



**INTERNATIONAL  
COFFEE  
ORGANIZATION**

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English only

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**Communication from the  
Government of Brazil**

1. The Executive Director presents her compliments and, for the information of Members, attaches a communication from the Government of Brazil on suggested follow-up actions to the webinar “The new EU initiative on deforestation-free supply chain: opportunities for the coffee sector” held on 29 April 2022.
2. The Government of Brazil has requested that this communication be circulated to Members of the Organization and to the Sherpas of the Coffee Public-Private Task Force.



PERMANENT REPRESENTATION OF BRAZIL  
TO INTERNATIONAL ORGANISATIONS IN LONDON

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The Permanent Representation of Brazil to International Organisations in London presents its compliments to the International Coffee Organization (ICO) and has the honour to congratulate the secretariat and the Coffee Public-Private Task-Force for organizing the webinar *The new EU initiative on deforestation-free supply chains: opportunities for the coffee sector*, which was held on April 29<sup>th</sup>, 2022.

Brazil considers that the answers to the questionnaire circulated during the event demonstrate the concern of all stakeholders with the serious consequences for the coffee global value chain of the due diligence, as well as their clear interest in further action by the ICO and the CPPTF regarding the matter.

Brazil regrets that, despite the strong interest demonstrated by ICO member countries, the private sector and civil society organisations in discussing improvements to the new regulation, as well as other means of promoting sustainability in the coffee global value chain, little was achieved by the aforementioned webinar in terms of addressing the concerns of smallholders and of devising effective strategies and policies to curb deforestation.

European Commission officials failed to acknowledge that deforestation is not a widespread problem in the coffee sector and to recognize that the due diligence system created by the new legislation imposes a disproportionate burden of proof to all coffee producers that will disrupt the income distribution along the global value chain and penalize smallholders.

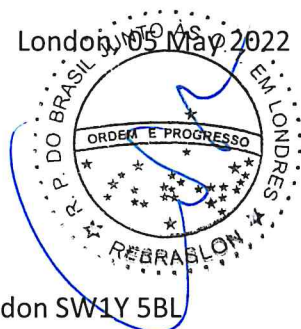
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Therefore, Brazil requests that the ICO take the following measures:

- a) produce a econometrical study on the impact of costs stemming from the due diligence requirements on the international coffee market and income distribution within the coffee global value chain, with special attention to the negative impact on smallholders, and if necessary, outsource it to independent specialists;
- b) deepen the dialogue with the relevant authorities in the European Parliament and the European Council regarding the consequences of the new legislation to the coffee global value chain;
- c) encourage member countries in debating the issue and provide the occasion;
- d) contact other international trade and commodities organisations to discuss common initiatives on the matter;
- e) convey to the European Parliament and the European Council the concerns of the producing countries regarding aforementioned new legislation.

Brazil kindly requests this *Note Verbale* to be circulated among member-countries and Task Force Sherpas as soon as possible.

The Permanent Representation of Brazil to International Organisations in London avails itself of this opportunity to reaffirm its compliments to the secretariat of the International Coffee Organisation for promoting this important webinar and to renew the assurances of its higher consideration.



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