



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

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Private Sector Consultative Board  
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London, England

**The Future of the International  
Coffee Agreement (ICA) 2001**

**Communication from the  
National Coffee Association of U.S.A., Inc.**

### **Background**

The attached communication has been received from the National Coffee Association of U.S.A., Inc.

### **Action**

The PSCB is requested to consider this document.

**The Future of the International Coffee Agreement  
National Coffee Association of U.S.A.  
Executive Summary<sup>1</sup>**

The National Coffee Association has engaged a facilitated, strategic working group of diverse members of the US industry in formulating its recommendations. NCA also relied on its decades of experience as an active participant at the ICO. While there are some formatting variances, the overall approach, recommendations and philosophical posture of the US industry generally parallel that of the U.S. Government.

As an inter-governmental organization with formalized private sector involvement, the ICO is uniquely positioned to deliver value benefiting governments and all facets of the coffee economy. Inherent to the success of the ICO is the development of a vibrant, relevant organization that meets the future needs of its members and the global coffee industry.

As the industry has changed significantly over the past four decades, so must the ICO to rekindle its relevancy. Ensuring the delivery of value rests on a sound, modernized and applicable foundation in the form of an International Coffee Agreement based on a concise, sharply focused mission statement.

It is suggested that the following be considered as the ICO mission: To strengthen the global coffee industry in a free market environment, including the sustainable expansion of the market, through leveraging private sector/public sector cooperation for the betterment of all participants in the coffee value chain.

NCA suggests that the ICO would deliver value by focusing its work and objectives on the following target areas:

- 1. Information Clearinghouse** – ICO can uniquely serve as a clearinghouse for coffee information, executed for example through a virtual library of research and information that is comprehensive and technologically accessible, engaging a searchable Web-based database.
- 2. Market Dynamics** – ICO can herald the importance of the free marketplace, such as by focusing on market transparency, risk management, supply-chain management, and the elimination of trade barriers.
- 3. Sustainability** – Sustainability has been discussed at the ICO for some time, but is core to the mission of other forums. ICO would best utilize its resources by recognizing ISO third-party certification agency standards, serving as a clearinghouse for global sustainability programs, promoting the development of traceability and trackability, and sponsoring sustainability workshops designed to disseminate information with NGO participation.
- 4. Fostering Innovation** – ICO can deliver tremendous value as a catalyst to foster innovation in the coffee sector, uniquely positioned to fill a vacuum in

private/public integration to stimulate global innovation. As such, ICO can develop specific, measurable criteria for the identification of relevant innovation projects that could then be directed to appropriate funding bodies and partner with universities and think tanks.

5. **Science, Research & Development** – ICO is positioned well as center for excellence in research and development, drawing on private and public resources, fostering research such as a coffee gene pool, positive health aspects of coffee, processing, waste management and food safety.
6. **Promotion** – ICO can be a leader in promoting international cooperation on coffee matters, at the same time promoting increased global consumption and promoting quality in a manner that enhances customer satisfaction by market segment.
7. **Education** – ICO is positioned to continue its role as an educator with a mandate to act as a center for the promotion, collection, dissemination and publication of information, including statistics and studies, on coffee matters to, in part, promote technology transfer.
8. **Consumers vs. Producers** – ICO would serve the global industry best as an issues-driven organization promoting collaboration based on issues rather than value-chain position. Recognizing the benefits of an organization that makes decisions via a consensus model, there may be a limited necessity for a voting structure, wherein equity may mandate equal importer/exporter vote apportionment; however, this system should not require distributive majorities.
9. **Role of Private Sector Board** – A strengthened PSCB role will facilitate ICO's efforts to adopt policy and programs that align with the realities of the commercial market, and it should be integrally linked to the decision-making process for project work. Systems to ensure PSCB recommendations should be given appropriate weight in decision-making and agenda setting. It is the position of the National Coffee Association that small producers are currently represented on the PSCB through the recognized producer associations.
10. **Projects** – The ICO must adopt clearly articulated, objective criteria to evaluate project proposals, with criteria preceded by development of an overall strategic objective that delineates the practical goals of ICO project work. Dissemination and effective use of the valued results are dependent on ICO creating a searchable Web-based database, organized by key words.

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<sup>1</sup> A comprehensive paper detailing the suggestions contained herein is available from NCA upon request. A comprehensive, facilitated strategic approach was used in developing NCA's position; copies of the proceedings are also available upon request.