

FAO COMMITTEE ON COMMODITY PROBLEMS
Sixty-eighth Session
Rome, 14-16 June 2010
Special Event on Agricultural Market Volatility

Date of event: 15 June 2010 14:00–17:00

Objectives:

One of the priority themes of work established by FAO this biennium is agricultural market volatility. FAO Members are particularly concerned about the growing susceptibility of international and domestic markets to bouts of market volatility and more importantly what policies they should pursue to manage an increasingly unpredictable environment.

In this context, FAO is organizing a special event at the forthcoming Committee on Commodity Problems (CCP) meeting which will take place during 14–16 June 2010. Attended by senior policy-makers or senior advisors to policy-makers, the CCP is FAO's single forum that serves to guide Members on market and trade issues. The three-hour event will be discussion-oriented, initiated and led by a small panel of eminent experts and practitioners from around the world, followed by a Q & A session among those attending. Discussion themes will be centred on topics such as commodity exchanges, trade policy issues, stock policies, speculation and others.

The special event will serve as a non-technical forum to enlighten/empower delegates on how market volatility – both in the domestic and international context – can arise, and how volatility can be managed. Through open and out-of-the-box discussions with internationally renowned experts, it is hoped that Members will be better informed about the host of policy options and coping mechanisms that can be employed to mitigate the adverse effects of volatility.

The event will adopt a 'panel' format with

- A brief introduction on “why commodity market volatility matters” by the Director-General of FAO and the Secretary-General of OECD (to be confirmed).
- Brief presentations (10–15 minutes) by panellists in their area of expertise.
- A Q & A session to foster interaction between delegates and experts (1.5 hours).
- Comments on the discussion and issues raised by the panellists.
- A summary of the main points by a senior FAO Officer.
- One or more background documents by the FAO Secretariat, as well as a list of issues to be addressed, will be circulated in advance and be available to delegates

Structure of the panel

Chair and discussion moderator. Hafez Ghanem, Assistant Director-General, Economic and Social Development Department, FAO.

Panellists and topics addressed

- The influence of speculation on market stability: **Christopher Gilbert**, Professor of Economics, University of Trento, Italy
- The role of organized commodity exchanges in managing global and regional market volatility: **Eleni Gabre-Madhin**, Chief Executive Officer, Ethiopia Commodity Exchange, Ethiopia
- The role of domestic stocks in managing domestic market volatility: lessons from Asia **Mohammad Ismet**, Senior Advisor, BULOG, Indonesia.
- The effects of trade and domestic policies on market volatility: **Alberto Valdes**, Department of Agricultural Economics, Pontificia Universidad Católica de Chile, Chile.
- The role of global and regional stocks and trade in managing domestic market volatility: **Stefan Tangermann**, Former Director, Trade and Agriculture, OECD and Professor Emeritus, Department of Agricultural Economics and Rural Development, University of Göttingen, Germany.

Synthesis and conclusions. Alexander Sarris, Director, Trade and Markets Division, FAO.