

12 April 2019 Original: English



Decisions and Resolutions adopted at the 124th Session of the International Coffee Council

25-29 March 2019

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1. The 124th Session of the International Coffee Council was chaired by Ms Stefanie Küng of Switzerland. The Session took place in Nairobi, Kenya from 25 to 29 March 2019.

Item 1: Adoption of the Agenda

2. The Council adopted the draft Agenda contained in document <u>ICC-124-0 Rev. 2</u> save for merger of Item 5 on the Programme of Activities with Item 7 on the Implementation of <u>Resolution 465</u>.

Item 2: Admission of observers

- 3. The Executive Director introduced document <u>ICC-124-2</u> containing details of the observers wishing to attend the 124th Session of the Council (Annex I). Annex II also contained a list of observers approved for admission in 2018/19.
- 4. The Council approved the admission of observers.

Item 3: Votes and credentials

Item 3.1: Votes for coffee year 2018/19

- 5. The Head of Operations introduced document <u>ICC 124-1 Rev. 1</u> containing the redistribution of votes in the Council for coffee year 2018/19, calculated in accordance with Articles 12 and 21 of the 2007 Agreement.
- 6. The Council took note of the situation of outstanding payments affecting voting rights as at 18 March 2019. Members were reminded that only governments that were Members of the 2007 Agreement and had paid their contributions, in accordance with Article 21, would be eligible to participate in meetings of specialized committees.

Item 3.2: Credentials

- 7. The Head of Operations informed the Council that the credentials received from Members had been examined and found to be in good and due form. In compliance with Article 11 of the ICA, the quorum for holding the 124th Session of the International Coffee Council was reached.
- 8. The Council approved the verbal report on credentials¹.

Item 4: Membership of the International Coffee Agreement (ICA) 2007

9. The Executive Director reported that as of 1 March 2019, 44 exporting Members and six importing Members had ratified, accepted or approved the ICA 2007. In line with the ICO's

¹ The report was subsequently circulated, together with the List of Delegations, as document <u>ICC-124-19</u>.

Strategic Plan to further strengthen engagement with non-members, the Secretariat had been actively engaging with potential Member countries, most recently the Republic of Korea, with Lao People's Democratic Republic and Jamaica advancing in the process of accession to the ICA 2007.

- 10. The ICO had actively increased its positive collaboration with representatives of the coffee sector in the United States (US), to take advantage of all opportunities to engage with the US Government with a view to encouraging its return to the international coffee community at an intergovernmental level. Close engagement with the Government of the United Kingdom (UK) was ongoing, with concrete steps being taken for the UK to become a Member of the ICO upon the conclusion of its withdrawal from the European Union.
- 11. Delegates noted that it was also encouraging to see representatives from non-member countries present, including from the Dominican Republic and Nigeria, as well as representatives from the coffee sector in China.
- 12. The Council took note of this report.

Item 5: Programme of Activities

and

Item 7: Implementation of Resolution 465 on Coffee price Levels

- 13. The Head of Operations presented a mid-year review on the ICO's Programme of Activities for the current coffee year as revised in order to implement Resolution 465. The Council noted that the Organization had just £76,000 with which to implement a challenging and rich programme. For this reason, the Secretariat had been working actively to identify development partners.
- 14. While the initial Programme of Activities for the current coffee year had been approved by Council in September 2018, the majority of ICO activities had shifted to enable the Secretariat to focus on the implementation of Resolution 465 on Coffee Price Levels. In addition to focusing ICO engagement with development partners to bring the plight of the coffee sector to the fore at the highest political level, the work of the Economics team was concentrated on studies linked to the coffee prices debate, and the proposed emphasis of the 9th Consultative Forum for Coffee Sector Finance in September 2019 and the ICO's first Flagship Report (to be published later in the year) had now changed from climate change to economic sustainability.
- 15. The only area of business that remained largely unchanged was the statistics section, which was continuing to prioritize the improvement of ICO statistical data collection, storage, processing and dissemination. This had included, for example, a successful ICO-led statistics workshop as part of the 17th African Fine Coffees Association Conference in Kigali, Rwanda, and two meetings of the statistics roundtable, helping to reduce the gap between ICO official

statistics and those of other public and private sector providers. Following the downsizing of the Organization, the statistics section had been working with just two staff, but a Statistician had recently taken up post.

- 16. To implement Resolution 465, the ICO was implementing a series of actions that focused on advocacy and communication; the mobilization of coffee stakeholders and development partners; research, knowledge-building and transparency; and the promotion of coffee consumption, including:
 - (a) A structured sector-wide dialogue: by virtue of its neutral role, the ICO was building a strong sector-wide dialogue that would engage coffee stakeholders, development partners and civil society with the objective of identifying solutions, building consensus and setting measurable commitments towards a sustainable future for coffee growers and the whole coffee sector in line with the UN Sustainable Development Goals. To bring the voices of coffee farmers and of the whole coffee sector to the international arena where decisions were made, the ICO had been successful in planning a series of consultative events, starting with the Sustainability Seminar held on 25 March 2019 in Nairobi. This would be followed by other events, in partnership with the International Fund for Agricultural Development at the United Nations Headquarters in New York on 16 April, with the Italian Ministry of Foreign Affairs and International Cooperation, in Rome on 16 May, and with the European Commission on 6 June in Brussels. These platforms for discussion would culminate in a CEO Forum during the 125th Session of the International Coffee Council, which would be held in London in September 2019, the objective of which was to agree on the implementation of actions to overcome the dramatic impact of current coffee prices and volatility on smallholder coffee farmers. All Members, their permanent representatives and embassies, as well as observer organizations were strongly encouraged to participate in all events.
 - (b) Global benchmarking: The ICO was calling for partners to join and support the gathering and processing of independent, objective and internationally comparable data on coffee production costs, revenues and production systems. This initiative would help to better understand the main drivers of economic sustainability of coffee farming and also to identify solutions to improve social, economic and environmental sustainability in the coffee value chain. While there had been great interest from a number of partners, coffee stakeholders including input providers, to be truly worthwhile this exercise would need to be conducted on a continuous basis and required ongoing funding.

