private sectors… Existing compensatory financing schemes should be reviewed with a view to assessing their effectiveness and, as may be required, making them more user-friendly and predictable and possibly combining them with modern risk management and risk-sharing instruments… Support for commodity development projects - especially market-based projects - and for their preparation under the Second Account of the Common Fund for Commodities should be encouraged. It is also important to address fully the problem of the cotton sector faced by African countries at the national level and in the relevant fora at the international level."

2.3 Official Development Assistance to Agriculture and the Commodity Sector

As mentioned above, stakeholders identified major areas which need to be addressed with regard to the commodity problem. The international community has also agreed on a number of measures and actions at international fora. However, the commitment of the international community could not be realised because of the lack of political will and resources in the agriculture and commodity sector.

Between 1990 and 2000 donors had cut by more than half the amount of resources earmarked for agriculture and the commodity sector in their official development assistance (ODA). The figure earmarked for agriculture in has come down from USD 16 billion in 1980/1981 to USD 8 billion in 2000/2001. A report of the OECD Development Assistance Committee identifies the fall in ODA in agriculture and the commodity sector as a matter of concern. It further states that very few projects in support of agricultural services, such as storage, marketing and finance, have been reported in recent years. If the international community aims to meet the agreed international commitments, and fulfil Goal 1 of the Millennium Development Goals (MDG), reduce extreme poverty by half, it would need to reverse the current trend in ODA and allocate more resources to agriculture and the commodity sector.

3.0 The Common Fund for Commodities

A number of multilateral and bilateral institutions are engaged in providing development assistance through projects and programmes related to commodities in one way or another. The Common Fund for Commodities, an intergovernmental financial institution established by the United Nations, is the only organisation where commodities are central to its mandate. Since its inception in 1989 it has built up considerable expertise in this field. The Common Fund complements the activities of other institutions. The Common Fund applies a commodity focus, which means concentrating on general problems of a particular commodity affecting producers in several countries. In this way, outcomes of projects are of interest to many countries and each dollar spent on a project financed by the Common Fund has a relatively large multiplier effect.

The Common Fund for Commodities, like other multilateral developmental institutions, has adjusted to the changing development paradigm and has reoriented itself to meet the emerging demands. The Common Fund concentrates on measures and actions aimed at generally improving the long term competitiveness of commodities such as research and development, improvements in productivity, marketing and diversification and also at improving structural conditions in commodity markets. Actions which contribute to price stabilisation are no longer pursued through buffer stocking but through market-based instruments, e.g. to limit price risks.

Although a small and specialised institution, the Common Fund has to date accumulated a project portfolio of 198 projects with a financial volume of USD 387 million, of which the Fund contributes about half. The high co-financing ratio is testimony to the catalytic role played by the Common Fund, using its resources as seed money and attracting support from other sources for commodity development. About 85 percent of the finance provided by the Common Fund is in the form of grants, the balance is given as loans.

The current project portfolio comprises 37 commodities, of which 34 are agricultural and 3 are mineral. More than 120 commodities are covered by recognised International Commodity Bodies (ICBs) and are therefore eligible for support from the Common Fund. The average project funding is USD 3 million, and project duration is between 3 and 5 years.

The projects can be classified into four broad categories, namely: (a) pre-harvest productivity improvement (including research); (b) post-harvest processing, marketing and quality improvement; (c) market expansion projects; and (d) price-risk management and credit (Figure 1).

Projects which have been approved have operating sites in approximately 90 countries, of which over 98 percent are developing countries, including 31 LDCs. Of the developing countries which have Common Fund project sites, 42 percent are in Africa where the majority of LDCs are located (Figure 2).

