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**Statement by H.E. Mr Mauro Vieira,
Minister of Foreign Affairs of Brazil,
to the 116th Session of the International
Coffee Council on 9 March 2016**

His Excellency Mr Iván Romero-Martínez, Chairman of the International Coffee Council,

His Excellency Mr Tefera Derebew, Minister of Agriculture and Natural Resources of the Federal Democratic Republic of Ethiopia,

His Excellency Mr Emile Christophe Mota Ndongo, Minister of Agriculture, Fisheries and Livestock of the Democratic Republic of the Congo,

His Excellency Mr Wondirad Mandefro, State Minister of Agriculture and Natural Resources of the Federal Democratic Republic of Ethiopia,

Distinguished delegates,

Mr Robério Oliveira Silva, Executive Director of the International Coffee Council,

I would like to begin by congratulating Ambassador Iván Romero, on being selected to chair the International Coffee Council. I have no doubt that his experience and understanding will help to ensure the success of this week of meetings.

It is a great pleasure for me to be here in Ethiopia for the opening ceremony of the 116th Session of the International Coffee Council. In expressing my gratitude to the people and Government of Ethiopia for kindly hosting this week's events in Addis Ababa, I should like to add that I feel doubly honoured: not only is Ethiopia recognised throughout the world as a cradle of humanity, but it is also the origin of the plant that we have come here to discuss and celebrate.

Coffee is very important to Brazil, a great sponsor and committed Member of the International Coffee Organization.

As one of the first countries to sign the International Coffee Agreement 1962, Brazil regards the ICO as a key intergovernmental forum for dialogue between coffee exporters and importers. Under the leadership of its Member countries, the ICO provides all stakeholders in the global coffee economy with a common platform for cooperation which favours market transparency, the removal of obstacles to trade and the promotion of sustainability.

Coffee has been an extremely important economic resource in Brazil since the 19th century. Nowadays, with a much more diversified economy, Brazil is still the world's largest producer, accounting for around 30% of global output. Nearly 8 million people in the country are connected directly or indirectly to the coffee trade, and agricultural production alone involves over 300,000 farms in almost 2,000 localities.

Brazilian coffee production is largely ensured by small farmers who operate on the basis of economic, social and environmental sustainability, while the country's employment and environmental legislation is made up of a broad range of regulations which prevent unfair and inhumane forms of employment, such as child labour. The law also ensures that good land-use practices are applied, and that the creation of nature conservation areas is mandatory. Cooperative schemes, which are common in the Brazilian coffee sector, ensure that small producers earn an income equivalent to up to 85% of the product's international price.

Brazil is not only the world's largest coffee producer but is also its second-largest consumer. It is no exaggeration to say that coffee drinking is an important part of our national identity, with coffee being our most widely consumed hot beverage. Brazilian experience suggests that one of the ICO's most important roles is to promote coffee consumption, particularly in countries where it is low and the potential for market growth is high. Another expected benefit is that greater world coffee consumption would help to reduce price volatility.

Brazil always takes a keen interest in matters under discussion in the ICO. The current strategic review of the Organization offers an excellent opportunity for the Organization to adapt better to the contemporary international scenario. If the ICO is to serve its Members more effectively and consolidate its position as a leading forum for dialogue and the exchange of information for the world coffee sector as a whole, it must do its utmost to sharpen its strategic focus.

Economic sustainability is a growing concern among exporting countries. Per capita income growth throughout the world and in the emerging countries in particular fuelled expectations that international prices would remain at levels more favourable to producers. Successive problems, however, especially in the wake of the 2008 crisis, mean that low prices and high volatility now tend to be the norm in these markets.

By way of example, in January 2016, the ICO composite indicator registered its lowest level for two years. The Organization plays a very important role in helping to clarify the causes of these persistent low prices and high volatility in the international coffee market. With better information and more effective assessments, Member countries can examine ways to promote economically sustainable conditions for all.

The uncertainty surrounding climate change adds a further level of complexity to the challenges facing the world coffee sector, particularly small producers. The ICO must continue to act as a conduit for communication between the global coffee sector and financing mechanisms so that the countries concerned can take adequate and effective measures to adapt.

To increase consumption with stable prices, promote the health benefits of coffee drinking, encourage economic, social and environmental sustainability programmes, remove obstacles to trade at all levels of the supply chain and promote strategies to adapt to the effects of climate change – all these tasks fall within the remit of the ICO and are priorities for Brazil. We must pursue our joint efforts to ensure that the Organization continues to play its part and becomes an even more relevant institution in the 21st century than it was in the 20th century.

Before I draw my speech to a close, I should like to offer my sincere congratulations to the Executive Director, Robério Oliveira Silva, and to all members of the Secretariat who have been working with the Government of Ethiopia to ensure a very successful week of meetings. The events during the next few days are yet another example of the Executive Director's persistent efforts over the past four years to modernise the ICO and make it even more relevant. Since 2012, 11 new Member countries have joined the Organization. In seeking efficiency and productivity, a number of administrative measures have been adopted which I am sure will provide a firm foundation on which the Organization can build in years to come.

I should like to take this opportunity to inform the Members of the International Coffee Council that it is Brazil's hope that Mr Robério Silva's contract as Executive Director of the ICO will be renewed for a further five years to allow him to continue his excellent work at the head of the Organization.

I will conclude by wishing all those present a productive week of debates and discussions.