



**INTERNATIONAL
COFFEE
ORGANIZATION**

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**Communication from the
Government of Brazil**

The Executive Director presents his compliments and, for the information of Members, attaches a communication from the Government of Brazil which requests that it be circulated to Members of the Organization and to the Sherpas of the Coffee Public-Private Task Force.



PERMANENT REPRESENTATION OF BRAZIL
TO INTERNATIONAL ORGANIZATIONS IN LONDON

Rebraslon-046/2021

The Permanent Representation of Brazil to International Organisations in London presents its compliments to the International Coffee Organization (ICO) and has the honour to refer to the discussions being held at the Working Group for the Renewal of the Agreement, specifically those concerning the absorption of the private sector by the Organization.

Brazil would like to acknowledge the progress achieved in the negotiations heretofore. We consider the current negotiations of a new agreement an extraordinary opportunity to modernize the Organization, which today suffers from a lack of clear purpose. Our challenge is to confer more realism to the work of the ICO by incorporating the private sector, which is responsible for the whole coffee chain, from production to trade to industrialization to consumption and marketing.

Brazil's proposal is to allow not only associations representing private companies to join the Organization, but also representatives of the civil society, such as NGOs, members of the academic world, financial institutions and UN organizations. We would therefore, exclude single private companies, in order to prevent corporations from imposing their particular agenda on the ICO. By being represented by associations, every stakeholder's agenda is diluted in an agenda of the association, and further still in an agenda of the private sector as a whole.

Having the private sector present in the organization will allow a fruitful and permanent dialogue with governments that can enhance the scope of the organization. Their presence would contribute to form consensus on how to tackle problems that affect not only the whole chain, but also those that respect single members. ICO would remain an intergovernmental organization, although dealing with an agenda that is not only of the public sector but of the

coffee sector as a whole. In order to join, associations and institutions from civil society should be sponsored by a member country, and approved by the council.

Brazil considers this to be the only way to move forward in a democratic and free market environment. It is Brazil's conviction that we have to work within the boundaries of the free market. Going back to an outdated quota system would represent an undesired governmental intervention in the market. Free markets, however, can create distortions, as we all know. It is the member countries' duties to identify these imbalances and work restlessly together with others members as well as with the private sector and the representatives of civil society in order to address them.

Concerning the Coffee Public Private Task Force, Brazil would like, once more, to express its satisfaction with the results achieved so far. We would like to take this opportunity to thank everyone involved, for their hard work and commitment to build a better and more equitable world. We would also like to reiterate our gratefulness to the support of the development agencies of Germany and Switzerland.

We think that the existing workstreams are addressing issues that concern all members, as well as the whole sector, such as those that form the ESG thematic. Such issues have to be dealt in a systematic way, not only through the present Task Force exercise. They have to be permanently on the agenda of the ICO, as well as, hopefully, on the domestic agenda of each of its members. Every stakeholder, be they producer or roaster, it is our understanding, will have sooner or later to adhere to many of those principles, if they are to fulfill the expectations of consumers all around the world.

Nevertheless, Brazil understands that some of the problems that affect producing countries, such as guaranteeing fair price for green coffee and fair access to world market, have so far not being properly addressed by the Task Force.

We recognize that the work of the CPPTF is only in its initial stages. So far it has demonstrated its functionality, engaging member countries, private sector, third sector

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organizations and UN bodies in constructive discussions. It is our view that the Task Force must be enshrined in the new agreement, as an operative arm of the Organization that would allow this work to be pursued. Only through it the Organization will be able to address many of the problems that are pervasive to the whole coffee chain.

Brazil is confident that the negotiations regarding the renewal of the agreement are heading to a positive, mutually-beneficial outcome and should soon lead to consensus in all remaining topics of discussion. It is our expectation that the present discussions can be finalized in the next few months, before the end of the current year.

Brazil kindly requests this *Note* to be circulated among member countries, as well as the Task Force Sherpas.

The Permanent Representation of Brazil to International Organisations in London avails itself of this opportunity to renew to the Secretariat of the International Coffee Organization the assurances of its highest consideration.

London, 16 August 2021