- (c) Global communications plan: The most ambitious in budgetary terms, here the ICO was seeking to appoint a consultant/consultancy to develop and implement a global communications plan to sensitize consumers on the economic reality of the coffee sector and to promote a decent living for coffee growers. This area of activity had to date been less successful in terms of identifying potential funds, the reason being a public awareness social media campaign targeting 92 million consumers in just six countries, for a period of six months, would cost in the region of US\$7million, according to figures quoted by an established communications specialist. While these figures were not intended as a proposal for execution, the reach of any such campaign using existing resources would be limited.
- (d) **High-level research**: To increase transparency along the coffee value chain, the ICO was producing high-level and relevant independent research and data, including the publication of a Flagship Report on economic sustainability, which would include scenarios on the future of coffee and assessments of the most promising solutions to the current price crisis. To inform the debate, later in the week the ICO economics team would present three ICO studies which addressed the impact of low coffee prices on exporting countries, the role of speculation in coffee futures markets and the profitability of coffee farming in selected Latin American countries.
- (e) Mobilizing resources: The ICO was working hard to mobilize financial and inkind resources by the private sector and donors, and to implement innovative ideas in order to promote coffee consumption, sensitize consumers on the issues faced by the coffee sector, while projecting a positive image of coffee and advocating the importance of the coffee sector in the most relevant international forums.
- (f) Engaging with roasters and other actors: The Executive Director and Secretariat were in dialogue with major roasters and other actors in the industry, all of which had been very receptive and wanted to contribute to solve the problem faced by farmers through concrete steps in terms of financial contributions and support.
- 17. The Council welcomed the impressive work of the ICO to implement <u>Resolution 465</u>, but also recognized that there were limits to how the Secretariat could act because of scarce resources.
- 18. The Council then noted an update from Professor Sachs on his analysis of income for smallholder farmers. Productivity gains in Brazil in particular had meant that global coffee prices had come down, and producers around the world, especially smallholder producers in Central America and Africa, found themselves squeezed. He did not believe that changing the

terms of futures contracts between producer and suppliers would have a fundamental impact on prices. The situation experienced by the sector was basically the result of a supply/demand imbalance. The low prices and profit squeeze were instead a reflection of the high productivity of the major producing countries, notably Brazil and Vietnam, with whom less productive farmers found it hard to compete. The producers, traders, roasters and retailers had a co-responsibility for the sustainability of the coffee supply chain.

- 19. With regard to social sustainability, this called for the elimination of child labour, fair treatment for workers and financial sustainability of smallholders. To raise the productivity of smallholder farmers, the sector needed to invest on a global level, for example in training, technology and water management to help raise yields. Professor Sachs proposed a Global Coffee Fund to supplement the incomes of the poorest farmers. While logistically complex, this transfer mechanism needed to be transparent, and not corrupt, and not designed to subsidize higher prices and invite oversupply. Instead, the transfer should be based on historic production records. This should be a global initiative to which the UN, the ICO, major roasters and retailers and industry-wide associations should sign up immediately. Consumers should be made aware of the reality and that a few extra cents per cup would translate into tremendous benefits for smallholders.
- 20. The Council formally thanked Professor Sachs for his presentation. The Executive Director welcomed the fact that the ICO had been able to contribute to this study not only in terms of funding, but also in the provision of statistical data, and would be in close contact with Professor Sachs in the coming months to seek his active involvement in the ICO-led sector-wide dialogue.
- 21. To reinforce and support the implementation of Resolution 465 on coffee price levels, the Council adopted the following decisions²:

Decision 1: In order to reinforce the importance of the planned CEO Forum, Council decides that this event will be held as a special session of the Private Sector Consultative Board (PSCB), with interpretation provided, as part of the 125th Session of the International Coffee Council in London in September 2019, as provided for in the International Coffee Agreement (2007).

Decision 2: Members express their commitment to mobilize their diplomatic representations to the United Nations In New York, to international organizations in Rome and to the European Union in Brussels in order to ensure active participation in the events as part of the structured sector dialogue that is an integral part of the implementation of Resolution 465. The ICO should circulate documents with details on the events in due course.

² Subsequently published as <u>ICC-124-16</u>, a copy of which is attached to these Decisions.

Decision 3: Members recognize the importance of promoting coffee consumption, especially in producing countries. They accordingly request the ICO to take the necessary steps to prepare for the updating of the Step-by-Step Guide to Promote coffee consumption in Producing Countries, including the drafting of a project brief and action plan for submission to the upcoming intersessional meeting of the Promotion and Market Development Committee.

Decision 4: Members request the Executive Director to seek partnerships to create and maintain updated publications of profitability indicators for the different coffee production systems in the world³, in order to improve transparency along the coffee value chain.

Item 6: Coffee market report

- 22. The Council noted the presentation from the Chief Economist on the current coffee market outlook. Coffee prices were at their lowest level since November 2016, although there had been periods of even lower prices, most significantly in the early 1990s and also in the early 2000s. The value of the Brazilian real was a good indicator of price trends, as when the real was weak against the US dollar this led to an increase in Brazil's exports because they were more competitive, and in turn kept prices low. Looking at the movement in future markets, the New York Futures Market, which traded Arabica coffee, including Brazilian Naturals, had seen an average fall of 37% since November 2016. This compared with a fall of 26% in the London Futures Market that traded Robusta coffee.
- 23. Looking at the evolution of retail prices, the data received by the ICO showed that the most recent low prices of green coffee did not, as a rule, affect prices to consumers, although in Norway and Italy there had been a reduction in retail prices in recent months, but it was still too early to say if this was a trend or a correction. The ratio between the retail price and the ICO composite indicator price between January 2015 and December 2018 had risen significantly, as much as six times in Italy. In Japan retail prices were 4.8 times higher than the ICO composite price, in Norway 4.7, in Germany 4.1 and in the United States 3.69. Since November 2016, the ratio had increased due to the downward trend of green bean prices, as reflected in the ICO composite indicator, while retail prices had remained relatively stable.
- 24. As for world production, this had steadily increased, with an estimate for the current coffee year of over 167 million 60-kg bags the highest on record. The last three coffee years had also shown high levels of production, where shortfalls in some producing countries could be more than offset by overproduction elsewhere. By type of coffee, Arabica production had been recorded at over 100 million 60-kg bags for the past three consecutive years. Robusta's

³ This is what is defined as benchmarking in Project brief PJ-132/19.

highest production was in 2013/14 at 63.7 million 60-kg bags, and production of Robusta in coffee year 2017/18 and 2018/19 were estimated to remain just below that level at 63.6 and 63.5 million 60-kg bags, respectively.

