



Organización Internacional del Café
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PSCB 102/07

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Report

**Report of the Private Sector
Consultative Board
on the meeting of 23 May 2007**

1. The Private Sector Consultative Board (PSCB), chaired by Mr. Christian Rasch-Topke of ANACAFE, met on 23 May 2007.

Item 1: Adoption of the Agenda

2. The PSCB adopted the draft Agenda contained in document PSCB-101/07 Rev. 1.

Item 2: Report on the meeting of 25 January 2007

3. The PSCB approved the Report on the meeting of 25 January 2007 contained in document PSCB-100/07.

Item 3: Food safety aspects

Food safety legislation in consuming countries

4. The Chairman drew the Board's attention to document WP-Board 1030/07 which summarised food safety legislation requirements in consuming countries. The PSCB took note of this document and further noted that the ICO had submitted a contribution to the Codex discussion paper on Ochratoxin A (OTA) which had been circulated to the Codex Committee on Contaminants.

OTA

5. Dr. Euan Paul reported that there had been little change relating to OTA since the last meeting of the Board. A document was still awaited and its publication was expected in the summer or autumn of 2007. He understood that there would be no change to the limits on

soluble and roasted/ground coffee and no reference to green coffee. However, he had also been told that this was open to revision at any time. There had been an increasing number of rapid alerts and it was vital that there was an effective system in place relating to certification in both exporting and importing countries.

6. The PSCB noted that the purpose of the rapid alert system was as an early warning and information system for EU customs and food safety authorities. The web address for the rapid alert system was: http://ec.europa.eu/food/food/rapidalert/index_en.htm.

Acrylamide

7. Dr. Paul reported that there had been no major change in relation to acrylamide. However, the situation in the United States was less clear because of a law suit involving Kentucky Fried Chicken (KFC) regarding labelling, in the course of which coffee had been mentioned.

Furan

8. As had been reported in previous meetings, little was known on the subject of furan. A study was under way in Europe but considerable doubt existed about how it could be measured accurately. One of the laboratories normally used in Europe had abandoned its normal testing procedures.

9. In the course of discussion, members reiterated the need to look at these issues holistically: there was no evidence that any of these substances had a detrimental effect on health. The delegate of the National Coffee Association of the USA (NCA) noted that there was concern that some soluble coffee sold through the private labelling system might not consist entirely of coffee: i.e. that it was mis-labelled. No testing had been carried out to date but, if true, this would be of great concern. Turning to the KFC case, he said that there would be public warning labels regarding acrylamide in KFC stores. Dr. Paul agreed that it was disturbing that, even in highly respected laboratories, results could change according to individual technicians. It was critical that sampling procedures were absolutely accurate and consistent: the inability to conduct sampling tests accurately was the reason tests on green coffee had been resisted.

10. In response to a question relating to the alert regarding shipments of soluble coffee from Ecuador highlighted at the previous meeting, it was reported that the Secretariat had contacted the relevant authorities within the country. It was still too early to ascertain if the problem had ceased: it might have related to only one shipment.

11. The PSCB took note of these reports.

Item 4: Coffee and health

12. The Programme Coordinator made a presentation on the salient features of the Positively Coffee programme. There were three new topics: coffee and hydration, coffee and its components; and coffee and blood pressure. The members' area of the Positively Coffee website had been further developed to include more direct access to materials, slide presentations on all topics, and new podcasts. In addition, the Programme Coordinator had been asked to participate in a number of key seminars and exhibitions, a banner stand had been designed, and website support had been given to coffee associations. Of particular interest was the publicity given to the programme at the International Coffee Congress held in Bangalore, India in February 2007.

13. The Programme Coordinator gave a presentation on the Health Care Professions – Coffee Education Project. 2006 had been the final year of a successful three year programme in each of the participating countries: Finland, France, Italy, the Netherlands, Russia and the UK. All these countries would continue with a coffee and health programme and two new markets, Spain and Portugal, would be added in the course of 2007. A full report on the Programme, including case studies and learning outcomes, would be available on CD-Rom later this year to all members.

14. The PSCB took note of these reports and thanked the Programme Coordinator for her contribution.

Item 5: Implementation of the Coffee-Quality Improvement Programme (CQP)

15. The Executive Director introduced document EB-3930/07 containing a progress report on the CQP. Progress continued to be made, with the number of countries implementing Resolution 420 having risen to 27 with the addition of Cuba and Uganda. Contacts had been maintained with NYBOT and LIFFE on harmonizing elements of the ISO standard on green coffee defects. NYBOT would consider the matter shortly and inform the Organization of the outcome, while LIFFE had not received any approach from its members to express interest in harmonizing the standards: only the exchanges' members could generate any action in this respect.

16. The delegate of the NCA reported that there had been significant changes in personnel after the take-over of NYBOT and that this might be a good time to re-establish contact. The representative of the Speciality Coffee Association of Europe (SCAE) said that it was desirable to keep this item high on the agenda: it was encouraging that two further countries were complying; there was a need for more information on quality which could help the Executive Director to improve the quality of statistical data.

17. The PSCB took note of this information and further noted that the SCAE and the Specialty Coffee Association of America (SCAA) had developed informative programmes. It was suggested that it might be interesting to receive presentations on these developments at the next meeting of the PSCB.

Item 6: Future of the International Coffee Agreement (ICA 2001)

18. The Executive Director reported that the Working Group had met in January, March and May 2007. The suggestions contained in document PSCB-93/06 had been considered fully by the Working Group. One of the most important contributions of the PSCB had been the introduction of a mission statement, and a concise but comprehensive text had been included in Article 1 of the draft Agreement. Most items of controversy had been resolved, particularly those relating to votes and the institutional structure. The Executive Board had been eliminated and three new Committees had been created to look after specific areas and to avoid duplication. It was clearly stated now in Article 1 that the objective of the Agreement was to strengthen the global coffee sector and promote its sustainable expansion in a market-based environment for the betterment of all participants in the sector. Summarising, the Executive Director indicated that significant progress had been made and that a large part of the work had been completed.

