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Decisions and Resolutions adopted at the 125th Session of the International Coffee Council (Public)

23-27 September 2019

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1. The 125th Session of the International Coffee Council was chaired by Ms Stefanie Küng, of Switzerland. The Session took place in London, United Kingdom from 23 to 27 September 2019.

Item2: Adoption of the Agenda

2. The Council adopted the draft Agenda contained in document ICC-125-0 Rev. 2.

Item 3: Admission of observers

3. The Executive Director introduced document <u>ICC-125-7</u> containing details of the observers wishing to attend the 125th Session of the Council (Annex I). Annex II also contained a list of observers to be approved for admission in 2019/20.

The Council approved the admission of observers.

Item 4: Votes

Item 4.1: Redistribution of votes for coffee year 2018/19

- 4. The Head of Operations introduced document <u>ICC-125-2</u>. Rev. 2 containing the redistribution of votes in the Council for coffee year 2018/19, calculated in accordance with Articles 12 and 21 of the International Coffee Agreement (2007).
- 5. The Council took note of the situation of outstanding payments affecting voting rights as at 23 September 2019. Members were reminded that only governments that were Members of the 2007 Agreement and had paid their contributions would be eligible to participate in meetings of specialized committees.

Item 4.2: Initial distribution of votes for coffee year 2019/20

6. Paragraph (6) of Article 12 of the ICA 2007 provided that the distribution of votes should be determined by the Council at the beginning of each coffee year. Under the provisions of Article 12, the votes of exporting and importing Members were based on their exports and imports respectively in the preceding four calendar years. The Annex of document ICC-125-1 contained the statistical basis for the proposed distribution of votes and Tables 1 and 2 contained the initial distribution of votes for coffee year 2019/20.

The Council approved document ICC-125-1 on the initial distribution of votes for coffee year 2019/20.

Item 5: Coffee market situation

7. The Council noted the presentation from the Chief Economist on the current coffee market situation. Coffee prices had remained at low levels throughout coffee year 2018/19, continuing the downward trend since November 2016. The lowest monthly average was recorded in May 2019 at 93.33 US cents/lb, with all four group indicator prices recording

downward trends. Between November 2016 and August 2019, Colombian Milds had lost 27.4%, Other Milds had lost 31.4% and Brazilian Naturals had lost 39.2% of their value. Looking at the movement in future markets, the New York "C" contract, which was based on washed Arabica coffee, had seen an average fall of over 39% since November 2016 and had appeared to react to changes in prices for Brazilian Naturals. This compared with a fall of 36% in the London exchange, which traded Robusta coffee.

- 8. Looking at the evolution of coffee prices, there was a cyclical trend with periods of low prices following periods of high prices. One of the most significant periods lasted from 2000 to early 2004 when the average composite indicator price was below 60 US cents/lb. Prices since November 2016 had not reached the levels seen in 2000-2004, but there was uncertainty over how long the current slump would last. The exchange rate of the Brazilian real against the US dollar also needed to be taken into consideration, as it had proved in recent years to be a good indicator of the movement of exports in the near future and overall price levels. A weak Brazilian real had encouraged exports from Brazil, the world's largest producer, putting further pressure on prices.
- 9. Retail prices for roasted coffee showed that the most recent low prices of green coffee had not, as a rule, affected prices to consumers, in importing countries, which could be interpreted as a transfer of resources from exporting to importing countries. The retail price for most importing countries had remained relatively stable and well above the ICO composite indicator price during the last three coffee years. In comparing the ratio of the retail price to the ICO composite indicator, retail prices ranged from 3.6 to 6.6 times higher than the composite indicator price.
- 10. As for global supply and demand, world production had steadily increased, with an estimate for the current coffee year setting a new record of nearly 170 million 60-kg bags. The last three coffee years had also shown high levels of production, where shortfalls in some producing countries were more than offset by increases in production elsewhere. By type of coffee, Arabica production had exceeded 100 million 60-kg bags for the past four consecutive years. Robusta production reached a peak in 2017/18, when output was 64.6 million bags, and was estimated at 65.1 million bags in 2018/19, which represented nearly 40% of world output.
- 11. 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. However, the value earned from exports had not increased, amounting to less than US\$20 billion in 2017/18, and was likely to be even lower in coffee year 2018/19 because of depressed prices.
- 12. World consumption had shown a steady growth, increasing by 22.2% over the last 10 years, equivalent to an annual growth rate 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, where consumption had increased by 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.

- 13. To conclude, current low levels of coffee prices were 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.
- 14. The Council noted the report.

Item 6: Implementation of Programme of Activities and Resolution 465

- 15. The Head of Operations reported on the implementation of the Programme of Activities in coffee year 2018/19 and Resolution 465 on coffee price levels ratified by Council in September 2018. Although approved during the Council's 122nd Session, the Programme of Activities 2018/19 had been adjusted to reflect the additional tasks set out in Resolution 465. This had entailed sourcing of additional funding by the ICO Secretariat, which had enabled a revised work programme presented at the 32nd session of the Finance and Administration Committee in January 2019, receiving strong support from Members.
- 16. With regard to improving statistical data collection, storage, processing and dissemination, the Statistics section had worked actively to increase Member compliance and data quality, despite working with only two staff before a new member of the team joined in January 2019. New statistical compliance indicators had been implemented to improve the assessment of compliance for exporting and importing Members. The ICO had hosted a successful statistics training workshop at the African Fine Coffees Association Conference and Exhibition in Rwanda in February 2019, with positive feedback from delegates. Two meetings of the Statistics Roundtable had also been held, bringing together the ICO and analysts from the coffee sector in order to share supply and demand data from a global perspective in order to continue improving the quality and reliability of ICO official data. ICO statistical data had been published and disseminated on time, including 12 monthly Coffee Market Reports, four Quarterly Statistical Bulletins and a comprehensive Annual Trade Statistics report. The team was also actively addressing queries from Members and wider stakeholders on statistical information. A tender to appoint an external provider to upgrade the ICO statistical database had been launched and final selection, based on United Nations procurement principles, was expected to be concluded by the end of September 2019, with work starting the following month.