- 25. Given the high production levels over the last few years, coffee exports had also increased substantially, with coffee year 2017/18 recording the highest volume of exports in the last 10 years of 122 million 60-kg bags at a value of US\$19.9 billion. This compared with exports in 2010/11 of 103 million 60-kg bags at a value of US\$23.4 billion. This decrease in the value of exports was expected to continue.
- 26. There had been a steady growth in world consumption, increasing by 22.2% over the last 10 years, equivalent to an annual growth of 2%. The ICO estimated that over 165 million 60-kg bags would be consumed in coffee year 2018/19, with world consumption reaching 200 million bags within the next 10 years. The largest area of growth over the last 10 years had been in Asia which had seen an increase in consumption of 46%, followed by Africa (30%), South America (21%), North America (20%), Europe (11%) and Central America (10%). Asia and Africa, with large and growing populations, would continue to provide potential for substantial increases in consumption.
- 27. To conclude, the current low levels of coffee prices was expected to continue, leading to reduced export earnings, little incentive to farmers to invest in their crops and a reduction in the production of quality coffee. Increasing consumption, in particular domestic consumption in producing countries, was one important way to help address the current market situation.

Item 8.1: Studies and reports

28. The Council noted the presentation from Ms Andrea Estrella Chong of the Department of Agricultural and Resource Economics at University of California, at Davis, on the following collaborative study with the ICO:

Profitability of coffee farming in selected Latin American countries (ICC-124-6)

- 29. The aim of the study was to provide new empirical evidence on the economic situation of coffee growers in selected Latin American countries and thus help to formulate strategies to increase farm incomes and improve the economic sustainability of coffee production.
- 30. Ms Estrella presented an interim report of the analysis of a representative dataset of coffee-producing households located in the Arabica-producing countries of Colombia, Costa Rica and Honduras. The results indicated a large variation in production costs both between and within the three countries. Sample farmers in Honduras spent significantly less per hectare than their Costa Rican and Colombian counterparts. In Honduras, cash outlays represented 64% of full production costs, as compared to 73% and 70% in Colombia and Costa Rica respectively. Labour represented the highest share of costs for each of the countries,

accounting for 75% in Colombia, 57% in Costa Rica, and 56% in Honduras. The break-even analyses showed that especially Colombian farmers struggled to cover their costs. One-third of the farmers in the Colombian sample were unable to cover their cash outlays. When the full costs of producing coffee were considered, 53% of Colombian farmers were operating at a loss. These producers thus faced both short- and long-term challenges to profitability. Growers in Costa Rica and Honduras performed slightly better over the same period. The study concluded with an outlook on further analyses that will be carried out during the remainder of the coffee year 2018/19, with the final report to be presented at the 125th Session of the International Coffee Council in September 2019.

31. The Council noted the presentation from the Chief Economist on the following study conducted by the ICO Secretariat:

Survey on impact of low prices on exporting countries (ICC-124-4)

Over the last two years, coffee prices had been experiencing a downward trend with the ICO composite indicator price 30% lower in December 2018 than its level in November 2016. As part of the actions taken by the Secretariat to implement Resolution 465 on coffee price levels, an online survey was conducted to collect information on different economic and social issues from exporting Members and to assess the perceived impact of recent low coffee price levels on the livelihood of coffee growers. By 31 January 2019, responses had been received from 13 countries, representing on average 56% of world production and around 60% of the total export volume of all exporting countries. The correlation analysis showed that while coffee prices had decreased, input costs such as fertilizers had increased, internationally, by 27% between November 2016 and December 2018. Matching this negative correlation with the survey, it emerged that 62% of exporting Members had reduced the use of fertilizers by 10% to 62%, depending on the country. Moreover, low coffee prices had led to significant social and environmental effects, as well as impacting negatively the economies. At these low price levels, 46% of the countries reported a reduction of the time dedicated by farmers to coffee production and processing. On-farm employment had fallen over the last two years, with a drop of 51% reported by Cameroon and 25% by Honduras. Between 2017 and 2018 the average price paid to growers for coffee fell by 36% and 30% in Sierra Leone and Papua New Guinea, respectively. This had resulted in the reduction of growers' total income of between 7% and 30% in two years. Member countries also reported that wages paid to farm workers had been reduced by 53% in Cameroon and 15% in Peru. Negative social impacts of the downward pressure on coffee prices had been recorded. Respondents reported an increase in food insecurity, as a consequence of cuts in family food consumption due to reduced earnings and purchasing power. In addition, lower expenditures on health and education and increases in household poverty were reported by many countries, with variations that could be attributed to the importance of coffee as an income-generating activity. Furthermore, the proportion of farmers reported as migrating from coffee areas

during the reference period reached 41% in Cameroon, 20% in Peru and Rwanda and 18% in Honduras. The survey clearly showed that, more coffee growers would be unable to cover their production costs and receive a sufficient living income from producing and selling their coffee if the downturn in coffee prices continued. This would further worsen the negative social and economic impact on poverty and on the supply of quality coffee. Further analysis and continuous monitoring would contribute to producing a more comprehensive report, in addition to a global benchmarking of farmer production costs and revenues, and a comparison with the cost of living and the cost of coffee growers' basic needs, such as food, clothing, education and health.

33. The Council noted the presentation from the Economist on the following study conducted by the ICO Secretariat:

Coffee futures markets: Role of non-commercial traders (ICC-124-5)

- 34. In order to implement <u>Resolution 465</u> on Coffee Price Levels, the Secretariat had conducted a study on the role of non-commercial traders in coffee futures markets and their impact on the development of coffee prices. This study used a widely-recognized econometric model that related spot market prices for Arabica and Robusta with six indicators of speculation.
- 35. The main findings of the study showed that the volume of futures contracts traded almost tripled in the Robusta futures market, and increased five-fold for Arabica from 1994 to 2018. Over the same time period, output of Arabica grew by 64%, while Robusta production rose by 144%. This suggested that the coffee market had been subject to a significant process of 'financialization' over the past two decades. Furthermore, the results of the analysis indicated that speculative activity could impact the behaviour of coffee prices in the short-term, while fundamentals, such as demand trends and supply shocks, prevailed as determinants of price developments in the long run. The study also described regulatory interventions that aimed to limit the impact of speculation in financial markets, as examples of measures that could be considered for the coffee futures market.
- 36. Building on these findings, more analysis was required to attribute a relative importance to factors determining spot prices. While the analysis presented answered the question if and when speculation impacted spot prices in the coffee market, it did not attribute the relative weight of speculation in driving prices compared to other factors, including fundamentals of demand and supply or market interventions. An additional extension of this analysis would be to use daily and weekly data that allowed the econometric models and tests to be conducted for shorter periods of time and capture more variation in the behaviour of the coffee futures market, both for prices and speculative activity. Depending on availability of data, the study should also be expanded to take into account price differentials for different growths.

