



International Coffee Organization
Organización Internacional del Café
Organização Internacional do Café
Organisation Internationale du Café

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**Future of the
International Coffee Agreement 2001
Proposal to establish a Research Fund**

Background

The attached proposal to establish a Research Fund has been received from Dr. Ernesto Illy, Chairman of the Institute for Scientific Information on Coffee (ISIC).

Action

The PSCB is requested to consider this proposal.

RESEARCH FUND

The future of coffee and many other agricultural products depends on research on improving quality.

The applied research which is carried out for this purpose depends on basic research which has been undertaken in the past.

Many organizations are willing to contribute to applied research projects with important results, like the many projects sponsored by the ICO and financed by the CFC, but none seem willing to finance long-term basic research.

Basic research is the mother of applied research and a lack of investment in basic research will sooner or later also extinguish applied research.

I would like to propose that in considering the future of the Agreement and new Articles, consideration be given to creating a Fund devoted to financing long-term basic research programmes.

We should remember that basic research programmes have a low percentage of successful results (<5%) with high financial costs. The Fund should therefore have a rotating character and successful projects should contribute to replenishing the initial investment.

If there is interest in considering this proposal, I would be able to provide information about a successful model, the “Fondo di Rotazione”, an institution in the Trieste region that has been active for many years, with very positive results.