- 17. To meet the need for developing topical and relevant analytics and economic analysis related to the global coffee sector, the Organization had released a number of high quality economic studies, on topics such as futures markets and the role of non-commercial traders, a survey on the social and economic development impact of low coffee prices on exporting countries, an interim report on the profitability of coffee farming in selected Latin American countries and a number of country coffee profiles. Most recently, the Coffee Development Report 2019, the ICO's first economic flagship report, which contained an in-depth analysis of the root causes and impact of coffee price levels and volatility, would be presented under Item 8 of the Council agenda. This Report and other economic research conducted by the ICO team included examples of collaboration with research partners, including the University of Newcastle, University of California, Davis and, from next year onwards, with the London School of Economics.
- 18. To boost understanding and awareness of ICO economic research and analysis to a wider public, the Organization had entered into a formal partnership with the Global Coffee Report magazine, providing an ICO-dedicated feature in every edition on different issues relating to the world coffee market.
- 19. In response to invitations, senior staff had given presentations on the work of the ICO and to advocate for coffee issues in over 10 international conferences.
- 20. To promote high-quality research on emerging issues in the global coffee sector, the ICO Award for Excellence in Coffee-Related Research had been launched in January 2019, receiving 16 high-quality submissions. The winning paper and authors would be formally announced under Item 11 of the agenda.
- 21. Using the Organization's convening power to provide a forum for dialogue between and within the public and private sectors, the Secretariat had organized two regular Council sessions and associated meetings, along with the 9th Consultative Forum held on 24 September 2019. In addition, to respond to Resolution 465 on coffee price levels and as part of the structured sector-wide dialogue led by the ICO, five consultative events had been held in Nairobi, New York, Rome and Brussels. In addition, the first CEO and Global Leaders Forum, had been held on 23 September attracting high-level representatives from across the world coffee sector and beyond.
- 22. Senior ICO staff and, in particular, the Executive Director had conducted a number of missions to Member and non-member countries to strengthen visibility.
- 23. To strengthen engagement with third parties, the Organization had participated in leading coffee events throughout the year across the globe, including involvement in boards of leading private sector organisations. The ICO had hosted the second forum of International Commodity Bodies in order to share information and best practices, with the objective of improving efficiency and effectiveness. Closer links had been built with the International Fund

for Agricultural Development, the Food and Agricultural Organization, and a joint declaration with the United Nations Industrial Development Organization had been signed in May 2019 to strengthen cooperation on programmes and activities to support inclusive and sustainable development of the coffee value chain.

- 24. To foster the development of technical cooperation projects, the Organization had mobilized funds for the Coffee Sustainability Projects Trust Fund which to date had supported the sector-wide dialogue with cash and in-kind contributions from Governments, the private sector and trade associations. The Secretariat was now working to build a database of technical cooperation projects funded by donors to provide Members with information on trends and features of development aid to the coffee sector.
- 25. The Council noted the report and congratulated the Secretariat on its efforts during a challenging time not just for the coffee sector, but also for the Organization.

Item 7: International Coffee Day 2019

- 26. The Head of Operations reported on the global communications campaign in support of International Coffee Day (ICD) to be held on 1 October 2019. The International Coffee Day campaign was part of the Secretariat's efforts to implement Resolution 465 on coffee price levels and complemented the ICO's ongoing structured sector-wide dialogue, which aimed to secure commitments by industry and governments to concrete solutions for coffee price levels, price volatility and the long-term sustainability of the coffee sector.
- 27. The 2019 campaign focused on the need of coffee farmers around the world to earn an income that enabled them to live decently and with dignity, thereby achieving economic sustainability. It aimed to highlight the plight of coffee farmers, the threat they were facing to their livelihoods and the need to take collective action. The Secretariat had been able to launch the campaign thanks to the generous support of the All Japan Coffee Association (AJCA), the Ernesto Illy Foundation and the EU Delegation in Rwanda.
- 28. This innovative campaign was targeting consumers in particular to attract their interest in the coffee sector and thereby stimulate consumption, and to show solidarity with the coffee farmers and their families.
- 29. A new-look ICD website provided a fresh and professional image of International Coffee Day and the 2019 campaign. This year's ICD video was a significant innovation in terms of concept and quality. It showed the sights and sounds of the different stages of production to promote awareness among consumers of the enormous efforts required to make their favourite cup of coffee.
- 30. To mobilize and capture the voice of consumers, the ICO was encouraging coffee drinkers and all actors to sign the coffee pledge in support of a living income for coffee farmers. The hope was to use this weight of consumer opinion to support the ICO's efforts to

mobilize funds and political backing to address effectively the coffee price crisis. To engage with consumers further through a series of fun facts about coffee, the Organization had launched the ICD2019 coffee challenge, with participants entered into a global prize draw.

- 31. As the profile of International Coffee Day continued to gain momentum, coffee industries, associations, retailers and coffee shops as well as consumers were holding events in celebration of this important date and contributing to promote coffee consumption.
- 32. The ICO was pleased to be working in partnership this year with the Embassy of Switzerland in London, for a high-level panel discussion on current trends and innovation in the coffee sector. Members and observers were encouraged to hold their own events in celebration.
- 33. The Council noted the report and commended the Secretariat on its efforts.

Item 8: ICO Flagship Report: Coffee Development Report 2019

- 34. The Executive Director introduced the ICO's Coffee Development Report 2019, entitled 'Growing for Prosperity: Economic viability as the catalyst for a sustainable coffee sector'. This was the first edition of the ICO's economic flagship report, an overview of which had already been distributed to Members and observers in all ICO languages in document <u>ED-2318/19</u>.
- 35. This year's report providing an analytical underpinning to the structured sector-wide dialogue presented an in-depth analysis of the root causes and impact of the coffee price levels and volatility, as well as an independent assessment of 50 possible actions to address the economic challenges and foster the long-term sustainability of the coffee sector.
- 36. This first Coffee Development Report was based on analysis of ICO data and information from external sources and sought to offer a framework to capture the complex nature of the coffee market. It complemented other ICO studies, as well as drawing on the outcomes of the structured sector-wide dialogue in which 80 experts and 2,000 participants participated in five consultative events organized by the ICO.
- 37. The Report showed that coffee prices had experienced a continued downward trend since 2016, dropping 30% below the average of the last ten years. Coffee growers worldwide were struggling to cover their operating costs as input, compliance and transaction costs continued to rise. Consequently, farm incomes had declined and the livelihoods of coffee-producing households, the majority of which were led by smallholders in low- and middle-income countries, were increasingly at risk. The slump in coffee prices had severe economic and social consequences for producing countries. Current low coffee price levels were mainly the result of overproduction. The study identified the fundamentals of demand and supply to be key drivers of price levels. Two consecutive years of surplus in the market had resulted in an estimated oversupply of almost 8 million 60 kg-bags, the equivalent of nearly 5% of global output. Oversupply was the key factor driving current low coffee price levels, despite steady growth in consumption.

- 38. Through rigorous quantitative analysis, the relationship between coffee farming and socio-economic indicators, such as poverty and food security, was examined. The solutions identified sought to address low price levels and price volatility in order to meet the long-term sustainability goals set out in the United Nations 2030 Sustainable Development Agenda. To disseminate results and advocate for the coffee sector, the Secretariat would next be embarking on a series of Coffee Development Report roadshows in ICO Member countries, and at international organization, donor and industry events.
- 39. The Council noted the Report and warmly welcomed its publication.