- 37. Members expressed their gratitude for such an accessible presentation on such a complex topic, and requested a workshop on the futures markets be included as part of the next Consultative Forum for Coffee Sector Finance to give Members a better understanding of this topic.
- 38. All presenters were thanked for their contributions.

Item 8.2: Country Coffee Profiles

- 39. Professor Joe Kieyah, Chairman of the Kenyan Coffee Sub-Sector Implementation Committee, gave a presentation on developments in Kenya. This followed the structure of the Coffee Profile on Kenya set out in document ICC-124-7, conducted by the Agriculture and Food Authority in collaboration with the ICO Secretariat.
- 40. Dr Emmanuel Niyibigira, of the Uganda Coffee Development Authority, gave a presentation on developments in Uganda. This followed the structure of the Coffee Profile on Uganda set out in document ICC-124-8, conducted by the Uganda Coffee Development Authority in collaboration with the ICO Secretariat.
- 41. Mr Do Xuan Hien, of the Vietnam Coffee and Cocoa Association, gave a presentation on developments in Vietnam. This followed the structure of the Coffee Profile on Vietnam set out in document <u>ICC-124-9</u>, conducted by the Vietnam Coffee and Cocoa Association in collaboration with the ICO Secretariat.
- 42. The Council noted the details of the three Coffee Profiles, all presenters were thanked for their contributions.

Item 9: ICO Award for Coffee Research Excellence 2019

43. The Council noted an update from the Executive Director on the call for papers for the ICO Award for Coffee Research Excellence which had been launched in January 2019 in document ED-2295/19. The Award was designed to promote high-quality research on emerging issues in the global coffee sector from among ICO Member countries. The research paper should cover a relevant topic related to the sustainable development of the coffee sector, and align with the ICO's thematic focus for the current coffee year: 'Profitability: consumption and productivity'. Not only would the winner receive a cash prize and the recognition of winning the ICO Award for Excellence in Coffee-Related Research, but would be exposed to a wider audience through ICO communications activity, publications and events. To enter the competition candidates needed to submit an essay, thesis work or journal article in an official language of the ICO which should not exceed 15,000 words to essay.award@ico.org no later than 30 June 2019. All Members were encouraged to promote this opportunity with academic/research institutions in their country. For purposes of

clarification the Executive Director confirmed that only candidates who were nationals of ICO Member countries, or who were studying at institutions within an ICO Member country, were eligible to take part.

Item 10: National coffee policies

- The Council received a presentation from H.E. Mr Juan Carlos Gamarra on the Peruvian Government's National Action Plan for Coffee, which had been launched in October 2018 with a focus on productivity, sustainability, and increasing market access for coffee growers. In Peru, coffee was the largest exported product among traditional agricultural exports, it was of high quality with certifications for sustainability and organic production. Coffee was grown in an area of 425,415 hectares in 15 regions of the country, the main areas being Junín, San Martín, Cajamarca, Cusco, Amazonas, Huánuco and Pasco, representing 91% of the total cultivated area of coffee. In terms of jobs, the coffee sector employed 223,000 coffee farming families, with an estimated two million people working across the coffee value chain. The coffee sector contributed 5% to agricultural GDP, and as an export was an important source of foreign exchange. The National Plan of Action for Coffee had a vision that "by 2030, Peru will be a country producer, exporter and consumer of sustainable and quality coffee, adapted to climate change, recognized at world level for its innovation, competitiveness and strong institutions which directly benefit coffee families and all actors in the chain."
- 45. To achieve this vision, the Government's mission to improve the production, profitability and quality of coffee, using sustainable technologies and low emissions, preserving forests, enhancing productive diversity, social and financial inclusion, and the livelihoods of coffee-growing families. In order to achieve this mission, six strategic objectives had been established, to i) increase the production, productivity and sustainability levels of coffee production systems, with technological innovation, low emissions, adapted to climate change and market demands; ii) improve the level and consistency of the quality of Peruvian coffee; iii) develop and provide quality, timely, accessible, competitive and innovative financial services and mechanisms for the development of the coffee sector; iv) improve the status of Peruvian coffee with a country brand and with differentiated quality products in the national and international market; v) improve the social, economic and environmental conditions of the coffee-growing areas and the means of the producers; and vi) develop a multi-sectoral, multi-level and multi-stakeholder governance and institutional model that ensures the development and sustainability of coffee.
- 46. The agricultural producers were at the heart of the efforts of the Government of Peru to become a country producing, exporting and consuming sustainable quality coffee, However, the continued decline in international coffee prices could not be ignored. For this reason the whole coffee community, as well as industrial roasters, should make the sector more beneficial for all.

47. The Council noted and thanked H.E. Mr Juan Carlos Gamarra for his presentation.

Item 11: Report on the implementation of Memorandums of Understanding (MoUs)

48. The Council noted that to strengthen the global coffee sector and promote its sustainable expansion, the ICO worked actively not only with governments, but also non-governmental organizations and the private sector through international partnerships and advocacy. Since taking office in 2017, the Executive Director had signed four MoUs to further the implementation of the International Coffee Agreement. Representatives of all four organizations were invited to update Council on the implementation of the respective MoUs with the ICO, in addition to the role of the private sector to support the implementation of Resolution 465, initially scheduled as part of discussion in the Private Sector Consultative Board.

Memorandum of Understanding with the Global Coffee Platform

- 49. The Chairman of the Board of the Global Coffee Platform (GCP), Mr Carlos Brando, was invited to give an update on action falling from the MoU between the ICO and the Global Coffee Platform, approved and signed in September 2017. Cooperation had been prolific, with the ICO a global event partner at the GCP's Global Sustainability Conference in November 2018, collaboration on Monday's Sustainability Seminar and the ongoing work of the Delta project a joint initiative between the ICO, GCP, the Better Cotton Initiative and the International Cotton Advisory Committee to establish a framework to measure progress towards the Sustainability Development Goals. GCP was also collaborating with the ICO on the economic viability of farmers through integrating work on studies and building on the work done by and insights available from GCP programme and initiatives. There were also plans to transfer GCP methodology to ICO exporting Members to plug sustainability gaps, for example through online exchange and learning and country platform activity.
- 50. Mr Brando also presented the GCP's member initiatives, which were multistakeholder, non-competitive initiatives to address sustainability gaps, recognizing that supply chains had a responsibility to promote sustainability. Examples of Member initiatives included the responsible use of agrochemicals in Brazil, the responsible use of agro-inputs in Vietnam, mechanical weeding in Brazil, training extension services in Uganda, and soil conservation and plant nutrition in Honduras. Dissemination of knowledge and output were essential since the results of projects were often not disseminated.
- 51. The Council noted and thanked Mr Brando for his report.