Figure 1: CFC-supported Projects by Type

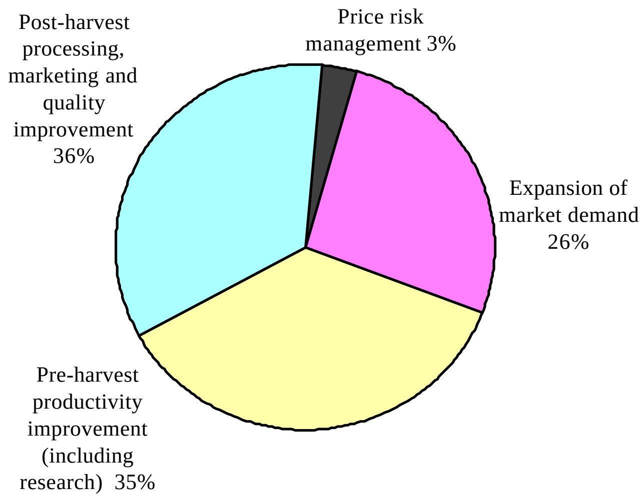
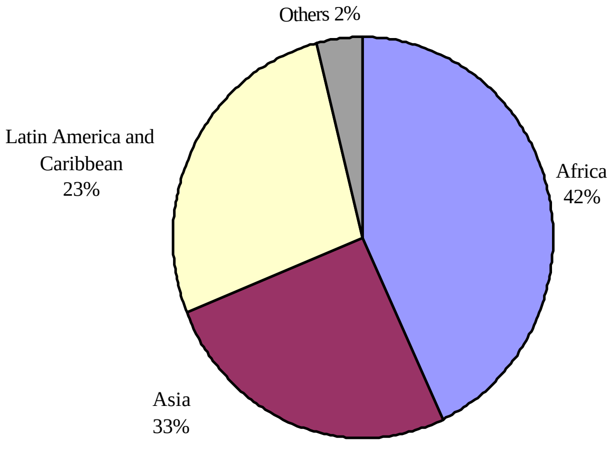


Figure 2: CFC Project Operating Sites by Region



The activities of the Common Fund aim at making commodities a substantial growth factor. The Common Fund strives to contribute to the overall development process reducing the asymmetries which exist between the players in the global economy, improving the conditions of resource-poor producers and providing them with new opportunities.

Table 1 Instability indices and trends in monthly market prices for selected commodities, 1977-2001

Commodity	Price instability indices (per cent variation)	Price trends (annual average rate of change, per cent)	
		Current USD	Constant USD
All commodities:			
in current dollars	**11.6**	**-0.4**	**-2.8**
in SDRs	**9.4**	**-1.2**	**-3.7**
Total food	**13.0**	**-0.9**	**-3.3**
Tropical beverages and food	**13.2**	**-0.9**	**-3.3**
Tropical beverages	**20.8**	**-3.2**	**-5.6**
Coffee	26.0	-2.7	-5.1
Cocoa	18.6	-4.5	-6.9
Tea	14.5	-1.1	-4.4
Food	**15.7**	**-0.1**	**-2.6**
Wheat	15.3	2.9	-2.6
Maize	13.0	1.3	-2.6
Rice	18.6	-1.2	-3.7
Sugar	34.5	-0.1	-2.5
Beef	12.5	-0.8	-3.2
Bananas	16.9	1.8	-0.6
Pepper	40.9	2.9	0.4
Soybean meal	13.0	-0.4	-2.8
Fishmeal	16.9	0.9	-1.5
Vegetable oilseeds and oils	**19.7**	**-1.0**	**-3.5**
Soybeans	11.9	-0.8	-3.3
Soybean oil	19.3	-1.0	-3.3
Sunflower oil	18.6	-0.8	-3.3
Groundnut oil	20.1	-0.1	-2.5
Copra	27.5	-1.3	-3.7
Coconut oil	28.6	-1.0	-3.5
Palm kernel oil	29.6	-1.3	-3.7
Palm oil	26.1	-1.3	-3.7
Cottonseed oil	14.2	-0.8	-3.3
Agricultural raw materials	**11.7**	**0.4**	**-2.0**
Cotton	16.0	-1.0	-3.4
Wool	23.7	-0.7	-3.2
Jute	20.5	-0.7	-3.1
Sisal	10.7	1.6	-0.9
Non-coniferous woods	10.5	3.8	1.4
Tropical logs	16.4	1.8	-0.6
Tropical sawnwood	21.6	4.5	2.1
Plywood	18.1	4.2	1.8
Linseed oil	21.9	-0.4	-2.8
Tobacco	8.1	1.5	-1.0
Hides and skins	23.3	-2.2	-4.8