Item 9: Other Economic studies and Reports

- 40. The Senior Economist reported on the progress of the ICO study conducted with the Coffee Center of the University of California, Davis (UC Davis) on 'Profitability of coffee farming in selected Latin American countries: Colombia, Costa Rica and Honduras'.
- 41. During its 124th Session, the International Coffee Council had received the first results that showed that many farmers in these countries struggled to cover the production costs and were unprofitable. These results were based on a representative sample of 2,000 farmers to provide important factual evidence on the severity of the coffee market situation. In fact, a number of industry publications and magazines picked up on the study and it had been widely discussed. The ICO had also been approached by the wider industry, which had shown great interest in these unique results.
- 42. In addition to shedding light on the economic situation of farmers in the three countries, the research conducted with Professor Boucher and Dr Estrella at UC Davis was an important contribution to developing a robust methodology to measure production cost. The ICO would also be able to build on the outcomes when moving towards a global benchmarking of production costs, taking into account the diversity of the coffee sector.
- 43. The Senior Economist also reported that the ICO was continuing to expand its collaboration with research institutions around the world. This included the existing partnership with Georg-August-University of Göttingen, in Germany, and a new collaboration on a new research project with the London School of Economics with Professor Rocco Macciavello, an expert in the field of industrial organization and market power, who had spoken at the 9th Consultative Forum on 24 September 2019. The ICO would be working with Professor Macciavello to understand how the concentration in trading and roasting industry could affect prices for farmers. All these partnerships were based on in-kind contributions of the academics involved. This meant they were budget neutral for the ICO. In fact, the ICO was able to leverage its in-house capabilities effectively to produce more high-quality output, while also ensuring that ICO economists kept up to date with the latest methodologies and state of the art research tools.
- 44. The Council noted the report.

Item 10: World Coffee Conference

- 45. On behalf of the India Coffee Trust, Mr Jagdish Patankar presented an update on preparations for the fifth World Coffee Conference and exhibition, as well as the 127th Session of the International Coffee Council, taking place from 7-12 September 2020 in Bengaluru, India.
- 46. The organizers had big ambitions to make this event the largest ever global coffee event, with an estimated 2,000 delegates. With the theme 'Sustainability through Consumption', the World Coffee Conference would be held at the iconic Bangalore Palace, with a programme that included key topics of interest such as emerging trends in the global coffee business, climate change and production, promoting quality and technical innovations, in addition to the second CEO and Global Leaders Forum. The exhibition, in addition to regional pavilions, would showcase all actors in the value chain and was expected to attract 10,000 visitors. Field trips and cultural tours would also be on offer.
- 47. The formal launch to open registration for the World Coffee Conference by the Minister for Commerce and Industry, H.E. Shri Piyushi Goyal, and the ICO's Executive Director was scheduled for 15 October 2019: www.wcc2020.com. In addition to Government backing for the event, the Honourable Minister for Large and Medium Industries from the Government of Karnataka state, H.E. Jagadish Shettar, was also fully in support. ICO Members and observers were strongly encouraged to attend and promote this event amongst their networks.
- 48. The 127th Session of the International Coffee Council would take place at the Shangri-La Hotel, Bengaluru from 10-12 September 2020.
- 49. The Council noted and warmly welcomed the presentation.

Item 11: ICO Award for Excellence in Coffee-Related Research

- 50. The Executive Director introduced the ICO Award for Excellence in Coffee-Related Research, launched in January 2019 to promote high-quality research on emerging issues in the global coffee sector. A number of high-quality submissions were shortlisted down to three by a judging panel, with the prize awarded to Alexander Buriticá and Carolina Gonzalez, from Colombia, who wrote on 'Access to High Quality Markets: Possible for All?'.
- 51. Unfortunately, the co-authors were not able to be present, however Professor Christopher Gilbert, one of the judging panel, made a brief summary of the most important points in the paper, and received the certificate on their behalf. Professor Gilbert confirmed that all three short-listed papers were of very high quality, although the winning submission was more aligned with the objectives of the award. The paper had explored how accessing high value markets could improve the wellbeing of farmers if it allowed them access to markets that remunerated quality. From the economic theory, the price received by

producers reflected the quality of their product; however, in practice, the quality of the product was not easily visible to producers or buyers. The authors explored the effect of mitigating this asymmetry of information on product quality, specifically, what was the effect of quantifying and certifying coffee quality on the price received by small coffee growers in eight municipalities of the department of Nariño in Colombia, between 2012 and 2016. They found that the treatment of giving technical and commercial advice together with a coffee cup test to small coffee growers, on average, increased the price of coffee by 2710 COP/kg in comparison with coffee farmers who did not receive this support. Additionally, it was shown that this effect was different with the coffee farmers who received the treatment due to the agro-ecological conditions in which their farm was located.

52. The Council congratulated the winners and warmly welcomed this initiative by the ICO to promote and support quality research on the coffee sector.

Item 12:1 Cooperation with other agencies

- The Executive Director reported on the Organization's international partnerships and advocacy with other agencies to strengthen the global coffee sector and promote its sustainable expansion. The ICO had now hosted two forums of International Commodity Bodies (ICBs) in order to share information and best practices, with the objective of improving the efficiency and effectiveness of all the organizations involved. The most recent Forum had been held at ICO headquarters in June 2019, with representation from the International Cotton Advisory Committee (ICAC); International Cocoa Organization (ICCO); International Copper, Nickel, and Lead and Zinc Study Groups (ICSG/INSG/ILZSG); International Bamboo and Rattan Organisation (INBAR); International Sugar Organization (ISO); and International Rubber Study Group (IRSG). The topics discussed included: benchmarking of performance monitoring and best practices; financial viability and sustainability of ICBs; project finance, including contacts with UNCTAD; and communications and engagement.
- 54. As an Organization, the ICO had continued to build closer links with the International Fund for Agricultural Development, not only through the sector-wide dialogue but also in bilateral meetings with the institution's President, Mr Gilbert F. Houngbo.
- 55. In November last year the Executive Director and the Head of Operations had met with the then Director General of the Food and Agricultural Organization (FAO), Mr José Graziano da Silva, to explore collaboration and were close to finalizing a revised version of an existing MOU to define updated working arrangements to improve the livelihoods of coffeegrowing communities and their families. This process had been put on hold with the appointment of a new Director General, Dr Qu Dongyu, in August 2019, but the Secretariat was already in contact with the FAO to take this forward.

56. In May 2019, the ICO also signed a joint declaration with the United Nations Industrial Development Organization to strengthen cooperation on programmes and activities to support inclusive and sustainable development of the coffee value chain. This declaration was set out in document ICC-125-6.

