

**8TH CONSULTATIVE FORUM ON COFFEE SECTOR
FINANCE**

HARNESSING TECHNOLOGY AND INNOVATION FOR INVESTMENTS IN THE COFFEE SECTOR

Sponsored by



**18 SEPTEMBER 2018, 09:30-13:30
INTERNATIONAL MARITIME ORGANIZATION
4 ALBERT EMBANKMENT
LONDON SE1 7SR**

ED-2278/18 Rev. 1



BACKGROUND

The use of digital technologies, ranging from mobile phones to big data applications and blockchain, is spreading fast in the agricultural sector, breaking information barriers and increasing transparency and efficiency along the value chain.

At the same time institutional and private investors show increased interest in market-based finance solutions, such as impact investment and green bonds, so as to raise capital for projects to benefit rural communities while addressing environmental and social challenges.

Participants in the 8th Consultative Forum on Coffee Sector Finance will explore how digital technologies and new financing instruments could reach small- and medium-sized coffee growers to improve their access to finance and increase investment in the coffee sector as a whole.

The Forum provides an opportunity to learn about innovative approaches currently being developed or implemented across agricultural commodity sectors.

Participants will also discuss the potential for adoption of these innovations in the coffee sector, and identify the barriers that need to be overcome to ensure financial inclusion.



PROGRAMME

09:30 – 10:00 Opening of the Forum

Kirill Matrenichev - Chair of the Consultative Forum
José Sette - Executive Director, International Coffee Organization
Christoph Sängler - Senior Economist, International Coffee Organization

10:00 – 11:30 Panel 1: Technological innovations

Digital innovations, such as blockchain, crypto-tokens and index insurance platforms, have the potential to increase coffee farmers' bankability by improving their risk profile and creating a direct and efficient interface with financial institutions.

What are the infrastructural, institutional and regulatory barriers that need to be overcome to foster widespread adoption of new technologies in coffee producing countries? How can we ensure that the digitization of the coffee value chain benefits small- and medium-sized growers?

Moderator:

Nancy Cheruiyot - Managing Trustee, Commodities Fund (Kenya)

Panelists:

- Thorsten Beck - Professor for Banking and Finance, CASS Business School, City University of London
- Richard Counsell - CEO & Founder, Stable
- Daniel Jones - CEO & Founder, bext360
- Yenugula Raghuramulu - Director of Research, Central Coffee Research Institute (India)

11:30 – 12:00 Coffee break

PROGRAMME

12:00 – 13:20 Panel 2: Innovative financial instruments

Impact investments, as well as climate and green bonds, could channel additional funds into the coffee sector, to support investments in the rehabilitation and renovation of ageing coffee trees as well as to increase productivity and resilience to the impact of climate change.

How can the coffee sector position itself to attract impact investors leveraging social or environmental objectives? How can innovative models help to link up social lenders, donors, traders, local banks and smallholder farmers? What is the potential of green bonds in finance for commodity trading?

Moderator:

Alexander Borisov - Vice Chairman, Rosteacoffee Moscow

Panellists:

- Michaela Seimen Howart - Sustainable Debt Strategist, UBS
- Andrey Kuleshov - Strategy & Development Advisor, Common Fund for Commodities
- Nick Silver - Co-founder, Climate Bonds Initiative
- Herbert Lust - Vice-President Global Public Partnerships & Managing Director (Europe), Conservation International

13:20 – 13:30 Concluding remarks: outcomes and next steps

Kirill Matrenichev, Chair of the Consultative Forum

WELCOME PRESENTERS



Kirill Matrenichev

Kirill works for the Economic Department at the Russian Trade Delegation in the United Kingdom and is a Representative of the Russian Federation to International Commodities Organisations in London. He has been involved for more than 10 years in the development of cooperation between Russia and International Commodity Organisations such as the International Coffee Organization, International Grains Council and International Sugar Organisation. He was also involved in the establishment of the Eurasian Economic Union legislative framework.

At the Russian Trade Delegation, Kirill is responsible for innovations and new technologies in different areas including the finance sector and banking, regularly participating in the Russian-British Working Group of the creation of the Moscow International Financial Centre. He is responsible for the development of trade-economic cooperation between Russia and the United Kingdom. Kirill has extensive experience in working with international organisations at different levels. He is also interested in WTO and UNCTAD issues. Prior to joining the Russian Trade Delegation in 2014, he was an economist within the Department of North America and Europe at the Ministry of Economic Development of the Russian Federation. He studied international economics at the All Russian Academy of Foreign Trade, and is fluent in English and Russian.



