

The Executive Director, Mr. Néstor Osorio, addressed the 16th International Coffee Seminar of Santos in Guarujá, Brazil on 17 May 2006. The theme of his address was the market situation and the future outlook over the next ten years, with particular emphasis on consumption and, in particular, consumption in coffee producing countries.

The Executive Director reviewed the situation of the coffee market, noting that at present with a forecast of world production in 2006/07 of around 120 million bags, compared with consumption of around 118 million bags, there was a greater balance between supply and demand than had been the case for many years. The challenge would be to develop appropriate policies broadly to maintain this balance. Mr. Osorio made a detailed analysis of consumption in coffee producing countries and highlighted that promoting such consumption was an important policy objective at the ICO. The example of Brazil was a major reference point since it had succeeded in doubling domestic consumption from 8 million bags in 1988 to 16 million bags in 2006. The ICO had used this positive experience to commission a detailed manual to serve as a guide to other producing countries on ways of increasing local consumption and this matter will be one of the main themes at ICO meetings in London at the end of May 2006.