Item 12:2 Report on Memorandums of Understanding

MoU with the Global Coffee Platform (GCP)

- 57. Mr Carlos Brando, Chair of the Global Coffee Platform, reported that, since signing the Memorandum of Understanding (MoU) with the ICO in September 2017, both parties had been actively working together on a number of initiatives, including the sector-wide dialogue, as follows:
- ICO participation as a global event partner in the Global Coffee Sustainability conference in November 2018, focusing on the viability of coffee farming with three innovation sessions on improving through measurement, co-investing for sustainability impact and developing young leaders. This event was attended by over 340 participants from 16 countries across the coffee industry.
- ICO participation in GCP's 2018 country platform congress, including sharing of best practices of 10 coffee-producing countries.
- The joint 'Delta Project' with the ICO, GCP, Better Cotton Initiative, and International Cotton Advisory Committee (ICAC), supported by the ISEAL Innovation Fund to create a sustainability improvement indicator framework to measure progress towards the Sustainable Development Goals (SDGs) and trigger the development of value-adding services to farmers from open performance data. This project had now started following a successful inception phase. A desk study on sustainability performance frameworks was under review, a dedicated Delta Project Website was due to go live in October, with the next Steering Committee scheduled for November, along with preparation for field testing indicators.
- Jointly hosting the Sustainability Seminar with the ICO and Government of Kenya on 25 March 2019 in Nairobi, providing GCP representatives as speakers at the consultative events at the United Nations in New York and at the European Commission in Brussels, facilitating participation of GCP roaster and trade members as speakers in the CEO and Global Leaders Forum, as well as providing input to the London Declaration as a supporting organization.
- 58. The ICO was also invited to the GCP Country Congress and Membership Assembly in Basel, Switzerland, from 7-8 October 2019, including follow-up action on GCP's Call to Action to Collectively Address the Coffee Price Crisis which would feed into the ICO Declaration's Roadmap development
- 59. The Council noted the report.

MOU with the African Fine Coffees Association (AFCA)

- 60. Mr Ishak Lukenge, Chairman of AFCA updated Members on the following outcomes from the MOU with the ICO signed in September 2017 to promote technical and scientific cooperation in African coffee-producing countries:
- The first Statistical Workshop & Training for African countries was held on 12 February 2019, during the 17th AFCA Conference & Exhibition in Kigali, Rwanda. Well-received by delegates, the purpose of the workshop was to improve statistical data collection from African countries, present the statistical reporting requirements of the ICO, support members and observers to improve data collection and reporting, as well as share experiences and examples of good practice on data collection and management. The second workshop was planned at the 18th AFCA Conference & Exhibition in Mombasa, Kenya in February 2020.
- ICO participation as speakers on the AFCA Conference programme, also providing opportunities for the ICO to meet with delegates from non-member African countries to discuss membership.
- Continuous and active participation in events, including ICO seminars, World Coffee Producers Forum, consultative meetings with African coffee producers and policy makers, including with IACO to the African Union.
- To support the implementation of Resolution 465 on coffee profiles, AFCA's Specialty Coffee Expo in November 2019 was focusing on promoting consumption of coffee in Africa including all stakeholders in the value chain the first of its kind on the African continent. For AFCA, transparency throughout the coffee value chain was important, as an Organization it was committed to supporting farmers including efficiency of price transfers to farmers.
- 61. Along with extending a warm invitation to the forthcoming AFCA-hosted events, Mr Lukenge closed his report by confirming that, although he would continue to work in the coffee sector, he would be stepping down as Chairman of AFCA. Members noted his report and thanked him for his positive contribution to the global coffee community.

MoU with the Sustainable Coffee Challenge, under the auspices of the Conservation International Foundation

62. In April 2018, the ICO signed a Memorandum of Understanding with the Sustainable Coffee Challenge under the auspices of the Conservation International Foundation to improve the collection, exchange, integration and dissemination of key data on coffee sustainability to help actors across the sector to understand better the need for renovation and rehabilitation of coffee. The Executive Director explained that the representative from the Sustainable Coffee Challenge was not able to attend the Council, but had prepared a presentation that would be distributed to Members.

MOU with the International Women's Coffee Alliance

- Ms Kellem Emanuele, Executive Director of the International Women's Coffee Alliance updated Members on the collaborative actions with the ICO following the signing of a Memorandum of Understanding in September 2018. The purpose of the MoU 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. Bringing together representatives in 24 countries, with 30 additional countries in the stage of chapter formation, the IWCA represented the whole value chain, from the most vulnerable along with the least vulnerable, all working together in pursuit of empowering women in the international coffee community and to encourage and recognize the participation of women in all aspects of the coffee industry. This was not only about working together for the betterment of all, but also that research consistently showed that those organizations with a more diverse leadership performed better and were more profitable.
- 64. Since March 2019, the ICO and IWCA had held a number of information exchange briefings, focusing on identifying and sharing resources as well as the identification of peer review data to give a context to the factors contributing to the price crisis and poverty. This mutual exchange of information with the ICO, but also with interested Members and wider sector stakeholders, was of great importance.
- To foster inclusion and engagement with results-driven leadership, a number of significant activities had been undertaken at the chapter-level, including in Peru where the local IWCA chapter had hosted, in partnership with rural women, a workshop providing technical skills, but also an opportunity for women and their families to access healthcare. The Peru chapter had also just completed its second annual barista competition for female baristas, helping to build skills, domestic awareness and excitement in the coffee sector among local women. In IWCA Brazil, which was one umbrella chapter with 13 sub-chapters, they had not only produced a pioneering e-book on women in coffee in Brazil, but were also hosting a Latin American/regional summit for IWCA chapters during International Coffee Week. The Uganda chapter had identified a significant disconnect between baristas and farmers, so they organized a barista bootcamp with farmers - exchanging, building community and support. In Asia, IWCA chapters in the Philippines and Indonesia worked with the chapter in formation Vietnam and USAID on a report analysing women in coffee, while in El Salvador the local chapter had worked with colleagues to build an app to increase awareness among the youth, roasters, producers which had won 'best in show' at the Specialty Coffee Association Expo 2018.
- 66. The Council noted the report and welcomed the IWCA's partnership with the ICO as well as the impressive progress that had been made by the IWCA in supporting the role of women in the coffee sector.

MOU with the Remote Sensing Applications Consultants Ltd (RSAC), GEOLAT SAS and FEDECAFE

- 67. The Executive Director called Members' attention to document ICC-125-4, which contained the MOU signed by the ICO and Remote Sensing Applications Consultants Ltd, GEOLATE SAS and the Colombian Coffee Growers Federation to develop the use of satellite data for the monitoring of coffee growing areas.
- 68. 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 on providing access to development funding.

Item 13: National coffee policies

Viet Nam

- 69. H.E. Dr Le Quoc Doanh, Vice-Minister of Agriculture & Rural Development of Viet Nam made a statement on the national coffee policy in Viet Nam¹ and expressed his government's recommendation for the ICO to act as the coordinating agency of the global coffee industry to make concrete actions to fulfil its mandate as well as the objectives of Sustainable Development Goals (SDGs), in addition to emphasizing its support for the revision of the International Coffee Agreement 2007.
- 70. The Council noted the statement.