19. The representative of the European Coffee Federation (ECF) reported that he had compared documents PSCB-93/06 and WP-WGFA 3/07 Rev. 2 in detail. Significant improvements had been made in the areas of the mission statement and objectives, including sustainability, market dynamics, statistical information, research and development, studies, surveys and reports, and projects, and the proposed new structure of the ICO would be better suited to deliver results. He noted however that the new Agreement did not allow for input by the PSCB into the agenda of the Council. Several delegates expressed their appreciation to the Council for taking into account the PSCB's input.

20. Another delegate raised the question of whether an additional person should be nominated to the PSCB, as suggested by the Chairman of the Promotion Committee, to opine on scientific matters, as a non-voting member. After some discussion, it was agreed that the new Agreement did not need to be amended to alter the structure of the PSCB, but that scientific issues could continue to be addressed and be included in its agenda as required. Another delegate said that there should be more formality in the reports made to the Council and a more formal route should be followed. This would become even more important if the Executive Board ceased to exist. The PSCB took note of this information.

Item 7: International Coffee Genome Network (ICGN)

21. The PSCB noted that there were no developments to report on the ICGN since the previous meeting.

Item 8: Recommendations to the Council

22. The PSCB noted that the Board's recommendations to the Council had already been discussed at some length in the course of the meeting and that the Chairman's report to the Council as well as the report of the meeting would reflect this.

Item 9: Other business

Brazilian soluble coffee industry

23. The Vice-President of the Brazilian Soluble Coffee Industry Association (ABICS) asked the Executive Director to use his good offices to convey to the European Union the considerable concern of Brazil regarding high tariffs for Brazilian soluble coffee. The delegate from the ECF commented that a 0% import duty had been implemented by the European Union for a number of years and that 85% had been set aside for Brazil. However, the EU had discontinued this quota for unknown reasons. The ECF gained no advantage from this and had informed the EU that the import quota could have been continued. However, it acknowledged that this was part of a broader picture including the World Trade Organization (WTO) and Mercosur. The delegate from ABICS noted that a tax of 9% on soluble coffee exports from Brazil had been linked to a drug suppression programme. However, in its view, this had little to do with drugs and should be referred to a special forum since the WTO would take too long. He requested the ICO to establish a working group between the parties.

24. The Executive Director confirmed that this issue should form part of the Chairman's report. However, the ICO's role was not to commence negotiations with the EU, although it could act as facilitator. The delegate from the EU commented that this had been the subject of an initiative from Brazil to the EU: Brazil was not alone in this since the same applied to, inter alia, Indonesia. The matter lay more within the remit of the Trade Department within the EU rather than his department, which dealt with development. It was agreed that further discussions should take place with respect to the possibility of setting up such a working group, with the ICO acting as facilitator.

Cooperation with other organizations: the 4Cs

25. The delegate from the ECF reported on progress: the 4Cs had ceased to be a project and had become an Association. A paper had been distributed at the meeting informing members about the most recent developments. The first General Assembly had taken place in April 2007 at which there had been two highlights: the endorsement of the verification tools and the endorsement of the support concept and the support activities. The delegate from the National Coffee Council (CNC) of Brazil confirmed that the Executive Board of the 4Cs had been nominated and he had been elected its first President. The next major step

would be the launch of the verification process, planned for 1 October 2007; training courses were being developed and the first meeting of the Committee was scheduled for August 2007.

Observers

26. The Chairman raised the question of observers at the PSCB. The Executive Director noted that this was primarily a question for the PSCB itself. The representative of the SCAE said that their view was clear: any delegate from a Member should be able to attend any PSCB meeting; anybody else should only be able to do so at the invitation of the Chairman; requests to attend should therefore be cleared through the Chairman. The PSCB took note of this information.

Coffee Rust Research Centre

27. Dr. van der Vossen of the Coffee Rust Research Centre (CIFC), Oeiras, Portugal gave a presentation on the work of the CIFC which addressed the question of coffee and health with a focus on the plant. It had hitherto been supported by the FAO and other entities, but additional long term funding was needed. He would like to present a request for funds to the Board in order to continue the work into leaf and berry rust which attacked coffee plants in Africa in particular. The Centre's budget for 5 years amounted to euros 1.97 million of which the Portuguese Government provided euros 0.825 million; he was seeking the balance.

28. Dr. Illy commented that the Centre focussed on the only known method of identifying a rust resistant plant which was a subject of great scientific importance affecting the future of coffee. The PSCB took note of this information.

PSCB representatives and election of Chairman and Vice-Chairman

29. The Secretary reported that the term of office for current PSCB representatives expired in September 2007. The Executive Director would issue a document inviting Members to consult their current PSCB representatives to ascertain if they would be willing to be nominated for a further two years, or to suggest alternative representatives. The Council would appoint the PSCB representatives nominated by Members at its September session. The Chairman asked PSCB representatives to advise their Member governments accordingly in time for the September meetings.

30. The Secretary also reported that the Board would need to appoint a Chairman and Vice-Chairman for 2007/08. Ms. Florence Rossillion had been elected Vice-Chairman of the PSCB for 2006/07 and, in accordance with the PSCB's normal practice, would be appointed as Chairman for 2007/08. The Chairman asked members to consult amongst themselves and nominate candidates for the role of Vice-Chairman in time for the next meeting.

31. The PSCB took note of this information.

Item 10: Future meetings

32. The PSCB noted that its next meeting would take place on Wednesday 26 September 2007.