



**Decisions and Resolutions adopted
at the 132nd Session of the
International Coffee Council**

31 March and 1 April 2022

Opening of the 132nd Session of the Council

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1. H. E. Ambassador Iván Romero-Martínez, of Honduras, chaired the 132nd Session of the International Coffee Council which was held virtually (Zoom platform) on 31 March and 1 April 2022, as decided by the Council during its 131st Special Session held in February 2022.
2. The Chair of the Council opened the Council by welcoming all Members. Due to a fire emergency at the premises of the Organization, the Council Session was suspended for approximately twenty minutes and the Chair of the Council delivered his speech at the end of the Session on 1 April 2022¹.
3. Due to the temporary absence of the Chair of the Council for personal commitments, the Executive Director resumed the session and chaired the Council on behalf of the Chair on the morning of 31 March.

Item 1: Adoption of the Agenda

4. The Head of Operations informed the Council that, in compliance with Paragraph 4 of Article 11 of the 2007 Agreement, the quorum for holding the 132nd Session of the International Coffee Council had been reached.
5. The Executive Director noted that the running order of the agenda had been rearranged and that Item 2 “Votes”, Item 3 “Report on the work of the ICO and market situation”, Item 4 “Draft of the new International Coffee Agreement (ICA)”, Item 6 “Coffee Public-Private Task Force” and Item 11 “Financial and Administrative matters” would be considered on 31 March while all the other items would be taken up on 1 April.

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| 6. The Council adopted the draft Agenda contained in document ICC-132-0 Rev. 2 . |
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Item 2: Votes

Item 2.1: Redistribution of votes for coffee year 2021/22

7. The Head of Operations reported on document [ICC-132-1](#) containing the redistribution of votes for coffee year 2021/22 as of 21 March 2022, which had been calculated on the basis of the initial distribution of votes as per document [ICC-130-1 Rev. 1](#) and in accordance with Article 12 of the International Coffee Agreement (2007). He explained Tables 1, 2, 3 and 4 and reminded those present that only Members of the International Coffee Agreement 2007 who had paid their contributions were eligible to

¹ Subsequently published as ICC-132-6.

vote during the Council. He also noted that 31 March was the deadline for the payment of contributions for coffee year 2021/22. Members who failed to pay their contributions would have their voting rights suspended as of 1 April, in accordance with the provisions of paragraph 2 of Article 21.

8. On 1 April, the Secretariat circulated document [ICC-132-1 Rev. 1](#) containing the redistribution of votes for coffee year as of 31 March 2022.

9. The Council approved document [ICC-132-1 Rev. 1](#) on the redistribution of votes for coffee year 2021/22.

Item 3: Report on the work of the ICO and market situation

10. The Executive Director reported on the market situation and presented an interim report (October 2021 to March 2022) on the work of the Organization, highlighting that February 2022 marked the seventeenth consecutive month of increases in the ICO Composite Indicator, with a considerable improvement in prices since the middle of 2021 following frosts in Brazil. For the first time since 2016, at the beginning of the current coffee year consumption exceeded production and, according to the estimate for coffee year 2021/22, a gap of about three million bags was to be expected, with production accounting for 167 million bags and consumption 170 million bags. He noted that the pandemic, conflicts and climate change had caused widespread uncertainty, with disruptions in the supply chain and international trade, significant increases in costs of inputs as a result of the conflict in Eastern Europe, an overall lack of liquidity, and the world economy was now expected to grow at a much lower rate than previously forecast. Despite the likely negative impact of these factors on the recovery of demand, domestic consumption in producing countries could increase, since almost all lockdowns throughout the world had been lifted. In this regard, he informed that the results of the second survey on the impact of covid-19 on the coffee sector, which had been made in 2021, would be published in the 2021 Coffee Development Report. With reference to the conflict in Eastern Europe, the Executive Director noted that the Russian Federation and Ukraine together accounted for approximately 4% of global coffee consumption, with the two countries being respectively the eighth and the twenty-fifth largest coffee consuming markets. Despite soluble coffee remaining an essential part of coffee imports in both countries, he noted the volume of green beans being imported had grown considerably (from 49% in 2015 to 59% in 2021 in the Russian Federation and from 184,000 bags in 2015 to 453,000 in 2021 in Ukraine).

