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PRESS RELEASE

FOR IMMEDIATE RELEASE

June 18, 2004

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UN Conference on Trade and Development Takes Positive Step Forward

New Task Force on Commodities Will Focus on Global Farm Crisis

Sao Paulo - The United Nations Conference on Trade and Development (UNCTAD) meeting came to a close today with developing countries continuing to stand together and demand fair trade policies from developed nations. A new initiative to address low agricultural commodity prices was a significant step forward, according to the Minneapolis-based Institute for Agriculture and Trade Policy.

Agriculture continued to be a sticking point in discussions. Echoing their position at the World Trade Organization Ministerial in Cancun last year, developing countries were critical of developed countries for dumping agricultural commodities at below cost of production prices onto world markets, causing enormous harm to farmers in the developing world. The Institute for Agriculture and Trade Policy has documented the levels of dumping of five major commodities by U.S. companies onto the world market. (See www.tradeobservatory.org)

In response to the global farm crisis, UNCTAD took the significant step of announcing a special Task Force on Commodities to come up with solutions to low prices. The specifics of the task force have yet to be worked out, but civil society farm groups are emphasizing the critical need to address agricultural export dumping, and the need for government intervention to address market failures that are driving commodity prices down.

“It is a very positive signal that UNCTAD XI recognizes the need to focus its work on commodities and in particular on the instability of world commodity prices and the failure of those prices to cover basic costs for farmers,” said Alexandra Strickner, director of IATP's Trade Information Project.

Civil Society also emphasized the need for producer groups to be part of the task force, and adequate funds to move the task force forward. The civil society forum at UNCTAD, which included representatives from farm organizations around the world, strongly supported greater involvement in the commodity trade by UNCTAD, including inventory management and global commodity agreements.

“The establishment of a task force on commodities gives hope that governments will finally tackle the root causes of the commodity crisis: the lack of public instruments to stabilize prices. Low and unstable prices have been destroying livelihoods of small farmers worldwide for decades, in particular in the South,” said Ndiougou Fall, of the West African association of peasant organizations, ROPPA, based in Senegal. “This initiative will only be successful, if producer groups representing peasant farmers in the south in particular, will be included in this task force.”

For full coverage of the UNCTAD XI meeting, go to: www.iatp.org/unxtadxi.

The Institute for Agriculture and Trade Policy promotes resilient family farms rural communities and ecosystems around the world through research and education, science and technology, and advocacy.