Nepal

- 71. H.E. Mr Durga Subedi, Ambassador of Nepal to the United Kingdom, and Mr Deepak Khanal, of the National Tea and Coffee Development Board of Nepal, gave a presentation on the coffee policy of Nepal. Albeit a latecomer to coffee production with small production volumes at present, Nepal had an excellent climate to produce quality coffee. Although a national coffee policy had been introduced in 2003, political difficulties had stymied its implementation, but now the country was in a position to implement its ambitious plans for its coffee sector.
- 72. The first plantation of coffee had been made in 1938 in the western part of Nepal, but commercial cultivation had not started until the 1990s. Coffee in Nepal was 100% Arabica, with a current plantation area of 2,650 ha, across 42 districts farmed by 32,581 households, but with a potential to increase this to 1.19 million ha. There was substantial international demand for high quality coffee from Nepal, in particular from Germany, Japan, Korea, Netherlands and the USA, but the domestic market was also expanding as the local population moved away from a traditional tea-drinking society.
- 73. Productivity could be increased up to 1,500 kg/ha through proper management, adequate shading and manuring practices, however the sector faced a number of challenges

¹ Subsequently circulated as document ICC-125-13.

as a result of the low production volumes, incidence of pests and diseases, the difficulty in achieving organic certification, and inadequate research support. For this reason, the delegation of Nepal called on the ICO to support Nepal to increase its production, and to provide training, capacity building and research support.

74. The Council noted the report.

Item 14: International Coffee Agreement 2007

Item 14.1 Report on membership

75. Document ICC-125-3 contained a report on the status of the ICA 2007. To date, 44 exporting Members and 6 importing Members had ratified, accepted or approved the Agreement. The Executive Director reported that Laos was advancing in the process of accession to the ICA 2007, and Jamaica was also in the process of re-establishing its membership of the ICO with a submission made to the relevant ministerial body to execute the necessary actions. The Executive Director had also been actively engaging with other potential Member countries, most recently the Republic of Korea and Nigeria, both of which he had visited earlier in September 2019 and had been informed that internal procedures for membership were well advanced in both cases. The Organization had also continued to build positive collaboration with representatives of the private sector in the United States with a view to building the foundations for the return of the US government to the international coffee community at an intergovernmental level.

Item 14.2: Extension for the deposit of instruments

- 76. Document <u>WP-Council 300/19</u> contained a draft Resolution extending the time limit for deposit of instruments of ratification, acceptance, approval or accession to the ICA 2007 for a further year until 30 September 2020. Members were invited to send any comments on the draft Resolution to the Executive Director in writing by 30 August 2019 no comments had been received.
- 77. The Council approved the draft Resolution to extend the time limit for deposit of instruments, which was subsequently published as <u>Resolution 467</u>, a copy of which is attached to these Decisions.

Item 14.3: Progress report on the implementation of the International Coffee Agreement

- 78. The Executive Director gave a progress report on the implementation of the International Coffee Agreement 2007 set out in document ICC-125-5.
- 79. The Council noted the report.

Item 14.4: Review of the International Coffee Agreement 2007

- 80. In his capacity as Chair of the Working Group on the Future of the International Coffee Agreement 2007, H.E. Hermano Telles Ribeiro, gave a report to Council on the progress of the Working Group, which had been established to examine the current Agreement and to submit recommendations to Council as set out in document WGFA-5/19.
- 81. This had included a call for proposals for change from Members to amend or renegotiate the Agreement grouped into four pillars to aid discussion as follows:
 - Objectives [Chapter I of ICA 2007];
 - Membership, votes and decision making [Chapters IV and VI of ICA 2007];
 - Structural and administrative matters [Chapters II, III, V, VII, VIII, XIII (not including Article 36), XIV and XV of ICA 2007]; and
 - Areas of work [Chapters IX, X, XI and XII and Article 36 of ICA 2007].
- 82. Regrettably, only one submission had been received by this date. The suggestions from Nicaragua were set out in document <u>WGFA-7/19</u>, with Kenya submitting a position paper during the Council session, subsequently published as document <u>WGFA-8/19</u> both advocating revisions to the current Agreement.
- 83. It was with regret that the Executive Director reported that the Chair of the Working Group would be stepping down due to being posted outside of the United Kingdom, however he welcomed the fact that the current Vice-Chair of the Working Group, Ms Stefanie Küng, of Switzerland, would take on this role. As further proposals for change were needed in order to advance discussions, the Secretariat would invite Members to submit proposals by the end of October with a view to scheduling another Working Group meeting in November.
- 84. To further assist discussion, the online platform 'Slack' was briefly introduced as a mechanism for Members to comment and share proposals on the future of the Agreement. Further details would be shared at the next meeting of the Working Group.
- 85. The Council noted the report and agreed that all Members needed to participate actively in this important work in order to promote consensus.

Item 15: Report on the implementation of Resolution 466

86. Following the direction of the Council, as set out in Resolution 466 on Members in persistent arrears, the Executive Director reported that he had actively and repeatedly engaged with all eight Members in persistent arrears, namely: Bolivia, Central African Republic, Liberia, Malawi, Timor-Leste², Yemen, Zambia and Zimbabwe. Despite these efforts, with one exception, he had received no official response as to plans for payment of arrears

² Timor-Leste paid in full its outstanding contributions on 23 September 2019.

or their intentions regarding membership of the Organization. The one exception was Yemen, which had sent two letters that were circulated to Members as <u>FA-195/19</u> and <u>FA-219/19</u>, stating that ICO membership was highly valued, but that the government's financial resources were extremely limited in view of the conflict in the region. Therefore, Yemen requested exemption from payment of all arrears, as well as from payment of contributions for the next five years.

87. The Council noted the report.

Item 16: Financial and administrative matters

Item 16.1 Finance and Administration Committee

- 88. The Chair of the Finance and Administration Committee reported on the outcome of the meeting of the Finance and Administration Committee held on 24 September 2019. At the meeting, the Executive Director had presented the report of the intersessional meeting of the Committee held on 16 July 2019, contained in document <u>FA-213/19</u>. Further to communication <u>ED-2313/19</u>, the Executive Director reported that the employment of the Head of Finance and Administration had been terminated on health and capability grounds, in accordance with Rule 110.11 and Regulation 11.1 of the Staff Regulations and Staff Rules.
- 89. The Chair of the Committee also reported that the Acting Head of Finance and Administration had made a presentation on the financial situation, as contained in document FA-215/19.
- 90. In the Committee the Executive Director had reported on the implementation of Resolution 466 on Members in persistent arrears, and possible approaches to address this problem. It was agreed that the opinion of a specialized lawyer in the field of international treaties was required before moving forward.
- 91. The Committee had agreed to recommend the Programme of Activities for approval by Council as set out in document <u>FA-218/19</u>.
- 92. The Committee had also agreed to recommend the Administrative Budget for financial year 2019/20 for approval by Council as set out in document <u>FA-203/19 Rev. 3</u>, subject to the Secretariat executing the budget in such a manner as to make provision for any shortfall in the payment of contributions by Members in persistent arrears.
- 93. Members took note of a presentation made by the Executive Director on the costs and benefits involved of the ICO moving premises, as a consequence of the reduction of staff after the withdrawal of the USA from the Organization, set out in document <u>FA-216/19</u>. The Secretariat was requested to contact the International Maritime Organization with a view to obtaining further information on a possible relocation to that space.

