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**Statement by H.E. Mr Bayu Krishnamurti
Vice Minister of Trade of the
Republic of Indonesia, to the 111th Session
of the International Coffee Council on
9 September 2013**

Ministers,
Distinguished Delegates,
Ladies and gentlemen,

Good morning to you all.

It is a distinct pleasure for me to have the opportunity to deliver a few remarks in front of distinguished participants of the 111th International Coffee Council in this beautiful city of Belo Horizonte. Brazil is a faraway land but, in full realization of the importance of the event and the country which host this conference, I made the extra effort to arrive here on time.

Indonesia highly values the importance of the International Coffee Organization (ICO) and the meetings of its bodies. Particularly, this is because of the important contribution of the coffee sector to livelihood of millions of Indonesian smallholders and the development of rural areas. Indonesia offers Robusta as well as specialty Arabica, which continues to receive positive recognition from consumers around the world.

The ICO is the appropriate place in which both coffee producing and consuming countries cooperate to attain the best possible benefit for all, and equitably. This is the kind of cooperation that Indonesia has in mind.

Through the meetings of ICO bodies, Indonesia continues to push for fruitful results in terms of maintaining remunerative prices especially for smallholding producers with relatively low income, education and skills.

This entails the continued close and intensive collaboration among stakeholders in the coffee sector to ensure that, among others, there is sustained balance of supply and demand, progress on production of quality and sustainable coffee, and development of a universally recognized system of standard and certification which is simple and non-burdensome for farmers.

The ICO should continue to be the guardian of world coffee and act to the best of its ability to avoid any future collapse of the commodity prices. As a prerequisite, ICO Members have to extend full compliance of the Rules on Statistics and closely cooperate at the ICO Statistics Committee in order to ensure the presence of robust and reliable data on production and consumption, including the organic and differentiated coffee.

The ICO is also the best place to forge collaboration on production of quality and sustainable coffee, including in advancing scientific methods and projects to address pest and diseases, promote productivity and implement good agricultural practices. As the world is increasingly globalized and emphasis is progressively directed towards sustainability of the environment, the coffee sector is required to adjust, contribute and take advantage of the process.

Another highlight of ICO cooperation that Members need to continually push forward is promotion and development of the coffee market. Indonesia highly emphasises the ICO's ability to plan and implement multi-stakeholder projects directed towards these promotional activities, not only in advanced and emerging consuming economies but also in producing countries around the world.

Lastly, and most importantly, Indonesia underscore success of ICO cooperation towards establishing a simple and non-burdensome system of standard and certification which is friendly to farmers. Under the current environment of complex web of private-sector led certification systems, it is the farmer who dearly bear the cost. Therefore, the ICO should quickly come up with a solution.

Indonesia's proposal is for each of the ICO Members to work on establishing a bottom-up, producer-based regional or national sustainability certification system. This regional/national could be a building bloc towards eventual global harmonization under the umbrella of global standard and certification bodies such as the Codex. This is particularly the case when it comes to standard of food safety.

With regard to certification of specialty products and according to source of origin within the meaning of geographical indications, however, it is up for the national governments to decide how they are going to be protected by their national Intellectual Property system and beyond.

Ministers,
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Ladies and gentlemen,

In putting forward the Indonesian viewpoints as above, I am driven by the less fortunate situation of the world where our economies are operating today. The challenge in front of us is a slower-than-expected global economic recovery, with outlook for 2013 growth merely at around 2.3% (World Bank calculation) and 3.1% (IMF calculation).

The IMF maintains that downside risks to global growth prospects still dominate: *“old risks remain, new risks have emerged, including the possibility of a longer growth slowdown in emerging market economies.”*

In any moment of history when world economy goes wrong, the commodity sector will normally be among the most unfortunate casualty. We therefore have the imperative here at the ICO for a more robust and successful work programmes.

In closing, let me once again emphasise the prominent role of the ICO for both of us who produces and consumes. Let me thank you for your time and for the opportunity to speak before this distinguished audience.