



Organización Internacional del Café
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Organisation Internationale du Café

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**Future of the International
Coffee Agreement (ICA) 2001**
Communication from Angola

Background

The following communication on the future of the ICA 2001 has been received from Angola.

Action

The International Coffee Council and Executive Board are requested to consider this document.

**MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF ANGOLA**

13 March 2006

Dr Néstor Osorio
Executive Director
International Coffee Organization

Dear Sir,

**Subject: Discussions on the Future of the
International Coffee Agreement 2001**

The Republic of Angola has considered and taken note of the information contained in document ED-1973/05 of 1 November 2005 regarding discussions on the future of the International Coffee Agreement 2001.

The same attention and consideration was given to document EB-3902/05 of 20 December 2005, containing a report on the progress made in achieving the objectives of the 2001 Agreement a year and nine months before the legal expiry of this Agreement for international cooperation on coffee matters.

In compliance with your request, I am attaching a contribution to these discussions by the Angolan Government.

Yours sincerely,

(signed)

Gilberto Buta Lutucuta
Minister

FUTURE OF THE INTERNATIONAL COFFEE AGREEMENT 2001

The Republic of Angola, like other Members of the International Coffee Organization, wishes to make the following comments as a contribution to discussions on the future of the International Coffee Agreement 2001:

- The 2001 Agreement, which is an administrative Agreement without economic clauses, entered into force provisionally on 1 October 2001 and definitively on 17 May 2005 and, until recently, has operated during a serious crisis in coffee prices for producers.
- In these circumstances, this Agreement is still regarded as being an infant that needs to gain enough strength to be able to walk and achieve its real potential.
- The fact that the world's leading consumer has returned to the Organization while a number of countries which have recently become small coffee producers have applied for accession to the Agreement fully justifies the validity of the 2001 International Coffee Agreement.
- For obvious and well-known reasons, we give special importance to the Agreement's key objective, number 2, which in our view has not been fully achieved. The coffee price crisis did not allow producers to obtain the anticipated earnings from their coffee activities for social and economic development programmes, which if carried out successfully could have helped to reduce the terrible poverty afflicting most underdeveloped coffee producing countries.
- Consequently, objectives numbers 6 and 7 were also not satisfactorily achieved. Achievement of these objectives implies a balance both in the world market and in the domestic markets of Member countries, which, in order not to flood the market, should provide adequate supplies of coffee for the world market and consume and/or retain locally any surplus production not required.
- The provisions of objective number 10 must be strengthened. In producing countries efforts on the part of individual governments must be complemented by a strong private sector with access to the latest information on the coffee trade and know-how on risk management for this activity.
- As an instrument for intergovernmental cooperation, the Organization could make provision to include regional or continental groups among its bodies along the lines of the European Union. In this context, we have in mind the IACO, which could replace the OAMCAF, with the difference that the IACO covers all African producers of the two types of coffee.
- The validity of the International Coffee Agreement 2001 justifies amendments adapted to the present situation through established legal procedures: amendments, resolutions, etc. adopted by the International Coffee Council.