- 94. In response to the request of Members to obtain information on the recruitment strategies of other international commodity bodies (ICBs) based in the UK on the status of staff who were nationals of non-member countries, no information had been received either from direct approaches by the Secretariat, or in response to a request for information from ICO Members governments belonging to other ICBs.
- 95. The Chair of the Finance and Administration Committee explained that there had been agreement on the need for an intersessional meeting of the Committee to discuss the relocation of premises, rotation of auditors and matters relating to the financial sustainability of the Organization.
- 96. The Council noted the report of the Finance and Administration Committee.

N.B. A full report of the discussions under this item is available to Members on request via email to Mrs Sarah Friend: friend@ico.org

Item 16.2: Programme of Activities for coffee year 2019/20

97. The Council approved the Programme of Activities for coffee year 2019/20 set out in document FA-218/19³.

Item 16.3: Draft administrative budget for 2019/20

98. The Council approved the Administrative budget for 2019/20 set out in document FA-203/19 Rev. 3⁴, subject to the Secretariat executing the budget in such a manner as to make provision for any shortfall in the payment of contributions by Members in persistent arrears.

Item 17: Reports from the Chairs of the ICO Bodies, Forums and workshops

Item 17.1: CEO and Global Leaders Forum

- 99. The Chair of the Private Sector Consultative Board (PSCB) reported on the first CEO and Global Leaders Forum of the coffee sector, which had been held as a special session of the PSCB on 23 September 2019, in response to Resolution 465 on coffee price levels. This Forum marked the sixth consultative event in the structured sector-wide dialogue led by the ICO to address the coffee price crisis and long-term sustainability of the coffee sector.
- 100. Leading private sector actors across the coffee value chain had agreed to jointly implement solutions in a spirit of shared responsibility, thereby contributing to the 2030 Agenda for Sustainable Development of the United Nations by signing a declaration on the economic sustainability of the world coffee sector, which had also received support from a

³ Subsequently published as document <u>ICC-125-11</u>.

⁴ Subsequently published as document ICC-125-12.

number of sector organizations. Referred to as the 'London Declaration on price levels, price volatility and the long-term sustainability of the coffee sector', all signatories and supporting organizations committed to taking action focusing on four themes: promoting competitive and sustainable production; fostering responsible and equitable growth; promoting responsible consumption; and promoting public-private dialogue regarding policy development. Also set out was a further commitment to take immediate action before the next meeting of the CEO and Global Leaders Forum to: establish a market and supply chain information systems; actively participate in national dialogues; and promote the allocation of resources and funding mechanisms.

- 101. In addition to calling on all coffee sector stakeholders, development partners and governments of all countries to take individual actions, the signatories requested the Chair of the PSCB to convey their Declaration to the International Coffee Council for consideration and to request the ICO to continue its efforts to mobilize stronger political support and resources from multilateral mechanisms, international organizations and the private sector to address the short- and long-term sustainability of the coffee sector. It was proposed that the second CEO and Global Leaders Forum would take place during the Fifth World Coffee Conference taking place in September 2020 in Bengaluru.
- 102. The Council debated at length the scope and implications of the London Declaration, noted the report of the CEO and Global Leaders Forum and considered the content of the London Declaration.
- 103. The Council made the following decision in relation to the London Declaration, subsequently published as ICC-125-10, a copy of which is attached to these Decisions:

THE INTERNATIONAL COFFEE COUNCIL

Considering the Declaration on price levels, price volatility and the long-term sustainability of the coffee sector (London Declaration), resulting from the 1st CEO and Global Leaders Forum held on 23 September 2019 in London as a Special Session of the Private Sector Consultative Board (PSCB);

Acknowledges with appreciation the work of the ICO secretariat to implement Resolution 465 and successfully carry out a Structured Sector-Wide Dialogue mobilizing coffee stakeholders in the coffee value chain and the international roasting industry;

Welcomes the efforts of all the private sector companies and organizations that have signed the London Declaration and their acknowledgment of the impact of the coffee price crisis as set out in the London Declaration and their commitment to extend the coffee sector dialogue in order to achieve long-term and transformational solutions;

Furthermore,

THE INTERNATIONAL COFFEE COUNCIL

Confirms, in pursuance of the Sustainable Development Goals (SDGs), the commitment of its Members countries to work together with the signatories of the London Declaration and other stakeholders to jointly define detailed and concrete actions;

Invites ICO exporting and importing members to engage their national stakeholders on discussing the London Declaration in accordance with their specific needs, priorities and commitment to a sustainable coffee sector;

Requests the ICO to set up a task force with ICO Members as well as representatives of the private sector and supporting organizations to draw up a roadmap and recommend further actions on price levels and volatility as well as long-term sustainability;

Confirms that the 2nd CEO and Global Leaders Forum, to be held during the fifth World Coffee Conference in Bengaluru, India, 10-12 September 2020, will consider the outcomes of the task force and pursue its efforts in proposing concrete solutions to the coffee crisis and price volatility issue.

Item 17.2: 9th Consultative Forum on Coffee Sector Finance

104. The Chair of the Consultative Forum reported on the outcome of the 9th Consultative Forum on Coffee Sector Finance, which was held on 24 September 2019⁵. Entitled 'Effectively managing price risks in the coffee value chain: a response to the coffee price crisis', this event

⁵ The Report was subsequently circulated as CF-17/19.

directly supported the implementation of Resolution 465 by gathering experts to validate solutions in the area of price risk management and how risks could be shared more equally among all links in the value chain, including roasters, traders and input providers.

105. The Forum comprised two panels with eminent speakers from the coffee sector, financial industry, international organisations and academia. The first panel provided an opportunity to learn about price risk management options available to smallholder farmers either individually or through cooperatives, while the second panel discussed ways of sharing price risks assumed by growers with supply chain actors, including coffee buyers and providers of agricultural inputs. Panellists agreed that farmers were the weakest link in the coffee value chain. Building capacity of growers to improve their ability to manage market risks was essential. New service delivery models and farmer aggregation could help to reach farmers and reduce costs. Long-term contracts and value chain finance helped to share risk across value chain actors. In order to pursue sustainable coffee production that was economically viable, the collaboration of all stakeholders in the sector, between the governments, the industry, NGOs and donors was necessary.