Commodity	Price instability indices (per cent variation)	Price trends (annual average rate of change, per cent)	
		Current USD	Constant USD
Rubber	21.8	-1.2	-3.6
Minerals, ores and metals	**14.0**	**0.5**	**-1.9**
Phosphate rock	10.6	0.4	-2.0
Manganese ore	25.2	2.2	-0.2
Iron ore	7.7	0.6	-1.8
Tungsten	23.4	-5.2	-7.7
Aluminium	18.8	0.9	-1.6
Copper	22.5	1.2	-1.3
Nickel	25.9	1.0	-1.4
Zinc	17.8	2.3	0.0
Lead	21.8	-1.1	-3.6
Tin	17.8	-5.1	-7.5
Gold	20.3	0.1	-2.3
Silver	25.5	-3.0	-5.4
Crude petroleum	29.3	-0.9	-3.4

Source: UNCTAD

Table 2. Worldwide balance of production and consumption in 12 leading commodities, 1970-2000
(millions of metric tonnes, unless specified)

Commodity		**1970**	**1975**	**1980**	**1985**	**1990**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**
Bananas	Production	31.8	31.7	37.0	40.1	46.9	56.5	55.2	58.9	57.2	62.7	64.6
	Consumption	31.6	31.6	36.7	40.4	46.5	56.1	55.0	58.0	56.5	62.7	64.8
	Surplus/deficit*	+0.6	+0.2	+0.6	-0.8	+0.9	+0.7	+0.4	+1.5	+1.2	-0.3	-0.3
Bovine meat	Production	38.3	43.7	45.6	49.3	53.4	54.1	54.6	55.3	55.1	56.0	57.2
	Consumption	39.6	45.3	47.1	51.2	55.8	56.7	57.4	58.1	58.0	59.0	60.5
	Surplus/deficit*	-3.2	-3.4	-3.2	-3.8	-4.2	-4.6	-4.9	-4.9	-5.1	-5.2	-5.5
Cocoa	Production	1.5	1.6	1.7	2.0	2.5	3.0	3.3	3.0	3.0	2.9	3.2
	Consumption	1.4	1.5	1.5	1.8	2.1	2.5	2.6	2.7	2.7	2.8	3.0
	Surplus/deficit*	+3.9	+4.8	+12.2	+12.6	+20.0	+21.5	+24.0	+11.8	+11.3	+6.1	+6.4
Coffee	Production	3.8	4.6	4.8	5.8	6.1	5.5	6.2	6.0	6.6	6.8	7.3
	Consumption	4.0	4.7	4.8	5.2	5.6	5.7	5.9	6.0	6.1	6.2	6.2
	Surplus/deficit*	-4.9	-2.4	+1.0	+12.5	+8.9	-2.2	+4.3	-0.3	+8.1	+11.0	+17.6
Cotton	Production	12.1	12.4	13.9	17.3	18.4	19.6	19.2	19.0	18.0	18.2	18.8
	Consumption	12.2	13.3	14.3	15.8	18.6	18.5	19.2	19.3	18.8	19.7	19.6
	Surplus/deficit*	-0.9	-6.5	-2.7	+10.0	-1.1	+6.0	-0.3	-1.6	-4.1	-7.7	-4.1
Sugar	Production	72.6	79.6	84.4	98.4	110.8	118.3	125.7	125.8	128.8	134.0	127.2
	Consumption	71.8	74.4	87.8	97.8	107.5	114.3	118.0	119.5	120.5	123.6	126.1
	Surplus/deficit*	+1.0	+7.0	-3.8	+0.6	+3.1	+3.5	+6.5	+5.3	+6.8	+8.4	+0.9
Tea	Production	1.3	1.5	1.9	2.3	2.5	2.6	2.7	2.8	3.0	2.9	3.0
	Consumption	1.3	1.5	1.8	2.2	2.5	2.5	2.6	2.7	2.9	2.9	2.8
	Surplus/deficit*	+0.6	+0.8	+2.4	+2.9	+2.7	+3.0	+3.8	+3.7	+6.4	+2.8	+5.4
Primary aluminium	Production	10.3	12.8	16.1	16.6	19.3	19.7	20.8	22.4	22.6	23.6	24.5
	Consumption	10.0	11.4	15.3	16.8	19.1	20.6	21.9	21.8	21.8	23.4	24.9
	Surplus/deficit*	+3.0	+12.4	+5.1	-1.6	+1.2	-4.2	-4.7	+2.4	+3.7	+1.1	-1.8