11. The Head of Operations reported on the implementation of the Programme of Activities for coffee year 2021/22. With reference to the resources, while there was a significant increase in voluntary in-kind and cash contributions by ICO Members and private members of the Coffee Public-Private Task Force for the implementation of activities (from approximately £550,000 in 2021 to £1,300,000 in 2022), the availability of human resources remained limited. Among the key results achieved, the Head of Operations stressed i) the successful organization and participation in key events in partnership with the G20/Youth20 and the Food and Agriculture Organization (FAO) within both the World Food Forum and the World Food Day; ii) the finalization of the Coffee Development Report 2021 on youth and coffee and the preparation of the Coffee Development Report 2022 on coffee circular economy; iii) the launch of the World Coffee Statistics Database and the update of statistics reporting, publications and marketing with a direct positive impact on contributions to the organization from third parties; and iv) the finalization of the new ICO website and the launch of a joint ICO-CPPTF newsletter being circulated on a monthly basis. Among the results deriving from partnerships, the Head of Operations mentioned the drafting of an £18 million funding proposal for 2022-26 to support the activities of the CPPTF and its Technical Workstreams and also the development of a new project with the Austrian Development Agency (ADA) on sustainability practices and youth capacity building to be implemented in Africa.

12. The delegates of Nicaragua and Brazil congratulated the Secretariat on the work carried out and the significant results achieved despite the shortage of staff and the challenge of working in a remote environment due to the covid-19 pandemic. They also thanked Switzerland and Germany, as well as all the other donors who were providing financial support to the activities of the CPPTF.

13. The delegate of El Salvador praised the efforts to improve data collection and market transparency and congratulated the Secretariat on the launch of the World Coffee Statistics Database. She stressed that El Salvador's coffee policies aimed at enhancing the coffee sector while promoting its economic, environmental, and social sustainability and expressed the country's willingness to be considered as a potential beneficiary of projects such as the "Building a resilient coffee value chain to mitigate climatic disasters and covid-19 pandemic in Honduras and Nicaragua" funded and supported by the Central American Bank for Economic Integration and the ICO.

14. The Council took note of the presentation of the Report.
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Item 3.1: Coffee Development Report 2021 (overview)

15. The Head of Operations presented an overview of the Coffee Development Report (CDR) 2021 being finalized in partnership with a team of consultants from Michigan State University and with the financial support of the German development agency. He stressed the key role youth could play in the coffee sector and the potential of young women and men to be the catalyst for accelerated socio-economic transformation in producing countries as well as for increased consumption. The Head of Operations also noted the report would include information on current trends, challenges and opportunities in the global coffee value chain, best practices and cost-effective approaches to foster youth engagement, as well as recommendations and actions to be jointly implemented by public and private sectors stakeholders to ensure the sector's sustainability.

16. The delegate of Nicaragua thanked the Head of Operations for his presentation and noted Nicaragua was promoting national policies to enhance youth engagement in agriculture, through education and professional training targeting young men and women and promoting youth entrepreneurship.

17. The Council took note of the report.
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Item 3.2: Coffee Development Report 2022

18. The Head of Operation noted, that as previously informed, the Coffee Development Report 2022 would focus on the coffee circular economy given the importance of identifying a more sustainable and comprehensive alternative to the traditional coffee linear economy. In this regard, he noted that following an assessment to identify the main institutions working on the topic, preliminary discussions with key stakeholders including the Polytechnic of Milan, Lavazza and UNIDO, as well as CPPPTF Members, were already being conducted by the Secretariat. He also stressed the report would identify actions and solutions taking into account all links in the supply chain, from production, packaging, shipping and transport, to processing, manufacturing, retailing and consumption. Among the immediate next steps, the Head of Operations mentioned the establishment of an informal advisory group, the finalization of the CDR outline, the mobilization of resources to fund the activity and the assignment of components to partners.

19. The delegate of Brazil congratulated the Secretariat on the choice of the theme and stressed the relevance of the topic for the coffee sector, while also suggesting the creation of a new technical workstream within the CPPTF to discuss the question of circular economy and share opportunities and best practices among Members.

20. The delegate of Nicaragua supported the proposal by Brazil given the importance of the topic for the sustainability of the coffee sector and shared information on initiatives on coffee circular economy currently being promoted at the institutional level and implemented by cooperatives in Nicaragua.