106. This technical forum was a direct continuation of the high-level discussions at the CEO and Global Leaders Forum and helped to inform discussions around implementing joint action proposed in the London Declaration.

107. The Council noted the report.

Item 17.3: Workshop on the role of futures markers

108. The Executive Director reported that Members and observers had received an informative presentation from Mr Toby Brandon, of the Intercontinental Exchange, on the role of futures markets on 25 September 2019. During the ensuing debate, the need to facilitate the access of farmers and farmer associations to knowledge on the mechanisms of futures markets was highlighted. This workshop had been scheduled at the request of Members and was well received with the active participation of delegates.

109. The Council noted the report.

Item 17.4: Projects Committee

110. The Chair of the Projects Committee reported on the meeting of the Projects Committee held on 25 September 2019⁶. Discussion included three project briefs within the framework of the implementation of Resolution 465, a progress report by the Chief Economist on the Africa Coffee Facility and the current preparations for the donors and partners' forum to be held on 5 November 2019 in Nairobi. The Committee noted the progress report of the Delta Project in partnership with the Global Coffee Platform, Better Cotton Initiative and

⁶ The Report was subsequently circulated as PJ-138/19.

International Cotton Advisory Committee to measure real-time sustainability performance. Members also received presentations by the representative of SatCafé on the implementation of a satellite remote sensing project in Colombia, and a representative from AgDevCo on its investments programme to support small-scale farmers in Africa. The Chief Economist also reported that he would be on mission in Gabon in October 2019 to provide technical support to the local experts working on designing a programme to promote a sustainable coffee sector.

111. The Council noted the report.

Item 17.5: Promotion and Market Development Committee

- 112. The Chair of the Promotion and Market Development Committee reported on the meeting of the Promotion and Market Development Committee on 25 September 2019⁷.
- 113. The Committee's agenda had focused on the promotion of domestic consumption in coffee-producing countries. This included a presentation from the Head of Operations on the key findings of the survey to update the Step-by-Step Guide to Promote Coffee Consumption in Producing Countries, which had been originally published in 2004. As a result, the Committee agreed to hold an intersessional meeting of the Committee to develop terms of reference for consultancy support to update the Guide and seek funding opportunities. The date would be determined with the incoming Chair of the Committee.
- 114. The Committee took note of an update from the Chief Economist on the status of ongoing projects on domestic consumption in Africa financed by the Special Fund. The projects were being implemented by the Inter-African Coffee Organization (IACO) on behalf of its 25 member countries. Mr René León-Gómez, Executive Secretary of PROMECAFE, updated members on the status of Special Fund-financed regional support programmes for the promotion of domestic consumption in Central America. Members commended PROMECAFE for the positive results of its work in the region.
- 115. The Committee also received a presentation from the Head of Operations on the International Coffee Day 2019 campaign which, in line with Resolution 465, called attention to the plight of coffee growers during the current price crisis. The 2019 campaign had been launched thanks to the generous support of the All Japan Coffee Association (AJCA), the Ernesto Illy Foundation and the EU representation in Rwanda.
- 116. The Council noted the report.

⁷ The Report was subsequently circulated as PM-63/19.

Item 17.6: Statistics Committee

- 117. The Executive Director reported on the meeting of the Statistics Committee held on 25 September 2019⁸. Based on the results of a survey sent to Members and the PSCB, the Committee proposed to maintain unchanged the conversion factors that were used to convert roasted, liquid and soluble coffee into their green bean equivalent as detailed in Article 2 of the International Coffee Agreement 2007. In relation to an update on the Delta Project to harmonize reporting on sustainability at the agricultural level of coffee and cotton value chains and tracking SDG commitments, Members were invited to nominate experts to the Working Group to finalize this set of indicators by contacting stats@ico.org by 17 October A workshop would be held for experts to discuss the indicators on 7 November 2019.
- 118. The Committee was informed by the Head of Operations that the Secretariat had received five proposals for upgrading its statistical database to an online database. Three proposals were deemed to meet the technical requirements for upgrading the database, and the Secretariat would finalize its decision after concluding its analysis of the financial proposals by end of the current coffee year.

Item 18: Special Fund

- 119. The spokesperson for exporting countries updated Members on the use of the Special Fund which had been originally established in 1976. In 2016 the Council had decided to disburse the remaining amount in the Fund to support the promotion of domestic consumption in the three coffee-producing regions of the world: Central and Latin America, Africa and Asia.
- 120. From 2016 the Central and Latin American region had received funding from the Special Fund, thanks to PROMECAFE which was leading on a three-year project now drawing to a conclusion to promote and increase domestic consumption in Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Mexico Nicaragua and Panama. There was also positive news from the African region which, through the Inter-African Coffee Organization, had already agreed to channel resources through the African Coffee Facility to introduce promotional campaigns for domestic consumption as set out in document PM-63/19. The Asian group of countries was also seeking a consensus on the use of the Special Fund in the region.
- 121. The Council noted and thanked the spokesperson for his report. It was recognized that there was major value in such coordination across the coffee-producing regions. The allocation of the Special Fund had illustrated the capacity of the international coffee community to work together and to aim for more ambitious collaborative projects in the future.

⁸ The Report was subsequently circulated as SC-97/19.

Item 19: Office holders and committees

Item 19.1: Composition of committees

122. The Council approved the following composition of Committees in 2019/20:

Committee	Exporting Members	Importing Members
Finance and Administration Committee	Colombia, Côte d'Ivoire, Honduras, India, Peru, Uganda	European Union, Japan, Norway, Russian Federation, Switzerland
Projects Committee	Colombia, Côte d'Ivoire, Honduras, India, Indonesia, Nicaragua, Peru and Rwanda	European Union, Japan, Switzerland
Promotion and Market Development Committee	Colombia, El Salvador, India, Nepal, Nicaragua, Peru, Tanzania and Togo	Japan, Russian Federation, Switzerland
Statistics Committee	Angola, Cameroon, Colombia, Costa Rica, Indonesia, Kenya, Nepal, Sierra Leone	European Union, Russian Federation, Switzerland

123. The Council approved the following members of the Private Sector Consultative Board:

Producer representatives (alternates in italics)

Colombian Milds:

Federación Nacional de Cafeteros de Colombia (FNC),

Sociedad Exportadora de Café de las Cooperativas de Caficultores (EXPOCAFÉ),

Asociación de Exportadores de Café de Colombia (ASOEXPORT),

African Fine Coffees Association (AFCA)

Other Milds:

Asociación Mexicana de la Cadena Productiva del Café A.C. (AMECAFÉ)

Asociación Nacional del Café de Guatemala (Anacafé)

Asociación Nacional de la Industria del Café A.C. (ANICAFÉ)

Codagu Planters Association

United Planters Association of India (UPASI)

India Coffee Trust

Brazilian and Other Natural Arabicas:

Conselho dos Exportadores de Café do Brasil (CeCafé),

Associação Brasileira da Indústria de Café Solúvel (ABICS),

Associação Brasileira da Indústria de Café (ABIC), Conselho Nacional do Café (CNC),

Confederação da Agricultura e Pecuária do Brasil (CNA),

International Women's Coffee Alliance (IWCA).

