

INTERNATIONAL PEPPER COMMUNITY

REPORT OF THE 42ND PEPPER EXPORTERS MEETING

25th November 2011 (08.00 – 12.00)

Senggigi, Lombok Island, West Nusa Tenggara, Indonesia

Introduction

The 42nd Pepper Exporters' Meeting was held on 25th November 2011 at Sheraton Senggigi Beach Resort, Lombok Island, Indonesia. The meeting was held in conjunction with the 39th Session and other Meetings of IPC, which was hosted by the Government of Indonesia and organized jointly by the Ministry of Trade, Government of Indonesia, and the the International Pepper Community.

The Meeting was attended by the officials and trade representatives, exporters' associations and commodity boards from the member countries as well as officials and trade representatives from other pepper producing countries namely People's Republic of China, Cambodia and Nigeria.

The list of delegates is given as *Annex 01*.

1. Adoption of Agenda

The meeting adopted the proposed agenda with the inclusion of an agenda item no. 5 viz. paper presentation by Mr. Alfons van Gullick, President of the European Spice Association. The adopted agenda is given in *Annex 02*

2. Welcome Address by Mr. S. Kannan, Executive Director of IPC

Mr. S. Kannan, Executive Director of IPC welcomed all the official and trade delegates from the member countries and other pepper producing countries. He has also thanked all the officials and trade representatives of the member countries for active participation and arriving at the production, e xports, domestic consumption and carry-over stock for 2011 and projection for 2012 in a preliminary meeting held on 22nd November.

3. Election of Chairman, Vice-Chairman & members of drafting Committee

The meeting unanimously elected Mr. Edward of Indonesia as Chairman of the meeting and Mr. Sarada de Silva of Sri Lanka as Vice-Chairman of the Meeting.

The Vice-Chairman will be the Chairman of the Drafting Committee, which consisted of the following members:

- Mr. Johannes Torrecilas of Brazil
- Mr. Jojan Malayil of India
- Mrs. Yuliani Widjaya of Indonesia
- Mr. Larry Sait of Malaysia
- Mr. W.D.L. Gunaratne Sri Lanka
- Mr. Tran Van Cong of Vietnam

4. Review of the Progress on decisions and recommendations made by the 41st Meeting of Pepper Exporters

Mr. S. Kannan, Executive Director of IPC presented the statement on the recommendations of the last Meeting and the action taken by IPC and member countries in respect of the decisions and recommendations.

The meeting took note on the statement / action sheet is given in *Annex 03*.

5. Presentation of a paper on “Overview on the activities of the European Spice Association” by Mr. Alfons van Gullick, Chairman of European Spice Association

Mr. Alfons van Gullick presented his paper highlighting the latest updates on the EU markets and legislations including the rapid alert notifications on Food Security (RASSF Portal), which was developed by EU Food Authority and new initiatives being undertaken by the Sustainable Spice Initiative and other developments took place in the European Union.

The meeting appreciated the paper presented by Mr. Gullick which is given in *Annex 04*.

6. Presentation of a paper on “World Pepper Trade in 2011/2012”

Mr. Sibi Thomas of AVT McCormick, India made a presentation on “World Pepper Trade”. In his presentation he mentioned about the relationship between production and exports as well as consumption both in producing and consuming countries. He also highlighted the growth in the global consumption of pepper by 2030.

The paper was well appreciated by the Meeting and is given in *Annex 05*.

7. Presentation and discussion of country papers covering pepper production, productivity, cost of production, exports, imports, price trend, domestic and per-capita consumption as well as carry over stock (actual for 2010, estimate for 2011 and projection for 2012) by representatives from IPC member countries

Country papers on pepper production, imports, exports, domestic consumption, and carry over stock for 2010 (actual), estimates for 2011 and projection for 2012 were presented by the following representatives from member countries viz. Mr. Johannes Torrecillas of Brazil, Mr. Jojan Malayil of India, Mrs. Yuliani Widjaya of Indonesia, Mr. Larry Sait of Malaysia, Mr. WDL Gunaratne of Sri Lanka and Mr. Tran Van Cong of Vietnam.

