

COFFEE

ORGANIZACION ORGANIZAÇÃO ORGANISATION INTERNATIONAL DEL INTERNACIONAL DO INTERNATIONALE DU

DEL CAFE DO CAFÉ DU CAFE **ORGANIZATION**

EB 3597/96 (E)

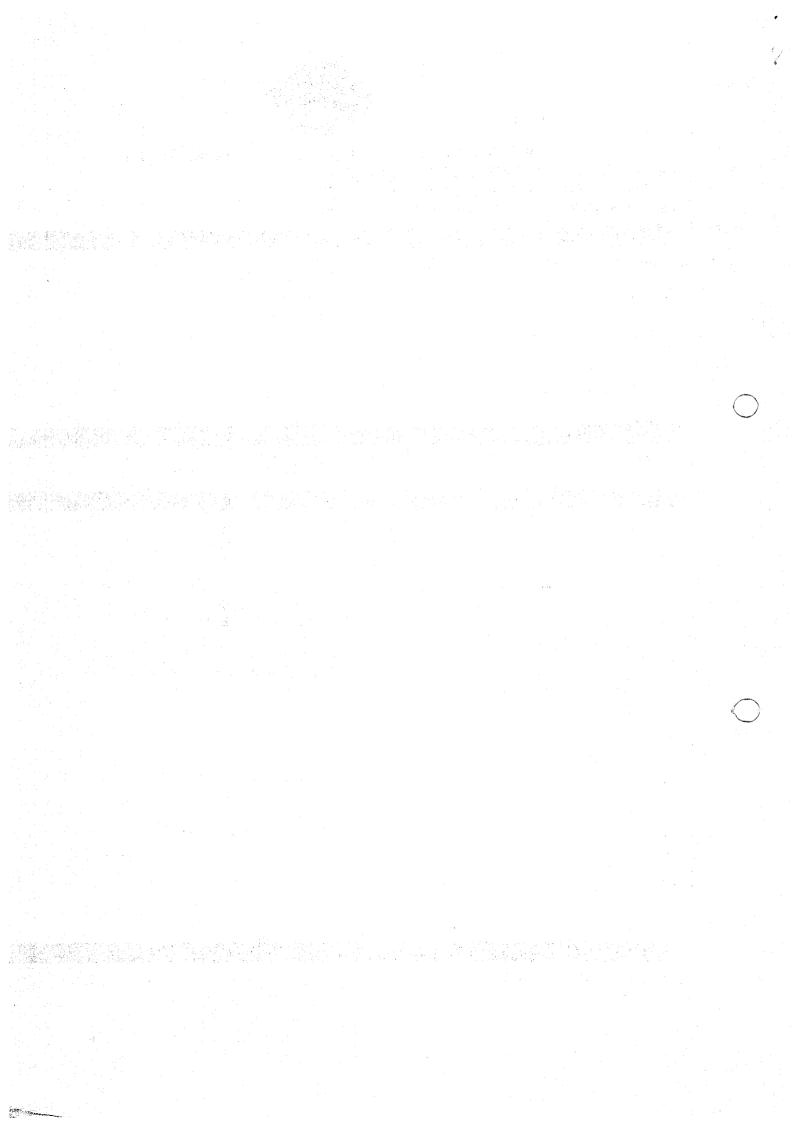
3 July 1996 Original: English

Article 35 of the Agreement

SEMINAR ON COFFEE AND THE ENVIRONMENT 27 AND 28 MAY 1996

REPORT OF THE EXECUTIVE DIRECTOR

Executive Board/ International Coffee Council 23 - 27 September 1996 London, England



SEMINAR ON COFFEE AND THE ENVIRONMENT 27 AND 28 MAY 1996

REPORT OF THE EXECUTIVE DIRECTOR

- 1. In accordance with a decision taken by the International Coffee Council at its Sixty-eighth Session in September 1995 (see paragraph 20 of Decisions and Resolutions of the Council, document ICC-68-5) a Seminar on Coffee and the Environment was held at the headquarters of the Organization on 27 and 28 May 1996.
- 2. The proposal for the Seminar was originally presented by the Executive Director (see document EB-3551/95) taking into account the provisions of Article 35 of the Agreement, which requires Members to give due consideration to the sustainable management of coffee resources and processing, bearing in mind the principles and objectives on sustainable development established by the United Nations.
- 3. The Seminar was chaired by Mr. Walter A. Bastiaanse, Deputy Head of the Division for Multilateral Economic Relations of the Ministry of Economic Affairs of the Netherlands. The Rapporteur was Mr. C.P.R. Dubois, Chief of Secretariat Services of the Organization. The programme was as follows:

27 May 1996

Introduction by the Executive Director, Mr. Celsius A. Lodder

Sustainable development and environmental economics,

Ms. Ivonne Higuero (United Nations Environment Programme (UNEP), Nairobi)

Agricultural commodities and the environment,

Mr. Mehmet Arda (UNCTAD, Geneva)

Sun versus shade: coffee trends and consequences; **Mr. Robert Rice** (Smithsonian Migratory Bird Center, Washington, D.C.)