Commodity		1970	1975	1980	1985	1990	1995	1996	1997	1998	1999	2000
Refined copper	Production	7.6	8.2	9.3	9.7	10.9	11.8	12.7	13.5	14.1	14.6	14.8
	Consumption	7.3	7.4	9.4	9.9	10.7	12.1	12.5	13.0	13.4	14.2	15.1
	Surplus/deficit*	+4.3	+10.1	-0.6	-1.8	+1.1	-2.6	+1.2	+4.0	+5.4	+2.8	-2.0
Unwrought nickel and nickel alloys, ’000 tonnes	Production	585	693	731	777	861	941	960	1,016	1,043	1,029	1,102
	Consumption	575	580	743	767	835	980	899	927	997	1,054	1,141
	Surplus/deficit*	+1.7	+19.4	-1.6	+1.3	+3.2	-4.0	+6.8	+9.6	+4.5	-2.3	-3.4
Refined tin (primary and secondary), ’000 tonnes	Production	227	228	244	215	239	212	226	229	227	231	247
	Consumption	217	214	219	213	245	236	236	242	239	245	272
	Surplus/deficit*	+4.6	+6.6	+11.5	+0.8	-2.3	-10.0	-4.4	-5.0	-5.0	-5.3	-9.1
Primary zinc	Production	5.3	5.6	6.3	6.5	6.7	7.2	7.4	7.5	8.0	8.4	9.1
	Consumption	5.0	4.9	6.2	6.3	6.7	7.6	7.6	7.7	8.0	8.4	8.7
	Surplus/deficit*	+5.6	+12.6	+0.1	+3.4	+0.1	-5.5	-2.0	-2.0	+0.6	+0.2	+4.5

* Annual production surplus (+) or deficit (-), as per cent of consumption. N.b. The percentages might not exactly match the production and consumption totals shown on this table, due to rounding.

Source: UNCTAD, *Commodity Yearbook 2003*

Table 3. Developing countries and territories:
shares of the leading agricultural commodities in total exports, 1997-99