Memorandum of Understanding with the Sustainable Coffee Challenge (SCC), under the auspices of the Conservational International Foundation

- 52. The reprsentative of Conservation International, Mr Niels Haak, was invited to give an update on the MoU signed with the ICO in April 2018. In addition to ICO representation on the SCC's Advisory Council and support for co-hosting events, key areas of collaboration included:
 - Embracing and promoting the common 'Sustainability Framework' in line with the ICO's strategic objectives and Vision 2030.
 - Improving the collection, exchange, integration and dissemination of key data on coffee, including support for funding ICO global benchmarking of productions costs study.
 - Disseminating information, technical expertize and lesson-sharing, including publication of the Guide to Access Green and Climate Funding for the Coffee Sector: The Global Environment Facility (GEF), in 2018.
 - Showcasing and tracking government led sustainability efforts.
 - Exploring opportunities to develop new income sources for coffee farmers through innovative finance.
- 53. The current low coffee prices were increasing poverty levels, driving farmers out of coffee and leading to a lack of investment in coffee farms. At the same time, climate change was causing farmers to abandon coffee. For this reason, SCC was looking at the best solutions to tackle this dual problem, as sustainability programmes would not change the market conditions, and market interventions would not impact on climate change. To challenge interventions on market volatility and farmer profitability, SCC was providing resources and tools via Sourcing Action Networks to drive discussions about concrete measures taken across the industry, including supporting farmers in a volatile coffee market. Together with GCP, SCC had restructured its Sustainability Framework to put greater emphasis on farmer profitability in order to help drive sustainability investments.
- 54. To support the implementation of Resolution 465, SCC supported very much multistakeholder initiatives, particularly with the Specialty Coffee Association and the ICO, and as an organization had seen a massive increase in growth in industry players wanting to engage. More recently SCC had developed a renovation and rehabilitation grant facility to provide financial support to farmers through match funding. The aim was to reach a target of US\$5million in the coming year, with a US\$50million grant facility in the future.
- 55. The Council noted and thanked Mr Haak for his report.

Memorandum of Understanding with the African Fine Coffees Association

- 56. The Executive Director of the African Fine Coffees Association (AFCA), Mr Samuel Kamau, was invited to give an update on activities as a result of the MoU between the ICO and AFCA, signed in September 2017. Over the last year:
 - The ICO had led a very successful statistical workshop for African countries, during the 17th AFCA Conference in Kigali, Rwanda in February 2019. With representatives from Rwanda, Tanzania and Uganda, the purpose had been to improve the statistical data collection received by the ICO from African countries.
 - Coffee profiles on Kenya and Uganda were already on the Council Agenda, with profiles on Ethiopia, Rwanda and Tanzania in the process of being finalized and Burundi, Democratic Republic of the Congo and Malawi being drafted.
 - AFCA was committed to informing the African coffee industry, through its communications channels, about the reality of the global sector, including ICO studies and reports, as well as actions arising from Resolution 465.
 - ICO technical experts continued to have a presence at AFCA events, and AFCA would invite ICO representation at its 18th Conference scheduled in Kenya in February 2020.
 - Through AFCA events, the ICO also had opportunities to meet with delegates from African countries to discuss the value of membership.
- 57. In terms of actions on the implementation of Resolution 465, in addition to active participation at ICO events, AFCA had held its first consultative meeting with African coffee producers and policy makers to discuss challenges and solutions. The promotion of domestic consumption was critical. For this reason, AFCA was hosting its first conference dedicated to promoting domestic consumption and would be looking at the ICO's Step-by-Step Guide to Promoting Domestic Consumption in Producing Countries. It was considered a good way to get the youth on board and shift the tradition of tea drinking to coffee among the younger generation.
- 58. In terms of the role of the ICO, AFCA felt that the ICO should continue its current role as an ideal 'honest broker'. While the New York 'C' Contract was extensively quoted as a reference, AFCA requested that the ICO consider and publish other coffee exchange prices in its analysis, as well as indicative costs of production. AFCA also called for greater transparency in the coffee value chain, the need for a declaration of commitment to support farmers, and greater efficiency of price transfer to farmers.
- 59. The Council noted and thanked Mr Kamau for his report.

Memorandum of Understanding with the International Women's Coffee Alliance

- 60. Ms Mbula Musau from the Africa Chapter of the International Women's Coffee Alliance was invited to give an update on activities as a result of the MoU between the ICO and IWCA, signed in September 2018. The mission of the IWCA was to empower women in the international coffee community to achieve meaningful and sustainable lives and to encourage and recognize the participation of women in all aspects of the coffee industry. The aim of collaboration with the ICO was to promote women empowerment and inclusion as a means of achieving sustainable development through social and economic progress in coffee-producing countries while protecting natural resources. Key work areas included identifying opportunities to incorporate gender distinctions into data collection, and to foster inclusion and engagement with results-driven leaders. The IWCA sought to engage in the coffee prices debate, increasing consumer awareness through its social media and wider communications activity. Currently there were 23 IWCA Chapters worldwide, with 10 in the process of signing, initially just in origin countries, but increasingly also in consuming countries.
- 61. The Council noted and thanked Ms Musau for her presentation.
- 62. The Council also noted a presentation from Mr Ric Rhinehart on behalf of the Specialty Coffee Association which was a global trade association that focused on the specialty coffee sector and were engaged with actors at every part of the value chain, but were closest to specialty roasters and retailers. Its principal role was to facilitate access up and down the value chain in a way that allowed for the unique role of specialty coffee to manifest as a positive force for all actors. In spite of an ostensible commitment to quality, specialty roasters and retailers consistently devalued the quality in terms of price differentiation. This manifested both as low prices at the point of green coffee purchase, and at unreasonably narrow pricing to consumers. While major roasters had made public commitments to sustainability and to sustainable sourcing practices, economic sustainability had been defined by the addition of premiums and other market measured schemes that fell short in current conditions.
- 63. Consumer pricing perception was influenced by the point of consumption, brand, bean origin, sustainability, and certification. Consumer awareness of coffee pricing relative to production was limited to connections with sustainability or certification. Consumers expressed a greater consideration of sustainability issues in younger cohorts, with younger millennials assigning slightly less value than older millennials, but awareness in all other cohorts declining inversely with age. Consumers expressed a willingness to elevate sustainability concerns to achieve a more significant impact on purchase decisions, but did not exhibit this behavior.
- 64. A system for price discovery that rewarded differentiation effectively and appropriately was required, with pricing that recognized actual cost of production rather than

the time bound value in a given market. Transparency at every level of pricing/purchase was needed, along with the development and embrace of new sustainable sourcing commitments that include living incomes and wages.

