

**STATEMENT BY THE PRESIDENT OF GUATEMALA,
ÁLVARO COLOM CABALLEROS
AT THE OPENING SESSION OF THE THIRD WORLD COFFEE CONFERENCE
GUATEMALA
26 FEBRUARY 2010**

Official Greetings.

First and foremost I would like to welcome you to this '*Flor del café*', this coffee flower in the heart of America. It is an honour and a privilege for the State of Guatemala, for the people of Guatemala, to hold this Conference in our country, a country that began the process of developing its coffee industry with the arrival of the first coffee trees from Africa in 1703. This industry, which provided the basis for Guatemala's development over many years, has now been joined by other products, but coffee remained the mainstay of Guatemala's economy for a very long period.

Thank you all. Special thanks are due to Anacafé for having accepted this task, this responsibility for being a co-organizer of this Conference: 'Coffee for the Future: Towards a Sustainable Coffee Sector'. From my years of experience among the rural communities of Guatemala I can say that coffee is like a product virtually flowing in our veins. Guatemala is blessed with many microclimates, has eight coffee regions, a great variety of altitudes, terrains and soils that permit an equally wide variety of coffee, and these features have helped Guatemala to making many improvements to our coffee production.

I think my advisers are going to worry that I'm not reading from a text. But it is true that coffee is almost in our veins, it's our food, and we are fortunate that it employs over 400,000 people, accounting for 7% of our economically active population, and is a product that has enjoyed great diversity. This is why Guatemala rejoices and feels honoured to have you all in our country, coming from all over the world, with more than 1,200 people registered – and I'm afraid the number will reach 1,500! But I thank you all for being here in this '*Flor del Café*' in the heart of America. But I also want to thank the coffee pioneers who travelled by mule at the beginning of the last century to open up coffee farms – and I have seen such farms in the backlands of Quiché – 600 mules were used to establish the coffee mill on the La Perla property deep in the backlands of Chajul.

It gives me pleasure to see the progress made by coffee cooperatives in Guatemala for both small- and medium-scale producers. I think that coffee farming is an activity that is spreading everywhere, like tourism, an activity more like a rake than a hoe, reaching into all parts of the country and all communities.

I would particularly like to express thanks for the presence of the Secretary-General of UNCTAD, the Managing Director of the Common Fund for Commodities, the President of Anacafé, Mr Ricardo Villanueva, and Dr Néstor Osorio, whom I had the honour to meet during these months of organization. A warm welcome to Guatemala.

Coffee is a product that has a highly significant impact: the crisis that began around the year 2000 provoked a serious crisis in many countries, particularly in countries like Guatemala, which were dependent on coffee, but I was always of the opinion that the crisis was not necessarily a disaster and could even provide an opportunity. This proved to be the case for the coffee sector in Guatemala, but as I learned in the course of organizing and preparing for this Conference, this also happened all over the world: the coffee sector has recovered throughout the world, becoming more competitive.

Guatemala no longer exports only parcels of parchment coffee, it now exports roasted coffee as well. The industry now has a proper coffee chain that permits higher value addition for the country and I believe it was the crisis that led to this consolidation and organization at national level but also world-wide.

The National Coffee Association of Guatemala was established one and a half years before the International Coffee Organization and this led to the creation of an Organization and the International Coffee Agreement, an Organization which has today enabled all producers and buyers to come together in this Conference and reap mutual benefits.

Last year was not a good year, it was a year complicated by the world financial crisis and many other difficult circumstances but, thank goodness, it was not as bad as the years of the coffee crisis in 2000, 2001 and 2002. This would have made things very much worse.

Happily, during the crisis last year coffee made a significant recovery. Thanks to the efforts of thousands upon thousands of producers and thousands upon thousands of exporters and thousands upon thousands of importers, I believe that coffee has had almost four years of significant growth and increased added value. But from conversations I have had with friends involved in coffee – I'm not in the coffee business myself though I am a coffee lover, I drink coffee but do not grow it – I can really say I believe that it was that organization, that mystique which achieved this growth. I have seen for myself our joint projects with Anacafé and Funcafé, I have seen the coffee mills in San Pablo and San Marcos, I have seen how the coffee production chains are being transformed and this is the beauty of coffee!

Guatemala exports 4.7 million bags of coffee and we are the world's fifth biggest exporter, with 40% of our agricultural exports accounted for by coffee and 7% of the economically active population engaged in coffee farming in eight coffee regions as I mentioned earlier. I don't know how much time Delegates participating in this Conference will have to get to know Guatemala, but I assure you it is a magical country, a country from which to enter the

heart of the Maya world. We have 23 cultures, an infinite number of microclimates, we have mountains, lowlands, rivers, we have everything and it is an honour to have you here with us today.

And something that has caught my attention as a result of my close association with Anacafé – and we have government representatives in Anacafé – is the permanent struggle with competitiveness, the permanent battle in which all coffee producers are engaged, all producers, whether small-scale, medium or large, are fighting to achieve greater competitiveness for their coffee. It makes me genuinely proud to recall how once, when I was on an official visit to Taiwan I found a group of Guatemalan coffee producers staying at the same hotel selling gourmet coffee; but what gave me the greatest pleasure, apart from meeting Guatemalans in such a faraway country, was the fact that they were doing good business, they were obviously pleased with themselves and, in Guatemala, when you see a businessman looking happy it is because things are going well, so I think the coffee industry is a great industry.

Coffee has evolved; I don't know whether this is true or false but someone once told me, and assured me it was true, that it was two Guatemalans who developed soluble coffee. This was in 1910 and they developed it in Guatemala but did not take out a patent. Their names were Lehnhoff and Cararrusa. Well, Guatemala is happy and proud to have you here today.

I believe we have friends from Africa among us. I would like to thank Africa for two important contributions to Guatemala. The first is coffee, though I believe there is some controversy as to whether it comes from Ethiopia or Yemen. We do not know, but we do know that the first coffee to arrive in this country came from Africa in 1703 and has been important to the country since then.

And the second is something you will hear today at the cocktail reception: the marimba. Some historians do not accept that the marimba is African but it is African. And the marimba is also the spirit of the Guatemalan, the spirit of our Mayan cultures. At this afternoon's cocktail reception the first song you will be hearing is called '*Flor del Café*'. It is a historical melody which is legendary in Guatemala because coffee is a legend in Guatemala, a reality, a product that has given life to the country, giving it wellbeing, employment and economic stability.

To all coffee producers and consumers, present here today, I want to say thank you on behalf of my Government and the people of Guatemala. I thank you because you are part of an organized and virtually global industry, and I pray that the market will continue to grow and that the spirit of sharing, rather than merely competing, will be maintained; after all, sharing is not necessarily the opposite of competing, it may be a better way of gaining improved markets.

I would like once more to thank Néstor and Anacafé for their organization of this Conference, but especially the International Coffee Organization for having given Guatemala the privilege and honour of having you in our country, a country which, as I have already told you is a magical country, genuinely endeavouring to overcome its problems and build on its potential. God bless you all and may you have an excellent Conference, producing the results we all hope to achieve.

Thank you.