

## **UN-ESTABLISHED COMMODITIES FUND**

### **AIMS TO AID LEAST DEVELOPED COUNTRIES**

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Faced with a long-term decline in agricultural commodity prices, an intergovernmental financial institution established by the United Nations said today it has given special attention in its new Five-Year Action Plan to the least developed countries which depend on agriculture for 80 per cent of their export earnings.

The Managing Director of the Common Fund for Commodities (CFC), Rolf Boehnke, told a forum at UN Headquarters in New York that agricultural commodities are still the backbone of the economies of the large majority of the least developed countries (LDCs), having a considerable impact on the livelihood of more than 700 million people.

The Amsterdam-based CFC, an autonomous intergovernmental financial institution established under the auspices of the UN Conference on Trade and Development (UNCTAD), operates with the novel approach of commodity focus instead of the traditional country focus, seeking more generally applicable solutions to commodity problems benefiting many commodity producing countries.

It finances development projects that aim on the one hand to improve structural conditions in markets and enhance long-term competitiveness and prospects of particular commodities, and on the other hand to assist developing countries, in particular LDCs, to function effectively in a liberalized global economy.

Currently 106 countries, including 42 LDCs are members of the Common Fund. The European Community (EC), the African Union (AU) and the Common Market for Eastern and Southern Africa (COMESA) are institutional members.

The meeting was the third in a series of Open Forums for Partnership organized by the Office of the UN High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. They aim to provide a platform to the development partners, in particular to the entities of the UN system located outside New York, to share information and perspectives relating to their work in support of the development efforts of these three vulnerable groups of countries.