21. The Council took note of the report.
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Item 4: Draft of the new International Coffee Agreement (ICA)

22. The Chair of the Council introduced the draft of the new International Coffee Agreement and noted Members had received two documents: [WGFA-100/22 Rev. 1](#), which contained a comparison between the current ICA 2007 and the draft of the new ICA; and [WGFA-101/22](#), which contained only the draft of the new International Coffee Agreement based on decisions made by consensus within the Working Group on the Future of the Agreement. He congratulated the Chair of the Working Group, Ms Stefanie Küng of Switzerland, and the Vice-Chair, Mr Mick Wheeler of Papua New Guinea, for the outstanding results the Group had achieved under their lead and thanked all Members for their active participation in the WGFA meetings, as well as the Secretariat for the assistance provided.

23. The Chair of the Working Group recalled the ICA 2007 entered into force in February 2011 and had been recently extended until February 2024 as per the decision made at the 130th Session of the Council. Following its creation in March 2019, the Working Group on the Future of the Agreement met twenty-eight times to revise the current Agreement and make recommendations to the Council for a new draft that could better accommodate the recent changes in the global coffee sector, as well as improvements in terms of institutional framework and financial structure. The sustainability of the sector, the redefinition of the system for the calculation of votes and contributions, the inclusion of the Coffee Public-Private Task Force, and the integration of the private sector and civil society were among the key points concerned by the revision of the Agreement.

24. With reference to the revision of the institutional framework and to non-governmental Membership, there was consensus to i) merge the Statistics, Projects and

Promotion and Market Development Committees into a single Economics Committee; ii) transform the Coffee Public-Private Task Force into a permanent body to be integrated into the new Agreement as the Coffee Public-Private Working Party (CPPWP); create a Board of Affiliate Members to include private sector and civil society entities and replace the Private Sector Consultative Board (PSCB).

25. With reference to the system for calculation of votes and contributions, there was consensus among Members to delink votes and contributions, maintaining the distinction between exporting and importing countries only for the determination of votes and changing the system for the determination of contributions, which would be no longer proportional to votes. While two options for the calculation of contributions had been discussed within the WGFA meetings, provisional consensus was reached to refer to 50% of the value of total trade and 50% of the volume of total trade (option C2.3) as it would reduce the potential negative impact of countries leaving the Organization and better reflect the real value of trade, among other benefits.

26. In addition to the report presented by the Chair of the Working Group, the delegate of Papua New Guinea and Vice-Chair of the WGFA stressed the Working Group went as far as possible in terms of discussing topics, seeking consensus and presenting a draft of the new Agreement, therefore fulfilling its mandate.

27. In light of the draft Agreement presented and noting that the mission of the WGFA had been accomplished, the Chair of the Council suggested terminating the Working Group on the Future of the Agreement and holding a special session of the Council to consider and if appropriate, to approve the new Agreement. Any discussion on the topic would be postponed until the special session of the Council in June in order to grant Members sufficient time to consult their governments.

28. The delegates of Peru, Colombia, the European Union, Nicaragua, Norway, and Brazil thanked the Chair and Vice-Chair of the Working Group for the intense work carried out within the WGFA and their capable leadership and supported the proposal by the Chair of the Council to hold a special session of the Council in June 2022.

29. Following the request of the delegate of Costa Rica for a simulation document based on the proposed new system for the calculation of votes and contributions, the Chair of the Council reiterated Members could obtain further information and clarifications needed from the Secretariat in between the two sessions of the Council.

30. The delegate of Mexico echoed other Members and congratulated the Working Group on the results achieved, stressing the new Agreement contained key innovative elements, such as the integration of the Task Force and specific attention to farmers and producers. He also thanked importing Members for their willingness to increase their contributions to ensure a more balanced and authentic reflection of the coffee sector within the organization and welcomed the proposal to hold a special session of the Council in June to consider the draft of the new Agreement and discuss any pending questions such as affiliate membership.

31. The delegate of Japan thanked all delegates for the work carried out and requested the Secretariat to kindly check the two WGFA documents circulated for possible errors and the persistence of some items in brackets. He also expressed his willingness to continue the meetings of the Working Group as well as informal bilateral meetings with the Chair and Vice-Chair of the WGFA and expressed his concerns about the proposed timeframe for the special session of the Council to be held in June as Japan might not finalize national consultations in time.

32. The Chair of the Council stressed the Working Group had already fulfilled its mandate by submitting a draft Agreement drafted based on decisions made by consensus and indicated the special session of the Council to take place in June as the ideal forum to address any concerns and discuss possible amendments submitted by Members. He also stressed that Members were being requested to note the draft of the new Agreement delivered by the Working Group and that the approval of the new text would potentially only take place at a later session of the Council.