Robustas:

Conseil du Café-Cacao (3C),

Viet Nam Coffee and Cocoa Association (VICOFA) or Indonesian Coffee Exporters Association (GAEKI) - TBC

Uganda Coffee Federation (UCF).

Consumer representatives:

All Japan Coffee Association (AJCA),

China Coffee Association,

European Coffee Federation (ECF),

Korea Commission

National Coffee Association of USA (NCA),

Russian Association of Tea and Coffee Producers (Rusteacoffee),

Specialty Coffee Association (SCA),

World Coffee Research

Chair and Vice-Chair of Council Item 19.2:

In accordance with the procedures provided for in Article 10 of the 2007 Agreement, the Council elected the following office holders for the Council for 2019/20:

Chair: H.E. Mr Iman Pambagyo (Indonesia) Vice-Chair: Mr Michel de Knoop (European Union)

Item 19.3: Chair and Vice-Chair of the Committees for 2019/20

125. The Council approved the following office holders for 2018/19:				
	Chair	Vice-Chair		
Finance and Administration Committee	Ms Elena Stoyanova (Russian Federation)	Mr N. Narendra (India)		
Projects Committee	Mr Aly Touré (Côte d'Ivoire)	Mr Michel de Knoop (European Union)		
Promotion and Market Development Committee:	Ms Stefanie Küng (Switzerland)	Mr Juan Esteban Orduz (Colombia)		
Statistics Committee	H.E. Dr Durga Bahadur Subedi (Nepal)	Ms Ina Grohmann (EU-Germany)		

Item 19.3.1: Chair and Vice-Chair of the Consultative Forum

126. The Council approved the following office holders of the Consultative Forum on Coffee Sector Finance:

Chair: H.E. Mr Aly Touré (Côte d'Ivoire)
Vice-Chair: Ms Stefanie Küng (Switzerland)

127. The Council approved the following office holders to the Core Group of the Consultative Forum on Coffee Sector Finance for coffee years 2019/20 and 2020/21:

Exporting Members: Angola, Colombia, Cote d'Ivoire, Nicaragua, Nepal, Uganda **Importing Members**: European Union, Japan, Russian Federation, Switzerland

Ex-officio Member: Executive Director

Assisted by: Chairman of PSCB, and four advisors: TBC

Item 19.3.2: Core group advisors

128. The Executive Director reported that nominations for core group advisors would be proposed for Council's consideration in April 2020.

Item 20 Credentials

- 129. 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 125th Session of the International Coffee Council was reached.
- 130. The Council approved the verbal report on credentials⁹.

Item 21: Future meetings

131. The Council approved the change of date for the 126th Session of the International Coffee Council that would take place at the International Maritime Organization from 27 April to 1 May 2020.

Item 22: Other business

132. There was no other business.

⁹ The report was subsequently circulated, together with the List of Delegations, as document ICC-125-14

Item 23: Closing ceremony

133. The 125th Session of the International Coffee Council was formally closed. The Chair was warmly thanked by Members for her competence in helping to steer the Council's business in an effective, constructive and inclusive manner in order to reach consensus.



ICC 125-10

27 September 2019 Original: English

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International Coffee Council 125th Session 23 – 27 September 2019 London, United Kingdom Decision of the International Coffee Council at its 125th Session

THE INTERNATIONAL COFFEE COUNCIL

Considering the Declaration on price levels, price volatility and the long-term sustainability of the coffee sector (London Declaration), resulting from the 1st CEO and Global Leaders Forum held on 23 September 2019 in London as a Special Session of the Private Sector Consultative Board (PSCB);

Acknowledges with appreciation the work of the ICO secretariat to implement Resolution 465 and successfully carry out a Structured Sector-Wide Dialogue mobilizing coffee stakeholders in the coffee value chain and the international roasting industry;

Welcomes the efforts of all the private sector companies and organizations that have signed the London Declaration and their acknowledgment of the impact of the coffee price crisis as set out in the London Declaration and their commitment to extend the coffee sector dialogue in order to achieve long-term and transformational solutions;

Furthermore,

THE INTERNATIONAL COFFEE COUNCIL

Confirms, in pursuance of the Sustainable Development Goals (SDGs), the commitment of its Members countries to work together with the signatories of the London Declaration and other stakeholders to jointly define detailed and concrete actions;

Invites ICO exporting and importing members to engage their national stakeholders on discussing the London Declaration in accordance with their specific needs, priorities and commitment to a sustainable coffee sector;

Requests the ICO to set up a task force with ICO Members as well as representatives of the private sector and supporting organizations to draw up a roadmap and recommend further actions on price levels and volatility as well as long-term sustainability;

Confirms that the 2nd CEO and Global Leaders Forum, to be held during the fifth World Coffee Conference in Bengaluru, India, 10-12 September 2020, will consider the outcomes of the task force and pursue its efforts in proposing concrete solutions to the coffee crisis and price volatility issue.



ICC Resolution 467

30 September 2019 Original: English



International Coffee Council

125th Session 23 – 27 September 2019 London, United Kingdom

Resolution Number 467

APPROVED AT THE THIRD PLENARY MEETING, 27 SEPTEMBER 2019

International Coffee Agreement 2007

Resolution extending the time limit for ratification, acceptance, approval or accession

WHEREAS:

Paragraph (3) of Article 40 of the International Coffee Agreement 2007 stipulates that the Council may decide to grant extensions of time to signatory Governments that are unable to deposit their instruments by 30 September 2008;

Under the terms of paragraph 1 of Resolution 464 the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 is further extended to 30 September 2019;

Under the terms of paragraph 2 of Resolution 464, Governments eligible for membership in accordance with Article 43 of the Agreement may accede by depositing an instrument of accession with the Organization no later than 30 September 2019 or such other time as the Council may decide; and

A number of Governments have indicated that they require additional time to deposit the required instruments,

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

- 1. To extend the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 with the Depositary under the provisions of Article 40 of the Agreement and of Resolution 464 from 30 September 2019 to 30 September 2020.
- 2. To extend the period for the deposit of instruments of accession to the International Coffee Agreement 2007 with the Depositary under the provisions of Article 43 of the Agreement and of Resolution 464 from 30 September 2019 to 30 September 2020 or such other time as the Council may decide.