Country/ territory	**Export earnings of top single agricultural export commodity**				**Export earnings of top three agricultural export commodities**		
	Percentage share in		**Earnings**		**Percentage share in**		
	Total merchandise exports	**Total agricultural exports**	**as a percentage of GDP (1998)**	**Commodity**	**Total merchandise exports**	**Total agricultural exports**	**Commodities**
Burundi	75	83	7.2	Coffee, green	89	99	Coffee, green; tea; sugar refined
Niue	71	95	an	Taro (cocoa yam)	75	100	Taro (cocoa yam); honey; bananas
Sao Tome and Principe	69	97	16.9	Cocoa beans	70	100	Cocoa beans; coffee, green; copra
Ethiopia	62	69	5.4	Coffee, green	75	84	Coffee; dry-salted sheepskin; crude org. mat.
Malawi	59	74	23.8	Tobacco leaves	70	87	Tobacco leaves; tea, sugar (centrif., raw)
St Lucia	54	84	5.5	Bananas	62	96	Bananas; beer of barley; fruit, fresh
Uganda	54	69	4.0	Coffee, green	63	81	Coffee, green; tea; crude org. mat.
Guinea-Bissau	48	91	6.3	Cashew nuts	51	98	Cashew nuts; cotton; palm
Tonga	44	66	2.0	Pumpkins	61	90	Pumpkins; crude org. mat.; vanilla
Rwanda	43	60	1.3	Coffee, green	68	96	Coffee, green; tea; skins, wet-salted goats
Vanuatu	43	54	6.1	Copra	66	83	Copra; veg. prod. fresh or dried; beef
Kiribati	42	100	5.9	Copra	42	100	Copra
Burkina Faso	39	77	4.9	Cotton lint	45	88	Cotton lint; cattle; sheep
Cyprus	39	74	na	Cigarettes	42	80	Cigarettes; potatoes; grapefruit and pomelos
Paraguay	39	54	1.1	Soybeans	53	72	Soybeans; cake of soya; cotton lint
Gaza Strip	39	48	4.5	Ghee (from cow milk)	58	71	Ghee (from cow milk); oranges, potatoes
Grenada	38	70	3.0	Nutmeg	49	90	Nutmeg; cocoa beans; wheat flour

Chad	37	71	5.7	Cotton lint	48	92	Cotton lint; cattle; goats
St Vincent	37	47	5.8	Bananas	68	86	Bananas; flour of wheat; rice
Côte d'Ivoire	36	58	14.4	Cocoa beans	46	74	Cocoa beans; coffee, green; cocoa paste
St Kitts Nevis	35	90	*NA*	Sugar (centrif., raw)	38	99	Sugar; beverages (non-alcoholic); fat prep.
Cuba	35	72	4.6	Sugar (centrif., raw)	43	88	Sugar (centrif., raw); cigars; tobacco
Comoros	34	69	1.5	Vanilla	49	100	Vanilla; cloves (whole and stems); copra
Benin	33	83	5.9	Cotton lint	38	96	Cotton lint; cotton seed; oil palm
Norfolk Island	32	100	na	Crude org. mat.	32	100	Crude org. mat.
Mali	30	63	7.2	Cotton lint	44	93	Cotton lint; cattle; sheep
Dominica	27	62	6.3	Bananas	31	73	Bananas; plantains; oil (of coconuts)
Kenya	26	42	6.5	Tea	44	71	Tea; coffee, green; crude org. mat.
Belize	26	40	4.5	Sugar (centrif., raw)	51	81	Sugar (centrif., raw); bananas; orange juice
Ghana	24	76	5.5	Cocoa Beans	28	88	Cocoa beans; cocoa butter; pineapples
Ecuador	24	65	5.9	Bananas	29	78	Bananas; crude org. mat.; coffee
Guyana	24	59	3.3	Sugar (centrif., raw)	40	99	Sugar (centrif., raw); rice; beverages
Guatemala	24	39	18.2	Coffee, green	40	66	Coffee; sugar (centrif., raw); bananas
Fiji Islands	23	79	7.5	Sugar (centrif., raw)	25	86	Sugar; molasses; taro (cocoa yam)
Panama	23	53	1.8	Bananas	29	68	Bananas; sugar (centrif., raw); coffee
Togo	23	51	na	Cotton lint	36	80	Cotton lint; coffee, green; cotton
Somalia	23	49	3.7	Cotton lint	36	80	Cotton lint; coffee, greem; cotton