33. In response to the delegate of Japan, the Executive Director reiterated the Secretariat's availability to provide further clarifications on the documents circulated and explained that brackets contained in them were only referred to dates and deadlines that could be determined only upon approval of the Agreement. He also informed the Secretariat would check again the documents circulated and issue a corrigendum should any discrepancies with decisions made by the Working Group be found.

34. The delegates of Switzerland and Papua New Guinea informed they remained available for informal bilateral consultations with Japan to address any pending questions.

35. Considering the extensive and extended work already carried out by the Working Group since March 2019, the delegate of Colombia kindly encouraged the delegation of

Japan to promptly address any concerns and questions prior to the special session of the Council to be held on June in order to avoid delaying the approval of the new Agreement and its entry into force.

36. The delegate of Brazil stressed the draft Agreement presented to the Council reflected the position of Brazil, especially with reference to the role of the Task Force and the integration of the private sector, as well as the consensus reached within the Group, and had therefore the country's full endorsement. Noting that Japan's concerns expressed during the WGFA meetings were more related to the wording rather than to substantial questions, he suggested an informal drafting group meeting be organized in order to address pending issues in this regard.

37. The Executive Director presented a draft decision of the Council on the draft of the new International Coffee Agreement containing the recommendations and suggestions by the Chair of the Council and Members delegations, namely i) the termination of the activities of the Working Group on the Future of the Agreement; ii) the establishment of 18 May 2022 as the deadline for submissions of proposed amendments to the draft Agreement; iii) the convocation of a special session of the Council to be held on 8 and 9 June to review the final text of the International Coffee Agreement 2022, incorporate all amendments agreed by consensus by Members and, if appropriate, to approve it.

38. The delegates of Nicaragua and Japan endorsed the draft decision presented by the Executive Director.

39. The Council took note of the report by the Chair of the Working Group on the Future of the Agreement (WGFA) and of document [WGFA-101/22](#) and approved the provisions of the Council decision circulated as document [WP-Council 321/22 Rev. 1](#) and subsequently published as [ICC-132-3](#) (also attached to these Decisions).

Item 5: Report of meetings of committees and other bodies

40. The Head of Operations reported on the Joint Committees meeting held on 29 March 2022. Within the Statistics Committee, the Statistical Coordinator had presented the recently launched World Coffee Statistics Database and informed that nineteen ICO Members had been granted access to the platform, while all paying subscriber from the private sector had renewed their subscriptions despite the increased fee. He also noted that meetings of the Statistics Roundtable had been resumed following a long suspension

due to the covid-19 pandemic. Within the Projects Committee, Members noted the report on the Africa Coffee Facility (AFC) and were informed the main project proposal as well as the study expected to identify financing gaps and business opportunities in the coffee value chain in Africa were still under consideration and pending approval from the African Exports-Imports Bank (AFREXIMBANK). Members were also given updates on the Terms of Reference for a study on “Building a resilient coffee value chain to mitigate climatic disasters and covid-19 pandemic in Honduras and Nicaragua” and on the joint communiqué signed by the two ICO Members, the ICO and the Central American Bank for Economic Integration.

41. The delegate of Brazil congratulated the Secretariat on all the activities carried out under the three committees and on the results achieved while stressing the importance of designing projects with clear objectives and timeframes for execution in order to ensure their successful implementation.

42. The delegate of Nicaragua congratulated the Inter-African Coffee Organization (IACO) on the implementation of the regional programme financed by the ICO Special Fund, expressing her appreciation especially for the component on capacity building and proposing the expansion of the programme in other coffee growing regions.

43. The Council took note of the report by the Head of Operations on the Joint Committees meeting.

Item 5.1: Layout change to the Rules on Statistics: Certificates of Origin

44. The Head of Operations noted that a representative of CECAFE from Brazil made a presentation on the Brazilian national system to manage ICO Certificates of Origins as well as on the proposed changes to the layout of certificates, as per document [SC-113/22](#). The Statistics Committee recommended the amendments submitted by Brazil be applied on a provisional basis alongside the existing format since they did not affect the Rules of Statistics.

45. The Council approved document [SC-113/22](#) and the recommendation to review the proposed changes in one year’s time.

Item 5.2: Special Fund

46. The Head of Operations informed the programme implemented in Mexico & Central America in collaboration with PROMECAFE had been successfully completed, while activities carried out under the regional programme in Africa in collaboration with IACO and in Asia and the Pacific Region were still ongoing. He also noted that the Secretariat was still awaiting feedback from the Philippines and Timor-Leste with reference to their unclaimed funds.