The country papers from Brazil, India, Indonesia, Malaysia, Sri Lanka and Vietnam were given in *Annexes 06, 07, 08, 09, 10 and 11* respectively.

8. Country Reports by other pepper producing countries / non-member countries:

The Country paper from China providing figures on production, exports, consumption and carry over stock for 2010, estimate for 2011 and projection for 2011 was also circulated to the delegates and is given in *Annex 12*.

Mr. Klaus Glatzel of the Memot Pepper Cooperative Association, Cambodia, informed the estimated figures on the production and export figures from the Cambodia. The meeting took note on the data and other information provided by Mr. Glatzel.

In addition to the above, Mr. H. Kurata of Kurata Pepper, Cambodia added that in Cambodia National Pepper Association is not yet formed, hence a realistic data could not be developed. He further requested the IPC to initiate formation of the National Pepper Association in Cambodia to become a member and represent the Cambodia in the future Meetings of IPC. He hoped that in the near future the Cambodia would participate as a member of IPC.

9. Discussion and consideration to revive the IPC Committee on Marketing

After a detailed discussion, the Meeting agreed to revive the IPC Committee on Marketing. It was further decided that as per the proposal the Chairman of the Committee has to be from the trade/industry. The IPC Secretariat is asked to follow up this with trade/industry in member countries for further action.

10. Discussion on developing the IPC Common Sales Contract

While considering the proposal, Mr. Sibi Thomas was opined that common sales contract may not be implementable since it has to get the acceptance by the buyers. However, Mr. Vidyasagar of India has mentioned that it can not be taken in the negative connotation. All raider clauses on the existing contract being followed need to be examined for having the IPC Common Sales Contract to protect the interest of the producing countries.

Mr. Grunsin Ayom of Malaysia supported the proposal and the terms and condition as well as contract parameters may be laid out for consideration. He also added that if such contract is exist with IPC, it can be used as a guideline for the exporters in producing countries.

The Meeting decided that the subject should be referred to the Marketing Committee and a draft on the IPC Common Sales Contract shall be placed for discussion and consideration in the next Exporters Meeting.

11. Discussion for establishing the IPC Arbitration Board

While discussing the subject it was opined that each member country has provision for arbitration. However if a provision for arbitration is available with the IPC, it would be useful for taking initial feedback. This subject will also be referred to the IPC Committee on Marketing for further discussion and consideration.

12. Consideration and adoption of the aggregated figures on pepper production, exports, import, domestic consumption and carry over stock (actual for 2010, estimate for 2011 and projection for 2012).

The meeting adopted the aggregated statement on pepper production, exports, imports, domestic consumption and carry over stock (actual for 2010, estimate for 2011 and projection for 2012 as given as **Annex 13.**

13. Discussion on the provisional agenda for the 43rd Pepper Exporters' Meeting

The Meeting requested the member countries to suggest to the IPC Secretariat the items to be included in the agenda for next year Meeting.

14. Discussion on the date and venue for the 43rd Pepper Exporters' Meeting

Mr. Sarada de Silva of Sri Lanka informed that the Government of Sri Lanka will be hosting the next Meeting. The dates and venue will be informed to IPC in due course.

15. Consideration and adoption of the report of the 42nd Pepper Exporters' Meeting

The meeting considered and adopted the report on 25th November 2011.

16. Vote of thanks

Mr. Edward from the Government of Indonesia thanked all the delegates of the member countries for presenting the country reports and participating in the deliberations to arrive at a consensus figures on production, exports, consumption and carry-over stocks of the member countries, without much difficulties.

A special thank was extended to the European Spice Association for the paper presentation and participation by Cambodia in the Exporters Meeting.
