



Core Group on the Consultative Forum
2nd meeting
25 September 2012
London, United Kingdom

Preparations for the 3rd Consultative Forum

Background

1. The attached document has been prepared to assist the Core Group in considering the preparations for the 3rd Consultative Forum, including the date, format, dissemination and sponsorship.
2. As noted at the meeting of the Core Group in March 2012, all Members are encouraged to include relevant government finance and risk management experts in their delegations to expand the range of expertise available and support the Core Group in its work.

Action

The Core Group is invited to consider this document.

PREPARATIONS FOR THE 3rd CONSULTATIVE FORUM

I. DATE OF NEXT FORUM

1. The 3rd Consultative Forum could take place during one of the following Sessions of the Council in 2013, which will be held in London or overseas as decided by the Council in September 2012:

110th Session: Monday 4 – Friday 8 March 2013

111th Session: Monday 9 – Friday 13 September 2013

II. FUTURE FORUM FORMATS

2. In March 2012, the Group noted that options for future Forum events could include the following:

- Panel discussion and exchange of views
- Workshops
- Engaging a professional facilitator
- Breakout groups
- Internet platforms
- Holding the Forum outside London in a producing country

3. The Core Group also noted the value of substantive discussion within the Core Group, where advisors and relevant government experts in finance and risk management could engage and debate relevant topics with a view to identifying issues for inclusion in a future Forum event. ICO Members would be encouraged to attend and observe these discussions.

III. TOPICS FOR DISCUSSION

4. The terms of reference for the Forum (document ICC-105-18) provide that it shall facilitate consultations on topics related to finance and risk management in the coffee sector, with a particular emphasis on the needs of small- and medium-scale producers and local communities in coffee producing areas, including risk management; access to credit; financial tools and services; and sources of finance and partnerships for coffee development activities. Topics discussed during the first two Forums are listed below:

- (a) *1st Forum (September 2011)*: What mechanisms, tools or strategies exist, or could be developed or improved, to help small- and medium-sized producers manage the risk of green coffee price volatility, what are the challenges for each of the mechanisms, and how can those challenges be overcome to make the tools/strategies more accessible and useful for small- and medium-sized producers?
- (b) *2nd Forum (March 2012)*: The role that producer associations, governments and other entities (e.g. the private sector, non-profit organizations or public-private partnerships) play, or could play, in making risk management and financing tools more accessible, and more workable, for small- and medium-sized growers.

5. The reports of the two Forums are contained in documents CF-1/11 and CF-2/12 and presentations are available on the ICO website. Priorities for future discussion and exploration raised during the first two Forum events include:

- Measures to be taken to meet the need to raise small- and medium-scale growers' understanding of, and access to, risk management tools, and the institutions or mechanisms that should be engendered or improved to develop the activities required.
- Further study of mitigation mechanisms, particularly those supported through producer associations and government action. The Governments of Mexico and Brazil, who had taken measures to mitigate price volatility, had undertaken to provide information on their experiences in this area. The experience of producer associations in countries such as Colombia and Guatemala should also be taken into account.
- Identification of specific mechanisms or tools that may warrant more in-depth analysis and serve as topics for focused discussion in future Consultative Forums, including potential instruments that could help small- and medium-scale producers to protect themselves against the effects of challenges such as climate change.
- Ways in which to develop a typology of best practices in this field for adaptation and use in different legal and institutional frameworks, particularly for countries that are in the early stages of developing finance and risk management programmes for their coffee sectors.
- The interaction between institutional actors, such as cooperatives and growers associations, with overall government policy.
- Forms of stimulating grower participation in risk management and financing schemes, for example through improving growers' financial literacy and understanding of programme benefits as well as through incentive schemes.

- The need for transparency and understanding of respective roles and risks throughout the supply chain in order to promote cooperation and win-win solutions among different actors in the supply chain; and
 - The role governments can play in creating enabling environments to encourage innovation solutions to address growers finance and risk management needs.
6. The Core Group is invited to consider topics for the 3rd Forum and future Forums.

IV. SPEAKERS

7. The Core Group is invited to consider potential speakers for the 3rd Forum and future Forums from the following or other categories:

- Member Governments
- Core Group advisors
- Intergovernmental bodies
- Multilateral development banks
- Bilateral development agencies and similar institutions
- Financial institutions (public sector and private sector)
- Non-governmental organizations
- Private sector coffee associations
- Commodity and futures exchanges
- Research institutions / universities
- Others with relevant expertise

V. DISSEMINATION

Current arrangements

8. Following the first two Forums, the following arrangements are currently in place for dissemination of the Forum results:
- Presentations, reports and press releases are translated and posted in all four languages on the home-page and the Forum section of the ICO website.
 - Audio recordings of speakers are posted on the ICO website.
 - ICO press releases are issued to national and international media and Members.
 - Journalists covering coffee are invited to attend Forum events free of charge and are briefed about the outcomes at a press briefing.