Honduras	22	55	6.5	Coffee, green	30	75	Coffee, green; bananas; cigars cheroots
Zimbabwe	22	49	7.3	Tobacco leaves	29	66	Tobacco leaves; cotton lint, sugar (centrif., raw)
Costa Rica	21	32	6.6	Bananas	40	62	Bananas; coffee, green; crude org. mat.
Mauritius	20	90	1.2	Sugar (centrif., raw)	21	93	Sugar; live animals; beef, prep.
Swaziland	20	43	9.3	Sugar (centrif., raw)	32	71	Sugar (centrif., raw); food prep.; sugar conf.
Gambia	20	43	12.9	Groundnuts shelled	34	72	Groundnuts; groundnut oil; cake (groundnuts)
Nicaragua	19	36	5.1	Coffee, green	29	55	Coffee, green; beef and veal; sugar (centrif., raw)
Djibouti	18	71	na	Cattle	24	99	Cattle; sugar; crude org. mat.
Colombia	16	50	1.7	Coffee, green	26	79	Coffee, green; crude org. mat.; bananas
Tanzania, United Rep. of	16	24	1.2	Cashew nuts	42	62	Cashew nuts; coffee, green; cotton lint
Sri Lanka	15	67	3.1	Tea	17	78	Tea; coconuts; rubber natural dry
El Salvador	15	62	4.5	Coffee, green	18	77	Coffee, green; sugar raw; food prep.
Afghanistan	14	23	na	Skins (goats)	38	64	Skins (goats); grapes; raisins
Myanmar	13	63	0.7	Beans, dry	17	82	Beans dry; sesame seed; natural rubber
Dominican Republic	13	28	*na*	Sugar (centrif., raw)	24	51	Sugar (centrif., raw); coffee; cocoa beans
Sudan	13	17	0.7	Sesame seed	38	47	Sesame seed; sheep; crude org. mat.
Barbados	12	36	1.3	Sugar (centrif., raw)	22	70	Sugar (centrif., raw); beverages; food prep.
Madagascar	12	34	0.8	Coffee, green	21	60	Coffee, green; cloves (whole and stems); vanilla
Samoa	12	30	1.3	Copra	33	79	Copra; fruit prepared; oil (of coconuts)
Central African	11	51	1.4	Cotton lint	21	96	Cotton lint; coffee, green; cattle

Rep.							
Dem. Rep. of the Congo	10	71	1.4	Coffee, green	13	91	Coffee, green; crude org. mat.; cocoa beans
Suriname	10	49	0.6	Milled paddy rice	19	93	Milled paddy rice; bananas; rice, husked
Solomon Islands	10	43	4.8	Oil of palm	18	77	Oil of palm cocoa beans; copra
Papua New Guinea	10	41	4.7	Coffee, green	19	78	Coffee; oil of palm; cocoa beans
Bolivia	10	30	*na*	Cake of soybeans	19	59	Cake of soybeans; oil of soybeans; soybeans
Uruguay	10	20	1.3	Beef	20	41	Beef; rice; beef
Viet Nam	10	43	3.4	Milled paddy Rice	17	77	Milled paddy rice; coffee, green; rubber
Niger	9	29	1.1	Cigarettes	20	67	Cigarettes; cattle; onions dry
Liberia	9	93	na	Rubber natural dry	10	100	Rubber dry; cocoa beans; oil of palm
Cambodia	9	76	1.3	Rubber natural dry	10	85	Rubber; crude org. mat.; must of grapes
Haiti	8	50	0.4	Coffee, green	14	83	Coffee, green; mangoes; cocoa beans
Pakistan	7	52	0.6	Milled paddy rice	9	72	Rice; sugar refined; crude org. mat.
Jamaica	7	33	1.4	Sugar (centrif., raw)	13	56	Sugar raw; bananas; beverages dist. alcoholic
Mongolia	7	23	na	Hair	15	50	Hair; skin with wool, sheep; skin, sheep
Argentina	7	16	0.9	Cake of soybeans	17	36	Cake of soybeans; oil of soybeans; wheat
Wallis Futuna Is.	7	100	1.2	Crude org. mat.	7	100	Crude org. mat.
Syrian Arab Rep.	7	25	0.0	Cotton lint	12	46	Cotton lint; wheat; tomatoes