- 65. The Council noted and thanked Mr Rhinehart for his presentation.
- 66. Council noted that in addition to these examples of positive collaboration with organizations in the coffee sector, the ICO had been actively building and rebuilding links with key development players to support the coffee sector, particularly with regard to access to development funding. The Executive Director had had the pleasure to meet with the Director General of the Food and Agriculture Organization of the United Nations (FAO), Mr José Graziano da Silva, in November last year, to explore collaboration and the ICO was now finalizing a revised version of an existing MoU between the two organizations to define updated working arrangements to improve the livelihoods of coffee-growing communities and their families. Following the Council session in September of last year, during which the Council received a presentation from Ms Luiza Carvalho representing UN Women, the ICO was also now in the process of finalizing an MoU with that entity too.
- 67. The Chair noted that the MoUs with the FAO and UN Women were in the final stages of editing. In view of the operational and time-sensitive nature of these Agreements, which defined working arrangements between the two organizations and the ICO Secretariat, the Chair proposed that the final texts be submitted to the Chair and that the Council authorized the Chair after consulting the spokespersons for exporting and importing Members, to approve both MoUs on its behalf.
- 68. The Chair formally thanked all representatives for their active participation in the work of the ICO and contribution to the Council session.

Item 12: Report by the Chairpersons of ICO bodies

Item 12.1: Projects Committee

- 69. The Council noted a report by the Chair of the Projects Committee⁴ held on 27 March 2019, which had included a presentation of the project 'Promoting a sustainable coffee sector in Burundi' endorsed by the ICO Council in March 2013 and an update on the progress of the Delta Project to measure real-time sustainability performance. The Committee endorsed a new project proposal from Vietnam for approval by Council.
- 70. The Council endorsed the following project proposal 'Improvement of small scale farmers' access to finance for building a sustainable coffee sector in Vietnam' set out in document PJ-134/19.

⁴ The report of the Projects Committee was subsequently circulated as PJ-136/19.

Item 12.2: Statistics Committee

- 71. The Council noted a report by the Vice-Chair of the Statistics Committee⁵ held on 27 March 2019, which included a presentation from Mr David Browning, CEO of Enveritas, on estimating the population of coffee farmers by origin, conversion factors for roasted, decaffeinated, liquid and soluble coffee, a report on ICO activity to improve the quality of statistical data, and a presentation from a representative from Kenya on their best practices for the Rules on Statistics Certificates of Origin. The Committee recommended for approval by Council a proposal to amend the share of markets and their weightings for the composite and indicator group in accordance with the Rules on Statistics Indicator Prices.
- 72. The Council approved an amendment to the share of markets and their weightings in the calculation of group and composite prices from 1 October 2019 set out in document SC-90/19.

Item 12.3: Promotion and Market Development Committee

- 73. The Council noted the report of the Vice-Chair of the Promotion and Market Development Committee⁶ held on 27 March 2019. The business of the Committee had focused on promoting domestic consumption, including a presentation on the theme of International Coffee Day (ICD), which had changed in focus to reflect Resolution 465 on Coffee Price Levels, namely to show the economic reality of the coffee sector from the producer to the final consumer. With the generous support of the All Japan Coffee Association, illycaffè and EU representation in Rwanda, the ICD campaign would consist of a dedicated ICD video, in addition to an innovative symphony of coffee made up of the sounds of coffee production, performed in concerts and events around the globe, targeting millennials and Generation Z.
- 74. Presentations were also received from the Ms Ana Sierra owner and head of Integrative Marketing on the experience and lessons learned from the Colombia Toma Café, the Colombian Coffee Consumption Programme, and also from Mr Carlos Brando, in his capacity as Director of P & A Marketing, on his experience of developing and using the ICO Step-by-Step Guide to Promote Coffee Consumption in Producing Countries. Published originally in 2004, it was recommended to be updated to suit the needs of today.
- 75. The Council agreed with the Committee's recommendation to hold an intersessional meeting between April and June 2019 to consider the actions necessary to update the ICO Step-by-Step Guide and explore other pertinent issues around promotion and market development.

⁵ The report of the Statistics Committee was subsequently circulated as <u>SC-93/19</u>.

⁶ The report of the Promotion and Market Development Committee was subsequently circulated as PM-61/19.

Item 12.4: Private Sector Consultative Board (PSCB)

- 76. The Council noted the report of the Chair of the Private Sector Consultative Board⁷ on its meeting of 27 March 2019, which had included a presentation on the concept of holding a forum of the CEOs of the coffee sector to review and support solutions to coffee price levels as part of the implementation of Resolution 465, as well as a recommendation to update the conversion factors for roasted, decaffeinated, liquid and soluble coffee via consultation with private sector representatives.
- 77. The Council agreed that the next meeting of the Private Sector Consultative Board would be held as the proposed CEO Forum during the 125th Session of the International Coffee Council in September 2019.