- Presentations, reports and press releases are distributed electronically to Members, PSCB and non-member countries with a request to disseminate the results of the Forum as widely as possible to representatives of the coffee sector and policy-makers in their countries. Members are also encouraged to issue press releases to publicize the results of the Forum and generate interest in it in their countries.
 - Relevant international organizations are requested to post materials on their website (e.g. Common Fund for Commodities (CFC), Food and Agriculture Organization of the United Nations (FAO), International Trade Centre (ITC), World Bank, USAID).
 - CD-Roms are prepared with all Forum materials and are disseminated by the Executive Director and members of staff on missions and conferences.
 - CoffeeClub posts links to the Forum and is in the process of creating a community for the Forum, mediated by an expert.
 - Social media: the ICO Facebook page includes links to the Forum (<https://www.facebook.com/pages/International-Coffee-Organization/196425447100713>).
 - A summary of the main points and themes of each Forum for distribution on missions – a one-two page Executive Summary will be included as the first page of future reports and/or as a stand-alone document.
9. Suggestions raised by the Core Group in March 2012 included the following:
- All Members were encouraged to issue press releases to publicize the results and generate interest in the Forum in their countries (*incorporated into dissemination plan*).
 - The proceedings could be prepared in a formal publication, with information presented thematically, possibly like the Annual Review, which could be widely disseminated and used to inform policy making (*approximate cost: £3,900 – £4,100*).
 - Social networking sites could be used to disseminate the results, including Facebook, Twitter, LinkedIn and the CoffeeClub. In the case of the latter, it was suggested that a community could be established, mediated by an expert who could help to monitor content posted on the site. A list of resource persons who could assist with answering questions could be developed (*incorporated into a dissemination plan*).
 - The possibility of webcasting could be explored for a future Forum, although this could have cost implications (*approximate cost: £1,100 – £1,400*).
 - The ICO could prepare a one or two page fact sheet distilling the main points and themes of each Forum, which could be distributed on missions (*incorporated into dissemination plan*).
 - The issue of dissemination should be included as a regular item on the agenda for future meetings of the Core Group (*regular agenda item added*).

- The need to ensure policymakers were informed of these important issues and tools was highlighted. It was suggested that the ICO could contact all producer associations and invite them to raise these issues with policy makers in their countries. It would be useful to know what Members thought of the tools provided by institutions and cultural aspects were relevant. It was suggested that a proposal could be developed for September on how to raise awareness among different Governments on risk management and finance issues in the coffee sector (*see below*).

Raising awareness among Governments on risk management and finance issues

- As with the submission to the G-20 in June 2012, submissions outlining the work of the ICO in finance and risk management can be prepared for future Forums and relevant world or regional summits, such as the G-20, World Trade Organization (WTO), UN Conferences, etc. Copies would be sent to Members to circulate to their delegations attending these events.
- Encourage Members to invite Ministers and Vice-Ministers from Member countries to attend Forum events and/or to brief them about Forum outcomes afterwards.
- Encourage Members to include relevant government finance and risk management experts in their delegations to expand the range of expertise available and support the Core Group in its work.
- Members may wish to consider establishing links on the websites of relevant coffee institutions to the Forum.
- Establish a subscriber link for interested parties to receive updates and reports on the Forum.
- The Executive Director can brief high-level Government officials and national press on overseas missions about these issues.
- Introduce briefing papers on new and emerging risk and finance issues to be posted on the website and sent to Members.

Other ideas

10. The Core Group will consider other ideas for dissemination at its meeting in September 2012.

VI. SPONSORSHIP

Costs

11. Article 31 of the 2007 Agreement provides that unless the Council decides otherwise, the Forum shall be self-financing. The costs of the first and second Forums amounted to approximately £4,300 each and were covered by sponsorship. Both excluded the travel and accommodation costs of speakers, which were met by their organizations or their Governments. Costs of future Forums would include the following:

Item	Estimated cost
Translation of documents and presentations / Rapporteur	£2,200 – £2,500
Printing of documents / postage	£400 – £600
Reception (optional)	£3,700
Coffee and coffee bar attendants (if held outside a Council session) @ £210 per day	£210
Travel (economy-class return flight) and per diems (£280 per day for two days) for 7 speakers, one from each of the different regions unable to meet their costs ¹ : UK: £120 Europe: £150 Asia: £1,000 Africa: £760 North America: £725 South America: £1,500 Central America: £1,100	£3,920 (per diems) £5,335 (flights)
Interpretation (if held outside a Council session) @ £4,457 per day	£4,457
Webcasting (based on 50 – 100 viewers, on-demand viewing for up to 50 views for one week is an additional £40 per week)	£1,100 – £1,400
Formal publication (like Annual Review)	£3,900 – £4,100
TOTAL	£25,222 – £26,222

¹ Estimate only – exact costs of travel will depend on timing and countries of participating speakers.