Micronesia	6	60	0.9	Oil of coconuts	11	100	Oil of coconuts; copra
Mozambique	6	32	0.4	Cotton lint	14	80	Cotton lint; cashew nuts (shelled); sugar
Malaysia	5	54	0.3	Oil of palm	6	69	Oil of palms; rubber; oil of palms kernels
Peru	5	44	1.5	Coffee, green	7	62	Coffee, green; vegetables prep; asparagus
Namibia	5	43	1.2	Beef	11	94	Beef; cattle; sheep
Cameroon	5	28	5.1	Cocoa beans	12	63	Cocoa beans; coffee, green; cotton lint
Jordan	5	22	2.0	Oils hydro-genated	10	50	Oils hydrogenated; sheep; tomatoes
Brazil	5	16	0.4	Coffee, green	13	43	Coffee; soybeans; cake of soybeans
Nepal	5	27	0.5	Flour of wheat	12	65	Flour of wheat; sugarcane; lentils
Tunisia	4	50	na	Oil of olive	6	68	Oil of olive; dates; cigarettes
Am. Samoa	4	100	1.1	Pet food	4	100	Pet food
Lao PDR	4	53	na	Coffee, green	6	83	Coffee, green; buffaloes; cattle
Cook Islands	4	50	0.2	Papayas	6	85	Papayas; crude org. mat.; mangoes
Mauritania	4	49	1.2	Cattle	7	89	Cattle; sheep; goats
Eritrea	4	42	1.8	Sesame seed	8	93	Sesame seed; sheep; skin, dry salted sheep
Bhutan	4	29	1.1	Oranges	7	51	Oranges; flour of wheat; fruit, fresh
Botswana	3	63	na	Beef	4	75	Beef; food prep; sugar conf.
Guinea	3	45	1.3	Coffee, green	5	82	Coffee, green; cattle; cotton lint
Senegal	3	39	0.6	Oil of groundnuts	6	65	Oil of groundnuts; cotton lint; cashew nuts
Egypt	3	32	1.9	Cotton lint	6	58	Cotton lint; milled rice; potatoes
Thailand	3	24	0.2	Milled paddy rice	6	46	Milled paddy rice; rubber; sugar
Congo	3	24	0.7	Sugar (centrif., raw)	4	25	Sugar raw; cocoa beans; cigarettes
India	3	20	0.2	Milled paddy	6	41	Rice; cake (soybeans); crude org. mat.

				rice			
Chile	3	18	na	Wine	7	43	Wines; grapes; apples
Bahamas	3	79	0.1	Beverages	3	88	Beverages; fruit prep; grapefruit & pomelos
Korea, Dem. People's Rep. of	3	36	0.6	Straw, husks	7	81	Straw, husks; mushrooms; tobacco leaves
Lebanon	3	15	1.5	Apples	7	37	Apples; crude org. mat.; oranges
Bangladesh	2	58	0.2	Jute	3	91	Jute; tea; vegetables fresh
Lesotho	2	47	1.9	Wool, greasy	3	71	Wool; food wastes; vegetables prep.
Oman	2	40	1.0	Chocolate products	3	58	Chocolate products; flour of rye; goat meat
Nigeria	2	39	0.2	Cocoa beans	3	68	Cocoa beans; rubber, natural; oil of palm
Philippines	2	35	0.5	Oil of coconuts	3	55	Oil of coconuts; bananas; crude org. mat.
Zambia	2	30	0.4	Sugar (centrif., raw)	5	60	Sugar raw; cotton lint; tobacco leaves
Indonesia	2	21	na	Rubber natural dry	5	51	Rubber dry; oil of palm; coffee, green
Trinidad and Tobago	2	18	0.5	Beverages	4	44	Beverages; sugar; beverages, dist. alcoholic
Morocco	2	16	0.7	Oranges	6	44	Oranges; tangerines; tomatoes
Turkey	2	12	0.9	Hazelnuts, shelled	5	27	Hazelnuts, shelled; tobacco leaves; raisins
Equatorial Guinea	2	99	0.7	Cocoa beans	2	100	Cocoa beans; cocoa husk; coffee, green
Neth. Antilles	2	65	0.3	Milled paddy rice	2	86	Milled paddy rice; sugar; food prep.
Iran, Islamic Rep. of	2	30	0.5	Pistachios	3	46	Pistachios; oil of soybeans; skin, sheep
Antigua and Barbuda	1	93	0.1	Beverages	1	100	Beverages; dist. alcoholic, food prep.

