



Organización Internacional del Café
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**Future of the
International Coffee Agreement 2001**

**Communication from the
All Japan Coffee Association (AJCA)**

Background

The attached document has been received from the All Japan Coffee Association. In the covering communication the AJCA indicated that the document had not yet been discussed with the Japanese Government.

Action

The PSCB is requested to note this document.



ALL JAPAN COFFEE ASSOCIATION

3rd Floor, MAX Build. Annex, 6-2, Nihombashi Hakozaicho, Chuo-ku, Tokyo, 103-0015, JAPAN
Tel. (03) 5649-8377 Fax. (03) 5649-8388 E-mail:ajcaoff@iris.ocn.ne.jp

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CONCEPT OF AJCA FOR THE FUTURE OF THE ICA

The All Japan Coffee Association, representing coffee trade in Japan, expresses its desire for the future of the International Coffee Agreement beyond the end of September 2007 as follows, having realized the importance of Japan's continuous presence at the ICO to promote international cooperation on coffee matters, since coffee is now indispensable as a part of the life of Japanese consumers who are fully dependent upon import of coffee from abroad.

1. Since the ICA2001 became effective, the world coffee market has experienced until now a wild fluctuation of prices, being affected by the inflow of a huge amount of hedge funds. Accordingly, ARTICLE 1 of the ICA2001 does not seem to cover the necessary objectives and the diversified needs of the coffee community fully towards the future.
2. In order to deal with the issues necessary for all members in the world coffee industry, such as regulations against pesticide residues and OTA or also traceability, it would be better to review the articles of the current Agreement rather than its simple extension.
3. It would also be desirable to accomplish the objectives of the Agreement in an effort of practicability and transparency with an open discussion under the next Agreement, avoiding political tactics as far as possible.
4. It is expected for the next Agreement, therefore, to accelerate sustainable development of the world coffee industry, with the fundamental adjustment of interest between producers and consumers in the international forum under the commodity agreement, reinforcing solidarity and cooperation among the Member countries.
5. Particularly we trust that the standardized implementation of the following issues throughout the producing countries and consuming countries under the uniform policy would bring economic benefit to the world coffee industry:
 - traceability to be established through the supply chain from coffee farm to consumers;
 - consultation and cooperation for preventing obstacles such as pesticide residues and toxic mould;
 - collection and dissemination of the results of studies on coffee and health;
 - effective measures to be discussed for preservation of ecology;
 - study and analysis for structure of the world coffee demand and supply;

The AJCA also considers it would be desirable to reduce the frequency of ICO meetings, in order to make them more concentrated and fruitful, also taking into account the burden placed on the participants traveling from the countries far from London.

Utilizing advanced communicating technology between the ICO headquarters and the Member countries, attendants to the meetings can be well prepared if they are provided with full information of the draft agenda and others opinion in advance.

It would be sufficient, therefore, to hold the meetings of PSCB twice a year in May and September, Executive Board in May and Council in September, each once a year only. Temporary meeting, however, could be held at any time if necessary.

The AJCA solicits the ICO Members to hold a serious discussion on these issues, while also expressing definite intention to assist the further activities of the ICO as a Member of PSCB.

ALL JAPAN COFFEE ASSOCIATION



Keiji Ohta
Chairman