47. The Council took note of the report on the Special Fund.

Item 5.3: ICO Market Development Toolkit

48. Within the Promotion and Market Development Committee, Members noted the report on the project to develop a Coffee Market Development Toolkit and were informed training sessions for Members would take place during the last two weeks of May 2022.

49. The Council took note of the report on the ICO Market Development Toolkit.

Item 5.4: Private Sector Consultative Board

50. The Chair of the Private Sector Consultative Board reported on the 52nd meeting held on 29 March 2022. Among the items addressed by Members, the Chair mentioned the report on the activities of the Coffee Public-Private Task Force, the integration of the private sector in the new Agreement and the World Coffee Statistics Database. The Chair also reported on the presentation given by the Secretary General of the European Coffee Federation about the new EU regulation on agricultural-led deforestation. Members noted that the proposed obligation for trade actors to exercise due diligence prior to export would increase operating costs to the industry, and in particular coffee farmers. In this regard, Members requested the Secretariat to open a channel for discussion with the European Union and welcomed the webinar jointly organized by the Organization and the EU to further discuss the topic.

51. The delegate of Brazil stressed the importance of the topic for the whole coffee sector and encouraged the Organization to establish a dialogue with the European institutions in order to obtain further clarifications and voice ICO Members' concerns, suggesting a meeting of the Chair of the Council with the rapporteur of the European Parliament.

52. The Chair of the Council reassured Members that the topic would be dealt with by the Organization as a priority considering its relevance and urgency and that an action plan to address the question would be discussed with the new Executive Director upon her arrival and shared with Members.

53. The Council took note of the report by the Chair of the PSCB.

Item 6: Coffee Public-Private Task Force

54. The Head of Operations reported on the progress of activities carried out within the Coffee Public-Private Task Force (CPPTF) in March 2022. He informed Members that the review of the CPPTF's performance funded by GIZ was concluded and presented at the 8th CPPTF Sherpas-only Session as well as circulated to ICO Members. During the referred session, private sector members also endorsed the operational budget proposal for 2022 as well as the overall funding proposal for 2022-2026, both submitted to the 132nd Session of the Council for consideration and approval. The Head of Operations noted the implementation of the Roadmap was moving forward within all technical workstreams and mentioned the finalization of the Gender Tracker Tool as well as the realization of a joint ICO-EU webinar on the new EU Deforestation Regulation among the key outputs produced by the CPPTF. He concluded by informing Members that, following the addition of a new private sector sherpa (coffee trader Sucden), two new public Sherpas to be nominated among ICO Members were required in order to ensure the public-private balance (ideally one Exporting and one Importing Member to be nominated at the next ordinary session of the Council).

Item 6.1: CPPTF Operational budget 2022

55. The Head of Operations introduced the Operational budget for 2022 contained in document [CPPTF 5/22](#) and circulated to Members.

56. The Council took note of the Operational budget contained in [CPPTF 5/22](#).

Item 6.2: Concept note for an overall funding proposal 2022-26

57. The Head of Operations introduced the concept note for an overall funding proposal 2022-26 contained in document [CPPTF 6/22](#) and circulated to Members.

58. The Council approved the funding proposal contained in [CPPTF 6/22](#)².

Item 6.3 Proposal TW3 Sector Transformation – Exporting Members

59. The Head of Operations introduced the Proposal from the Technical Workstream 3 “Sector Transformation – Exporting Members” contained in document [CPPTF 7/22](#).

60. The Council approved the proposal for TW3 contained in [CPPTF 7/22](#).³

Item 7: National coffee policies and promotion of origins

61. The delegate of Peru informed Members the 6th International Fair of Specialty Coffees of Peru (FICAFE) would be held in the city of Ayacucho from 28 to 30 October 2022 and invited Members to participate in the event. Among the main activities within FICAFE 2022 would be i) the exhibition fair for specialty coffees from the different coffee regions of Peru; ii) the award of the VII Coffee Cup of Excellence contest to reward the quality of the coffees produced in the country; iii) a coffee congress, to analyse and identify alternative solutions to the challenges of the Peruvian coffee value chain; iv) in-person and virtual international business roundtables.

62. The delegate of Nicaragua congratulated the delegation of Peru on the event being organized and informed Members that Nicaragua was holding an event in San Isidro to promote quality coffees produced by local small growers.

63. The Executive Director congratulated Peru and Nicaragua on the initiatives promoted and recalled that the Cup of Excellence was created as a result of the ICO Gourmet Coffee project, conducted about twenty years previously.