Item 12.5: Core Group for the Consultative Forum

- 78. The Council noted the report of the Vice-Chair of the Consultative Forum, including the recommendation for approval by Council for the theme of the 9th Consultative Forum in September 2019 'Weathering the storm effectively managing price risks in the coffee value chain'. The Forum would explore how innovative and market-based approaches could improve farmers' resilience against price volatility and price shocks and how risks could be shared more equally among all links in the value chain, including roasters, traders and input providers. To encourage knowledge sharing and learning from other sectors it was suggested to invite a wide array of speakers from technology firms, the financial sector and coffee institutions. To support the organization of an ambitious event, the Secretariat proposed to seek sponsorship for the event and charge a registration fee, with three free places allocated to each Member.
- 79. The Council approved the proposed theme for the 9th Consultative Forum for Coffee Sector Finance: 'Weathering the storm effectively managing price risks in the coffee value chain'

Item 13: Outcome of Sustainability Seminar

80. The Council noted a brief summary from the Executive Director on the outcome of the engaging ICO Sustainability Seminar, held as part of the 124th Session of the International Coffee Council, in partnership with the Global Coffee Platform and the Government of Kenya. The theme of the seminar was "Coffee: How sustainable is our future?", with contributions from experts not only from Africa, but around the world including government institutions, coffee grower representatives, traders, roasting companies, academia, research

⁷ The report of the PSCB was subsequently circulated as PSCB-160/19.

institutions, international organizations and non-governmental organizations across three panels. Noting that the current low prices was leading to low incomes for coffee growers worldwide, with direct negative impacts on poor communities in rural areas of many coffee-producing countries, the main concern was how to make the coffee sector sustainable. The outcome of the Seminar led to a series of recommendations calling for the need:

- i. For Governments to create an enabling environment
- ii. To address climate change that represented a serious threat to sustainable coffee production
- iii. To address marketing failure/poor marketing infrastructure
- iv. To address low price to coffee growers
- v. To address the coffee price discovery issue and the functioning of the New York 'C' Contract.
- 81. A full report of the Sustainability Seminar would be circulated in due course⁸.

Item 14: Financial and Administrative matters

Item 14.1: Finance and Administration Committee

82. The Council noted the report from the Chair of the Finance and Administration Committee on the meetings of 26 and 27 March 2019, including the financial situation of the Organization and the Administrative Budget 2019/20 as set out in documents <u>FA-198/19</u> and <u>FA-203/19</u>. The Head of Finance and Administration had reported that the management accounts for the five months to 28 February 2019 showed contributions due for the 2018/19 financial year of £2,608,000. The total expenditure for the five months to 28 February 2019 amounted to £1,054,912 which represented a positive variance of £63,238 against the year-to-date budget. In terms of outstanding contributions for the current year, this was £907,856 (35%) at the same date, out of a total of £2,608,000 due. Members were reminded of the importance of making timely contributions, to avoid further negative impact on the liquidity of the Organization. The Executive Director was also strongly encouraged to continue to pursue payment of arrears as set out in <u>Resolution 466</u> on persistent arrears.

Item 14.2: Administrative Accounts of the Organization and Report of the Auditors

83. The Council considered and approved the Administrative Accounts of the Organization and the Report of the Auditors contained in document <u>FA-199/19</u>.

⁸ The report of the Sustainability Seminar was subsequently circulated as ICC-124-17.

Item 14.3: Accounts of the Special Fund and Report of the Auditors

84. Exporting Members considered and approved the Accounts of the Special Fund and Report of the Auditors contained in document <u>FA-200/19</u>.

Item 14.4: Promotion Fund

85. Exporting Members noted the accounts of the Promotion Fund contained in FA-201/19.

Item 14.5: Salary scales and the basis for contributions to the Provident Fund for staff in the General Services and Professional and higher categories

86. The Council considered and approved the proposed revision of salary scales and basis for contributions to the Provident Fund for staff set out in documents $\frac{FA-204/19}{FA-205/19}$ and $\frac{FA-205/19}{FA-205/19}$.

Item 14.6: Review of the International Coffee Agreement (ICA) 2007

- 87. The Council noted that the review of the ICA 2007 had been discussed in depth at the Finance and Administration Committee where the Executive Director had explained that the current Agreement came into force on 2 February 2011 for a period of 10 years. Members therefore only had the opportunity of three Council sessions, before the current Agreement expired in February 2021. The Council had three options:
 - i. Extend the Agreement beyond its expiry date for one or more successive periods not to exceed eight years in total (Article 48). An extension only required a decision by the Council.
 - ii. Extend and amend the Agreement as deemed appropriate (Article 49).
 - iii. Examine the possibility of negotiating a new International Coffee Agreement (Article 35).
- 88. The Council further noted that some Committee Members had expressed views in favour of option ii, particularly in the light of the challenges faced by the coffee sector and at the same time safeguarding the future stability of the Organization, while some Members felt that the ICA required re-negotiation.

- 89. The Council therefore made the following decisions, subsequently published as <u>ICC-124-15</u>, a copy of which is attached to these Decisions:
- 1. The International Coffee Council, taking into account paragraphs 1, 2 and 3 of Article 48 of the International Coffee Agreement 2007, decides to establish a Working Group with the mandate of examining the current Agreement and proposals submitted by Members, or other invited parties, and to submit recommendations to the Council.
- 2. The Working Group shall be open to all Members and shall establish its own procedures.
- 3. The International Coffee Council shall appoint a Chair and Vice-Chair. [H.E. Ambassador Hermano Telles Ribeiro of Brazil was subsequently appointed as Chair of the Working Group, and the Chair of Council, Ms Stefanie Kűng of Switzerland, as Vice-Chair].
- 4. The Working Group shall hold its first meeting as soon as possible, with the aim of submitting its recommendations to the Council at its Session in September 2019.
- 5. The Group shall normally meet at the seat of the Organization, to the extent possible, at the time of regular meetings of the Council and between these meetings as decided by the Group.

Item 15: Special Fund

90. The Council noted that while resources from the Special Fund had already been allocated to the Latin American region, it was encouraging that the proposal for use of the Special Fund from the African region had already been approved and that the Asian Group had now established a working group to explore options for submission to Council as soon as possible.

Item 16: World Coffee Conference

91. The Council received a presentation from the Mr Jagdish Patankar, on behalf of the India Coffee Trust, on preparations for the 5th World Coffee Conference and 127th Session of the International Coffee Council, taking place in September 2020 in Bengaluru, India. This event was truly a public-private partnership with the India Coffee Trust driving the programme for the World Coffee Conference, and the India Coffee Board working in partnership with the ICO to prepare for the 127th Session of the International Coffee Council. This large-scale international event was not just coming to India, but to Asia. While coffee had become the most preferred beverage of the world in the last century, Asia – the biggest continent of the world – remained a tea-drinking nation. It was however an emerging market witnessing a rapid growth in coffee consumption.

