

In his address Mr. Osorio stressed the political and practical importance of the re-entry of the United States of America as a Member of the International Coffee Organization. The USA is the world largest coffee consuming country and from the earliest days of the Organization had played a key role in developing policies for international co-operation on coffee. With the United States the Organization's ability to embark on programmes of benefit to the coffee sector worldwide should be strengthened. This does not involve intervention in the market but rather to influence those aspects which could be conducive to a healthier and more balanced coffee market worldwide. In particular he mentioned the transfer of technology, the improvement of market transparency with improved data handling, and the development of actions and projects to improve processing infrastructure, marketing techniques and in particular coffee quality.

The United States will participate as a full Member at the forthcoming International Coffee Council in May and also be present at the 2nd World Coffee Conference to be held at the end of September in Salvador, Brazil. This latter will bring together Government authorities, representatives of the industry, and producers and consumers of coffee from all over the world to debate the new market realities which have developed over the last 15 years.

The ICO now has not only an almost universal membership by producing countries but also includes the major consuming markets, not only the United States but all the members of the European Union together with important consumers such as Japan, Switzerland and Norway.

Mr. Osorio finally reviewed the current market situation, where he considered that conditions favour the maintenance of current price levels at least until the end of the year. Nevertheless increased activity by hedge funds had created great volatility. In these circumstances it was important that producers should not over-invest in additional production.