Impact of coffee production on the environment in Côte d'Ivoire (in French), Mr. O. Denis Seudieu (Commodities Ministry, Côte d'Ivoire/ICO)

The world in a cup of coffee - a case study in opinion moulding from Sweden, Mr. Calle Åkerstedt (Swedish Coffee Information)

of 20 to 25 percent in prices received would be needed to secure high quality standards for such coffee. However such a rise, at least in Germany, would result in only a 6 to 9 percent increase in retail prices, which should be acceptable to consumers.

14. It was recognized that different environmental priorities obtained in different regions. For instance Robusta was normally grown without shade, but also processed by the dry method, thus avoiding contamination from processing effluent. In Côte d'Ivoire, for instance, the priority was to avoid further destruction of natural forests by slash and burn agriculture. Here the use of chemical fertilizers to enhance the life of coffee farms could reduce the incentive of farmers to move on and clear more forest, and so have a positive environmental impact. The situation in Arabica-growing countries was also variable. In India for instance growing coffee without shade was actively discouraged. However, in other countries, growing without shade was the traditional system. Thus environmental issues relating to coffee should be approached more on a regional than a global basis. A worldwide study, perhaps through cooperation between the UNEP and the ICO, could be envisaged to identify optimal regional strategies for sustainable coffee production. This would have the benefit of clarifying the perception of environmental issues relating to coffee, which sometimes are generalized on the basis of problems relevant to one region only.

Environmental aspects of coffee processing (28 May, morning)

- 15. In Costa Rica an interesting finding has been that recycling water in coffee processing plants may actually improve quality.
- 16. It was important to clarify terminologies, a role that perhaps the ICO could fulfill. For instance "organic coffee" produced with no agrochemicals could be compared with "integrated coffee" produced with low inputs of agrochemicals. The term "natural coffee" was also relevant.

17. The representative of the Common Fund for Commodities stated that the Fund was very interested in the environmental aspects of commodity production. Packaging was one area, which could affect more than one commodity.

Coffee trade and sustainable development (28 May, afternoon)

- 18. The Panel Session involved short presentations by the three panellists followed by open debate. Mr. Bolscher described various European ethical trading initiatives, involving sales of some 200,000 bags a year. The basic principles were concern for people in coffee-producing countries and concern for nature, although with emphasis on the former. Ethically traded coffee was a commercially viable option.
- 19. Mr. Katzeff described the areas of concern of the Environmental Policy Committee of the SCAA. There was no contradiction between organic coffee and high quality standards. He described the increase in trading over the years, firstly in specialty coffees and lately in certified organic coffees. Importers were very ready to cooperate where demand exists. He had developed a series of criteria for sustainable coffee.
- 20. Mr. Schluter stressed the importance of cooperation with the trade and the need for greater flexibility and open mindedness. For instance many people saw "ethical trading" as contravening normal trade practices and hence there was a lack of sympathy from mainline roasters. However, excepting firms concerned mainly with their three-monthly results, environmental issues should be a matter of legitimate commercial concern to roasters. More information on these factors was needed, which should be disseminated to the private sector. The idea of "integrated" as well as "organic" certification was an interesting one.
- 21. In the general debate which followed a number of further comments and proposals were made, which can be summarized as follows:

- that consideration be given to the formation of an Environmental Advisory

 Committee on Coffee;
- that comparative studies be carried out on the costs and returns of organic coffee vis-à-vis other high quality coffee;
- that contacts be made with international bodies and global lending institutions with programmes for sustainable agriculture in order to develop projects in this area;
- that the ICO should act as a think-tank for the dissemination of information
 on sustainable coffee production;
- that a global study be conducted to document and review all existing
 regulations and standards concerning coffee and the environment;
- that international standards be established for jute and sisal bags used for transporting coffee to make them reusable or recyclable;
- that encouragement be given to a simplification and reduction in costs of organic coffee certification, perhaps by stimulating the formation of certifying bodies in countries of origin;
- that standards be established for water quality in coffee processing; and
- that the private sector should cooperate with Governments on matters
 concerning the sustainable production of coffee.
- 22. The Chairman, in his concluding remarks, stated that this was the first Seminar held under the International Coffee Agreement 1994, and taking into account the provisions of Article 35 of the Agreement. The participation by United Nations agencies had been particularly welcome. It had been a very interesting event, which should be followed up by the Organization through establishing links with other bodies active in the field of sustainable agriculture and perhaps through round table meetings on some of the specific issues that had been raised.

23. The Executive Director thanked all the participants for their contributions. The objective of bringing people together had been achieved. A recognition had emerged that the matters discussed were complex but progress on ways of dealing with them was possible and indeed very much under way. Details of the Seminar and its conclusions would be presented to the International Coffee Council for its consideration in September 1996.