Brunei Darussalam	1	89	na	Duck meat	1	93	Duck meat; beverages; food prep.
Singapore	1	30	na	Cigarettes	1	45	Cigarettes; beverages, dist. alcoholic; pepper
Venezuela	1	22	0.0	Cigarettes	1	34	Cigarettes; sesame seed; coffee, green
Mexico	1	11	0.2	Coffee, green	3	29	Coffee; beer of barley; tomatoes
China	1	10	na	Crude org. mat.	1	21	Crude org. mat.; maize; milled paddy rice
Aruba	1	81	na	Cigars cheroots	1	97	Cigars cheroots; whole milk; food prep.
French Polynesia	1	45	0.5	Oil of coconuts	2	90	Oil of coconuts; crude org. mat.; vanilla
China, Macao	1	38	0.2	Cigarettes	1	70	Cigarettes; wool; beverages, dist. alcoholic
Cape Verde	1	35	na	Apples	1	59	Apples; crude org. mat.; pastry
Gabon	1	54	na	Rubber, natural dry	0	93	Rubber, natural dry; oil of palm; cocoa beans
United Arab Emirates	1	24	0.2	Cigarettes	1	38	Cigarettes; dates; nuts
Bahrain	<1	20	0.6	Oil of maize	1	56	Oil of maize; oil of palm; flour of wheat
Korea, Republic of	<1	17	0.4	Pork	1	44	Pork; crude org. mat.; food prep.
Kuwait	<1	10	na	Fruit juice	<1	26	Fruit juice; beverages, non-alcoholic; flour of wheat
British Virgin Islands	<1	100	na	Fruit, fresh	<1	100	Fruit, fresh
Guam	<1	100	na	Crude org. mat.	<1	100	Crude org. mat.
St Pierre & Miquelon	<1	100	na	Food prep.	<1	100	Food prep.
Iraq	<1	88	na	Dates	<1	96	Dates; sugar conf.; skin, dry salted sheep
Montserrat	<1	79	na	Vegetables fresh	<1	100	Vegetables fresh; fruit prep.; beef and veal
Angola	<1	77	0.3	Coffee, green	<1	100	Coffee, green; hides wet salted cattle

Algeria	<1	42	0.2	Dates	<1	72	Dates; pastry; wine
Greenland	<1	42	na	Fur skins	1	81	Fur skin; crude org. mat.; mutton & lamb
Qatar	<1	39	na	Sheep	<1	72	Sheep; mutton and lamb; tea
Libyan Arab Jam.	<1	37	na	Skin (sheep)	<1	62	Skin with wool, sheep; onions; groundnuts
Seychelles	<1	27	0.2	Cinnamon (canella)	1	68	Cinnamon; beverages, dist. alcoholic.; crude org. mat.
China, Taiwan Prov.	<1	27	na	Crude org. mat.	<1	43	Crude org. mat.; food prep.; pork
New Caledonia	<1	20	na	Crude org. mat.	<1	46	Crude org. mat.; vegetables; beverages, non-alcoholic
Yemen	<1	19	0.2	Coffee, green	1	39	Coffee, green; coffee, roasted; oils
China, Hong Kong SAR	<1	17	na	Cigarettes	1	34	Cigarettes; chicken meat; crude org. mat.
Saudi Arabia	<1	8	0.2	Skim milk, of cows	<1	22	Skim milk, of cows; butter; chicken meat
Falkland Is	NA	100	na	Wool, greasy	na	100	Wool, greasy
Marshall Is	NA	99	na	Oil of coconuts	na	100	Oil of coconuts; cake of coconuts; crude org. mat.

<1: a percentage less than 1.
na: not available
Source: FAOSTAT