- 92. The fastest rising retail coffee market was in Indonesia with 19.6% growth, followed by Turkey with 17.5%, India with 15.1% and Vietnam with 14.9%. This trend was occurring in tandem with a growing professionalism in the small- and medium-sized coffee businesses in the region, largely driven by the growth of specialty coffee. The World Coffee Conference therefore provided an excellent opportunity to explore business opportunities across Asia.
- 93. The theme of the Conference was 'Sustainability through Consumption', with a comprehensive programme of workshops, seminars and field visits showcasing the entire coffee value chain across the world. Key topics for discussion would include emerging trends in the global coffee business, the latest findings on tackling the impact of climate change, drivers for increasing consumption and wider technological innovations. Projected numbers included 2,000 delegates and 10,000 business visitors from across 80 countries.
- 94. The Council noted the presentation and Mr Patankar was thanked for his comprehensive presentation.
- 95. The Council also noted the request of the India Coffee Board, as contained in document <u>ED-2281/18 Rev. 1</u>, to adjust the dates of the 5th World Coffee Conference and 127th Session of the International Coffee Council to ensure maximum participation.
- 96. The Council approved the proposed amendment to move the 5th World Conference to 7 to 9 September 2020, and the 127th Session of the International Coffee Council to 10 to 12 September 2020 in Bengaluru, India.

Item 17: 125th Session of the International Coffee Council

- 97. The Council noted an overview presented by the Executive Director on the structure and focus of the 125th Session, taking place from 23-27 September 2019 in London. Sincere gratitude was extended to the International Maritime Organization which had been generous again to provide the venue. Along with Council and Committee sessions, the week would commence with the Opening Ceremony and the 9th Consultative Forum on Coffee Sector Finance, which would bring together experts to discuss the effective management of price risks in the coffee value chain.
- 98. The series of sector dialogue events discussed earlier in the week would culminate during the September meeting in a CEO Forum, bringing together captains of industry, ICO Members, and other coffee stakeholders to put forward recommendations on tackling low coffee prices and reducing their negative impact on smallholder coffee farmers, with a focus on long-term sustainability.

- 99. The Executive Director emphasized that the ICO was committed to driving transformational change and unlocking support and funding by the international community and development institutions. Members were encouraged to attend and actively participate.
- 100. Members stressed the importance that wherever possible it was important to provide interpretation to facilitate active participation of all Members in ICO events.

Item 18: Other business

- 101. The Council approved and submitted a formal vote of thanks⁹ to the Government of Kenya and to H.E. Mr Uhuru Kenyatta, President of the Republic of Kenya, for hosting the 124th Session of the International Coffee Council in Nairobi.
- 102. It was also proposed that, in forging further alliances with strategic partners, the ICO could benefit from exploring an MoU or closer collaboration with the Coffee Quality Institute.

Closure

- 103. Members further expressed their gratitude to the host country, the Executive Director and staff for such a professional event. Members mentioned in particular how the ICO had clearly transformed into a more pro-active and dynamic Organization, with limited financial and human resources.
- 104. On behalf of the Council, the Chair formally thanked the Government of Kenya for hosting the 124th Session of the International Coffee Council and associated meetings, and emphasized the important role of the ICO, bringing together importing and exporting countries, but also the private sector, academia and international organizations as a unique and valuable forum for the international coffee community. The Chair also emphasized the importance of continuing the dialogue among Members and wider stakeholders, away from the Council sessions. The Embassy of Switzerland in London had recently instigated a series of informal discussions with its fellow ICO Members, which was just one example of an additional forum to come together to consider possible solutions.
- 105. The 124th Session of the International Coffee Council was formally closed.

⁹ Subsequently circulated as <u>ICC-124-18</u>, a copy of which is attached to these Decisions.



29 March 2019 Original: English

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International Coffee Council 124th Session 25 – 29 March 2019 Nairobi, Kenya Decisions by the 124th International Coffee Council to reinforce the terms and support the implementation of Resolution 465 on Coffee Price Levels

Decision 1: In order to reinforce the importance of the planned CEO Forum, Council decides that this event will be held as a special session of the Private Sector Consultative Board (PSCB), with interpretation provided, as part of the 125th Session of the International Coffee Council in London in September 2019, as provided for in the International Coffee Agreement (2007).

Decision 2: Members express their commitment to mobilize their diplomatic representations to the United Nations In New York, to international organizations in Rome and to the European Union in Brussels in order to ensure active participation in the events as part of the structured sector dialogue that is an integral part of the implementation of Resolution 465. The ICO should circulate documents with details on the events in due course.

Decision 3: Members recognize the importance of promoting coffee consumption, especially in producing countries. They accordingly request the ICO to take the necessary steps to prepare for the updating of the Step-by-Step Guide to Promote coffee consumption in Producing Countries, including the drafting of a project brief and action plan for submission to the upcoming intersessional meeting of the Promotion and Market Development Committee.

Decision 4: Members request the Executive Director to seek partnerships to create and maintain updated publications of profitability indicators for the different coffee production systems in the world, in order to improve transparency along the coffee value chain



29 March 2019 Original: English

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International Coffee Council 124th Session 25 – 29 March 2019 Nairobi, Kenya **Decision of the Council**

Establishment of a Working Group on the Future of the International Coffee Agreement

- 1. The International Coffee Council, taking into account paragraphs 1, 2 and 3 of Article 48 of the International Coffee Agreement 2007, decides to establish a Working Group with the mandate of examining the current Agreement and proposals submitted by Members, or other invited parties, and to submit recommendations to the Council.
- 2. The Working Group shall be open to all Members and shall establish its own procedures.
- 3. The International Coffee Council shall appoint a Chair and Vice-Chair.
- 4. The Working Group shall hold its first meeting as soon as possible, with the aim of submitting its recommendations to the Council at its Session in September 2019.
- 5. The Group shall normally meet at the seat of the Organization, to the extent possible, at the time of regular meetings of the Council and between these meetings as decided by the Group.



29 March 2019 Original: English



International Coffee Council 124th Session 25 – 29 March 2019 Nairobi, Kenya Vote of thanks to the Government of Kenya by the 124th International Coffee Council, held from 25-29 march 2019 in Nairobi, Kenya

Noting the warm welcome and hospitality extended to all delegates and observers by the Government and the people of Kenya;

Considering as a great privilege the personal commitment of H.E. Mr Uhuru Kenyatta, President of the Republic of Kenya who opened the Council on Tuesday 26 March 2019;

Being grateful for the excellent working atmosphere, the quality of the facilities available to us and the hospitality of our very generous host;

We, participants and delegates in the 124th Session of the International Coffee Council held in the Kenyatta International Convention Centre, Nairobi from 25 to 29 March 2019,

Express our deep gratitude:

To the President of the Republic of Kenya for his personal commitment, To the Government and the people of Kenya

Finally, our gratitude goes to the Organizing committee

Nairobi, 29 March 2019