64. The Council took note of the information provided by the delegate of Peru and the interventions made.

² Subsequently published as ICC-132-4.

³ Subsequently published as ICC-132-5.

Item 7.1: Promotional tool of origins

65. The Head of Operations reported on the initiatives being carried out by the Secretariat in order to promote the work of the Organization and increase its visibility, namely ICO's Newsletter and the new ICO website. He informed that a promotional tool of origins was being finalized by the Secretariat to provide Members with a space to promote their origins and national success stories ('champions') on the new ICO website and social media pages and informed Members the initiative was expected to be launched in May 2022.

66. The delegates of Japan and Brazil congratulated the Secretariat on these initiatives and stressed their relevance for the whole coffee supply chain.

67. The Council took note of the report on the promotional tool of origins.

Item 8: World Coffee Conference

68. The delegate of India informed that following the postponement of the World Coffee Conference to 2023, the Government of India considered the two windows available (April and September) to host the event and decided to propose the first and second weeks of September 2023 as the new possible dates for both the 5th World Coffee Conference and the Council session to take place.

69. The Council approved the proposal to hold the 5th World Coffee Conference in Bangalore in September 2023.

Item 9: Vice-Chair of the Council

70. The Chair of the Council recalled that during the 130th Session of the Council held in September 2021 the Council only elected its Chair while the position of Vice-Chair remained vacant and stressed that according to Article 10 of the 2007 Agreement, the Vice-Chair for coffee year 2021/22 should be elected from among the representatives of importing Member.

71. The delegate of the European Union, in his capacity as spokesperson of Importing Countries, presented the candidacy of Mr Massimiliano Fabian of Italy.

72. Mr Fabian introduced himself providing information on his professional background and expressed his gratitude for the opportunity given.

73. The delegate of Papua New Guinea, Brazil, Switzerland, Costa Rica, Peru and Japan, as well as the Executive Director congratulated Mr Fabian on his election and praised his solid experience in the coffee sector.

74. The Council elected Mr Massimiliano Fabian of Italy as Vice-Chair of the Council for coffee year 2021/22.

Item 10: Chair of the Finance and Administration Committee

75. The delegate of the European Union, in his capacity as spokesperson of Importing Countries, presented the candidacy of the European Union for the post of Chair of the Finance and Administration Committee.

76. The Council elected Mr Zoltan Agai of the European Union as Chair of the Finance and Administration Committee for coffee year 2021/22.

Item 11: Financial and administrative matters

Item 11.1: Finance and Administration Committee

77. On behalf of the Vice-Chair of the Finance and Administration Committee, who was unable to attend the session of the Council, the Executive Director reported on the meeting of the FAC held on 23 March 2022. The Executive Director noted the Vice-Chair of the FAC made a presentation on the financial situation of the Organization as of the end of February 2022 including a forecast cash balance for the February – September 2022 period and encouraged Members to pay their contributions promptly in order to ensure the economic sustainability of the Organization. The FAC also considered the draft Administrative Budget for financial year 2022/23 contained in document FA-318/22, noting the proposed increase was due to a partial recovery from the emergency budgets of the last two years and a partial return to the pre-pandemic normality and the need to adjust the budget taking into account the inflation of the last few years. The Executive Director noted the budget for financial year 2022/23 would be 16.8% higher than the one of 2021/22 but still 24% lower than the budget allocated for coffee year 2017/18 and informed that Members agreed to meet again intersession to further consider the proposed budget after consultations with their capitals.

78. The Council took note of the report by the Executive Director, of the financial situation and the draft Administrative Budget for financial year 2022/23 contained in documents [FA-316/22](#) and [FA 318/22](#), respectively.

Item 11.2: Report on collection of contributions from Members in arrears

79. The Executive Director introduced document [FA-317/22](#), noting that approximately £580,800 from the current financial year and £760,600 from previous years were outstanding and pointing out these arrears represented a grave threat to the financial sustainability of the Organization.

80. The Council noted the Report on outstanding contributions contained in document [FA-317/22](#).

Item 11.3: Administrative Accounts of the Organization for the financial year 2020/21 and Report of the Auditors

81. The Executive Director introduced document [FA-319/22](#) containing the Administrative accounts of the Organization for financial year 2020/21 and the report of the auditors.

82. The Council approved the Administrative Accounts of the Organization for financial year 2020/21 and the Report of the Auditors contained in document [FA-319/22](#).