Benefits to sponsors

12. In return for support for the Forum, the ICO could offer the following opportunities to sponsors:

- Company would be associated with a respected international organization dedicated to tackling the issues facing small and medium-sized growers such as poverty reduction and sustainability.
- Possibility to reach key national and international audiences (Governments and private sector from consuming and producing countries).
- Company logo included on the programme of the Forum.
- Company literature included in delegates' packs or in Council chamber.
- Acknowledgement by the Chairperson of the Forum in opening and closing remarks and during Council session.
- Media coverage (logo could be included on press release, journalists attending Forum).
- [x] free places for representatives of sponsors at the Forum.
- [x] invitations to reception following Forum (if applicable).
- [x] banner(s) displayed in the lobby of the ICO on the day of the Forum.
- Private meeting with the Executive Director and Chairperson of the Forum.

Suggestions for sponsors

13. Suggestions for potential sponsors could be discussed by the Core Group on a regular basis, and the Core Group or Chairperson of the Forum should approve the sponsors to be approached for each Forum. A list of potential sponsors is attached as an Annex, together with a list of previous sponsors for ICO events.

Approaches and timeframe

14. It is suggested that, following agreement by the Core Group on potential sponsors to be approached, informal contacts could be made by the Executive Director and/or representatives of Member Governments or the PSCB associations using personal contacts where possible, with a formal approach subsequently made by the Executive Director (letter or meeting as appropriate).

15. It is suggested that, once the Core Group has agreed the theme and identified speakers for the next Forum which will enable costs to be estimated, approaches should be made to sponsors, ideally 9-12 months before the event to enable companies and organizations to take this into account in their budgets.

Potential sponsors

16. Sponsors could be approached from the following categories:

- Previous sponsors of ICO events: the Annex contains a list of companies which have sponsored World Coffee conferences and other events in the past.
- Suppliers of the ICO: the Annex contains a list of companies used by the ICO which may be interested in being associated with the Forum.
- Private sector: with the assistance of PSCB associations, consideration could be given to approaching companies in the coffee sector, in both producing and consuming countries.
- Banks / financing institutions in Member countries – the suggestions and contacts of Members will be appreciated.
- Bilateral – Members may wish to explore sources of funding with relevant departments and agencies (e.g. international development, trade, finance etc).
- Multilateral – other international organizations such as the FAO or World Bank may be interested in co-hosting a Forum event, or institutions which have acted as Project Executing Agencies.

PREVIOUS SPONSORS (FINANCIAL OR IN-KIND)

ABIC	2 nd World Coffee Conference
Banco Alemán Platina	1 st World Coffee Conference
Banco do Brasil	2 nd World Coffee Conference 2 nd Consultative Forum
Banco Cooperativo do Brasil (Bancoop)	2 nd World Coffee Conference
BM&F Brasil	2 nd World Coffee Conference
Bunn	3 rd World Coffee Conference
Cafés do Brasil	1 st World Coffee Conference
Café de Colombia	1 st , 2 nd and 3 rd World Coffee Conferences
Café de México	3 rd World Coffee Conference (in-kind)
Conselho Nacional do Café	2 nd Consultative Forum
Coffee Network	3 rd World Coffee Conference
Fococafe	1 st World Coffee Conference
Cafcom	3 rd World Coffee Conference (in-kind)
Hencorp Coffee Group	2 nd and 3 rd World Coffee Conferences
Inguat	3 rd World Coffee Conference (in-kind)
Itochu	3 rd World Conference
Nestlé	1 st and 3 rd World Coffee Conferences
Neumann Kaffee Gruppe	1 st World Coffee Conference
Probat Burns	3 rd World Coffee Conference
Rabobank	World Bank/ICO High-level Round-table – reception
Rainforest Alliance	3 rd World Coffee Conference
Sistema de Cooperativas de Crédito do Brasil (SICOOB)	2 nd World Coffee Conference
Solidaridad	3 rd World Coffee Conference
Starbucks	3 rd World Coffee Conference
Tchibo	1 st World Coffee Conference
UCC Ueshima Coffee Co. Ltd	3 rd World Coffee Conference
Utz Certified	3 rd World Coffee Conference

COMPANIES LINKED WITH THE ICO

Banco de Bilbao y Vizcaya Argentaria (BBVA)	Bank
Banco do Brasil	Bank
Rabobank	Bank
SEbanken	Bank
Smith & Williamson	Auditors