



PRESS RELEASE

**Coffee farmers face dangerously low profits,
experts warn at 6th Consultative Forum on
Coffee Sector Finance**

LONDON, 22 September 2016 — The 77 Member Governments of the International Coffee Organization (ICO) hosted the [6th Consultative Forum on Coffee Sector Finance](#) on Wednesday, 21 September 2016, at the ICO's headquarters in London. The National Federation of Coffee Growers of Colombia co-sponsored the event.

Chaired by Mr Juan Esteban Orduz, President and CEO of the Colombian Coffee Federation, Inc., the 6th Forum brought together experts from the private and public sectors to discuss challenges facing the coffee sector with a special focus on the profitability of coffee farming.

Key points raised during the session included an understanding that the challenges faced by the coffee sector vary by region and country and that the industry must act now to address the effects of climate change and the social conditions of coffee growers, which have not improved fast enough. Addressing the topic of international prices and the volatility of the market, panellists debated the need for an alternative mechanism for the pricing of coffee and the necessity to increase the availability of innovative financial instruments for farmers of all sizes. A full list of panellists and moderators can be found [here](#) and videos of the presentations will be available on the ICO website soon.

The ICO presented a new research concept note titled 'Assessing the Economic Sustainability of Coffee Growing', a review of existing data on costs of production and profitability at the farm level in four countries: Brazil, Colombia, Costa Rica and El Salvador. ICO Economists discovered that price volatility and increasing costs of production at the farm level have caused farmers to operate at a loss in certain coffee years between 2006/07 and 2015/16.

Presenting the results of the new study, Mr Robério Oliveira Silva, Executive Director of the ICO, said that more data and research are needed to better understand the economic viability of farms and to help preserve the livelihoods of millions of farmers across the globe. The full study is available [here](#) and slides can be found [here](#).

About the Consultative Forum on Coffee Sector Finance

The [International Coffee Agreement 2007](#) provides for a Consultative Forum on Coffee Sector Finance 'to facilitate consultation 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'.

About the International Coffee Organization

Founded in 1963, the International Coffee Organization (ICO) is the main intergovernmental organization for coffee, bringing together exporting and importing governments to tackle the challenges facing the world coffee sector through international cooperation. Its Member governments include 42 coffee producing countries and 35 coffee consuming countries. Learn more at www.ico.org.

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