Item 11.4: Accounts of the Special Fund for the financial year 2020/21 and Report of the Auditors

83. The Executive Director introduced document [FA-320/22](#) and noted the Accounts of the Special Fund for the financial year 2020/21 as well as the report of the auditors were to be considered and, if appropriate, approved only by Exporting Members since they were the ones who contributed originally to the Special Fund.

84. Exporting Members approved the Accounts of the Special Fund for financial year 2020/21 and the Report of the Auditors contained in document [FA 320/22](#).

Item 11.5: Accounts of the Coffee Sustainability Projects Trust Fund for financial year 2020/21 and Report of the Auditors

85. The Executive Director introduced document [FA-321/22](#) containing the accounts of the Coffee Sustainability Projects Trust Fund for financial year 2020/21 and the report of the auditors.

86. The Council approved the Accounts of the Trust Fund and the Report of the Auditors contained in document [FA-321/22](#).

Item 11.6: Promotion Fund

87. The Executive Director noted that the accounts of the Promotion Fund were not audited as per the decision made by the Council in September 2010.

88. The Council took note of the Accounts of the Promotion Fund contained in document [FA-322/22](#).

Item 11.7: Salary scales and the basis for contributions to the Provident Fund for staff in the Professional and higher categories

89. When introducing documents [FA-323/22](#) and [FA-324/22](#), the Executive Director recalled that during the financial crisis of the Organization the professional staff of the Secretariat had voluntarily waived for two years some of the benefits they were granted under the Staff regulations and staff rules, including changes in the salary scales and the basis for contributions to the Provident Fund for professional staff. As per decision of the Council, in the budget for financial year 2021/22 these benefits were restored and information contained in the abovementioned documents reflected the new salary scales and basis for contributions to the Provident Fund approved by the United Nations in January 2021.

90. The Council approved the Salary scales and the basis for contributions to the Provident Fund for staff in the Professional and higher categories contained in documents [FA 323/22](#) and [FA 324/22](#), respectively.

Item 11.8: Education Grant

91. The Executive Director noted that this was also one of the benefits the professional staff of the Secretariat had voluntarily waived for two years and that had been restored by the Council in the budget of financial year 2021/22.

92. The Council approved the Education Grant contained in document [FA 325/22](#).

Item 12: Credentials

93. The Head of Operations stated that the credentials received were found to be in good order and noted the Secretariat, as standard practice, would issue at a future date a Credentials Report and a list of delegations that attended the Council session.

94. The Council noted the report on credentials.

Item 13: Future meetings

95. The Chair of the Council recalled that during the 131st special session of the Council Colombia had kindly offered to host the 134th Session of the Council in Bogotá and confirmed the Organization accepted the offer.

96. The delegate of Colombia informed the dates to host the Session would be from 3 to 7 October 2022 and that the Council session and associated meetings would also coincide with the “Café of Colombia Expo 2022” on women as coffee growers and the celebrations for the International Coffee Day.

97. With reference to the special session of the Council to be held in June 2022, the delegate of Japan suggested the Organization consider holding the meeting in hybrid format and requested a preparatory meeting prior to the session. She also informed that the Government of Japan could require a one-month legal scrubbing period to revise the text of the new Agreement.

98. The Executive Director clarified that as per the decision approved by the Council, Members would have until 18 May 2022 to submit any proposed amendments to the text. Since the draft presented to the Council was already the result of consensus reached

within the Group and considering only minor changes in terms of wording would likely be forwarded to the Secretariat, the Executive Director stressed Japan could refer to the text of the draft submitted to the Council within their legal scrubbing exercise.

99. The delegate of Nicaragua pointed out that the Special Session would already provide Members with the opportunity to address any pending questions as well as to ask for clarifications. She stressed the financial implications of hosting several special sessions for the budget of the Organization.

100. The Chair of the Council echoed the delegate of Nicaragua and confirmed the Special Session of the Council to take place in June 2022 would be held online only due to budgetary constraints. He also stressed an informal preparatory meeting could be organized in order to address any issues prior to the special session of the Council and invited Members interested in participating in said meeting to contact the Secretariat.

101. The Chair of the Council announced the following dates for the next sessions of the International Coffee Council:

- 133rd Special Session of the Council: 8-9 June 2022
- 134th Session of the Council: 3-7 October 2022
- 135th Session of the Council: 27-31 March 2023
- 136th Session of the Council and 5th World Coffee Conference: first half of September 2023

102. The Council took note of the proposed dates for future meetings.

Item 14: Other business

103. No other business was raised.

Item 15: Closing session

104. The Chair of the Council noted that the 132nd session of the ICC would be the last one of José Sette as Executive Director of the Organization. The Chair of the Council thanked Mr Sette for his service, professionalism and for capably and successfully conducting the Organization and the Secretariat during challenging times.

105. The Executive Director delivered his farewell speech to the Council, outlining the challenges faced by the Organization and the numerous results achieved during his mandate, especially with reference to the three goals outlined in the Strategic Action Plan adopted in 2018 i) Delivering world-class data and analysis to stakeholders and policy-makers; ii) providing a forum for dialogue between and within the public and private sectors; and iii) facilitating the development of projects and promotion programmes. He thanked the Chair of the Council, H.E. Iván Romero-Martínez, and all the delegates for their help and collaboration, all non-governmental partners of the Organization and in particular the ones involved in the work of the Coffee Public-Private Task Force, as well as the Head of Operations and all the Secretariat staff⁴.

106. The delegates of Brazil, Peru, Cote d'Ivoire, Switzerland, Mexico, Colombia, Papua New Guinea, Gabon, Nicaragua, the European Union, Honduras, Costa Rica, India, Indonesia, and Cameroon expressed their gratitude to Mr Sette for his dedication, commitment and hard work, as well as for the many accomplishments the Organization achieved over the five years of his mandate as Executive Director.

107. The Chair of the Council thanked all Members for their presence. He expressed his gratitude to the Executive Director, the Head of Operations and all the staff of the ICO.

⁴ *Subsequently published as ICC-132-2.*



**INTERNATIONAL
COFFEE
ORGANIZATION**

ICC 132-3

1 April 2022
Original: English

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International Coffee Council
132nd Session
Virtual Session
31 March and 1 April 2022
London, United Kingdom

Decision of the Council

Draft of the new International Coffee Agreement (ICA)

WHEREAS:

The International Coffee Council at its 124th Meeting by means of Decision ICC-124-15 established a Working Group on the Future of the International Coffee Agreement (WGFA) open to all ICO Members;

The WGFA met 28 times from 2019 to this week;

The WGFA was also supported by an ad-hoc drafting group that met eight times and held several bilateral and engagement meetings with other coffee stakeholders and partners;

The ICO Secretariat effectively supported the process through research on other treaties, including those of international commodity bodies and other intergovernmental organizations, surveys and simulations and by producing a series of technical working papers to provide Members with the necessary information and knowledge for their discussions and decisions;

By Resolution 473, the International Coffee Agreement 2007 (ICA 2007) has been extended till 1 February 2024;

A draft of the new International Coffee Agreement, prepared by the Secretariat and containing all the inputs, discussions and decisions of the WGFA, based on the indication expressed by the majority of Members, was circulated as WGFA-101/22;

Members expressed the need to carry out an internal review of the draft, which will be also provided by the Secretariat in all four ICO official languages; and

Members expressed their deepest gratitude to Ambassador Hermano Telles Ribeiro, of Brazil, and Ms Stefanie Küng, of Switzerland, who occupied the Chair of the WGFA during this period, and Mr Mick Wheeler, of Papua New Guinea, who occupied the role of Vice-Chair, for their tireless efforts in leading this group, as well as to all engaged members, the ICO Executive Director and the Secretariat.

THE INTERNATIONAL COFFEE COUNCIL

Decides that:

1. The process of informal consultation on the text of the draft ICA 2022 contained in document WGFA-101/22 will continue, and ad-hoc meetings will be held as requested by Members.
2. The new draft contains significant improvements and innovations compared with the ICA 2007, which better reflect the reality of the Coffee Global Value Chain and help ensure that it will be the most suitable instrument to promote international cooperation among coffee-exporting and -importing countries, industry and all coffee stakeholders, so as to achieve a sustainable and resilient coffee sector focused on the livelihoods of coffee farmers and other producers.
3. A period shall be established, during which ICO Members will have the possibility to review the text of the proposed new Agreement and suggest possible rewording or amendments to allow its prompt finalization and approval. Any amendments proposed by Members should reach the ICO by 18 May 2022.
4. The WGFA has successfully completed its mandate and therefore ceases to exist.

5. A Special Session of the Council will be held 8-9 June 2022 to review the final text of the International Coffee Agreement 2022, incorporate all amendments agreed by Members by consensus and, if appropriate, to approve it.