José Sette

Mr Sette is the Executive Director of the International Coffee Organization (ICO). Before rejoining the ICO in May 2017, he was Executive Director of the International Cotton Advisory Council (ICAC) from January 2014 to April 2017. He served previously in the ICO as Executive Director ad interim from 2010 to 2011, and Head of

Operations from 2007 to 2012. Mr Sette has extensive experience as a consultant to trade associations specializing in international trade matters, and was Superintendent for Development of the Chamber of Commerce of the State of Rio de Janeiro (Fecomércio-RJ) and Secretary General of the Brazilian Association of Coffee Exporters (Abecafé). In the private sector, he worked for ten years at Inter-Continental de Café S.A., a leading Brazilian coffee trading house, where he was a trader and head of the Technical Department. He also worked in the Inter-American Development Bank, in Washington, DC, USA, and began his career with the Brazilian Coffee Institute, the government agency responsible for the regulation of the coffee sector in Brazil.

Mr Sette has a MBA with a major in finance from American University in Washington, DC, and a BA in Administrative Science from Yale University.



Dr Christoph Sanger

Christoph Sanger is Senior Economist at the International Coffee Organization (ICO) in London, conducting research on coffee value chains in Africa, Asia and Latin America.

Prior to joining the ICO he was economist at the European Bank for Reconstruction and

Development where he carried out sector and project evaluations to support the design of agribusiness investments in Eastern Europe, Central Asia, and Northern Africa.

He has previously worked in the Division for International Cooperation at the Federal Ministry of Agriculture in Berlin. He received his MS degree from University of California, Davis, USA and holds a PhD in Agricultural Economics from Georg-August-Universitat Gottingen, Germany.

PANEL 1: TECHNOLOGICAL INNOVATIONS

MODERATOR



Nancy Cheruiyot

Ms. Nancy Cheruiyot is the current Managing Trustee of Commodities Fund. The Fund, which was set up by the Government of Kenya in 2006 is charged with providing affordable and accessible credit to coffee farmers and coffee players along the coffee value chain.

Nancy graduated with Bachelors in Economics and sociology from the University of Nairobi Kenya. She also has an MBA in Finance from Catholic University of Eastern Africa in Kenya and a qualified Chartered Certified Accountant (ACCA).

She has over 15 years' experience in the Financial Management, the last six of which she has been the Managing Trustee. Moreover, she has experience in Financial Management, Micro Credit Management, Market Development and Strategic Planning.

PANELLISTS



Richard Counsell

Richard is the CEO of Stable, a global risk management platform that uses local index prices to offer simple price insurance to farmers and food buyers around the world. With a Chicago-based technology background, Richard is a former Barclays Bank Entrepreneur of the Year and now runs his own family farm in Somerset, UK.

He's passionate about the financial viability of family farms, which has driven Stable's mission to democratise price risk management for the world's farmers.



Daniel Jones

Daniel Jones is the founder and CEO of Bext360, a company that develops technologies to streamline critical supply chains in emerging economies. He is a social entrepreneur with nearly two decades of experience living and working in emerging markets, including China, the Democratic Republic of Congo (DRC), and India. Previously, Daniel founded the first US-owned company to successfully export conflict minerals from Democratic Republic of the Congo (DRC) to the US in compliance with supply chain and traceability

requirements compliance with supply chain and traceability requirements under the Dodd-Frank Act. In addition, he structured the first private port facility constructed in the DRC. Prior to that, Dan was a key architect with the Defense Intelligence Agency and designed the Joint Worldwide Intelligence Communications Systems (JWICS), the first and now largest TCP/IP system to transfer voice, video, and data across Top Secret networks.

Dan has a B.S. in Operations Research and Industrial Engineering from Cornell and an M.B.A. with concentrations in International Business, Finance, and Business Strategy from the University of Chicago (Booth).

PANELLISTS



Thorsten Beck

Thorsten Beck is professor of banking and finance at Cass Business School in London. He is also a research fellow of the Centre for Economic Policy Research (CEPR) and the CESifo. He was professor of economics from 2008 to 2014 at Tilburg University and the founding chair of the European Banking Center from 2008 to 2013. Previously he worked in the research department of the World Bank and has also worked as consultant for – among others - the European Central Bank, the Bank of England, the BIS, the IMF, the European Commission, and the German Development Corporation. His research, academic publications and operational work have focused on two major questions:

What is the relationship between finance and economic development? What policies are needed to build a sound and effective financial system?

Recently, he has concentrated on access to financial services, including SME finance, as well as on the design of regulatory and bank resolution frameworks. In addition to numerous academic publications in leading economics and finance journals, he has co-authored several policy reports on access to finance, financial systems in Africa and cross-border banking. In addition to presentation at numerous academic conferences, including several keynote addresses, he is invited regularly to policy panels across Europe. He holds a PhD from the University of Virginia and an MA from the University of Tübingen in Germany.



Yenugula Raghuramulu

Dr Raghuramulu, who is currently serving as Director of Research, Central Coffee Research Institute, Coffee Board of India has more than 30 years experience in coffee research and is a pioneer in various areas such as coffee tissue culture, identification of compatible rootstocks for Arabica Coffee to overcome nematodes and drought, feasibility studies on drip irrigation and fertigation, standardization of practices for organic farming in coffee and the development of guidelines for prevention of mould formation in coffee.

He has visited many countries, including Brazil, Costa Rica, Indonesia, Kenya, China, USA, Italy, Germany, Switzerland and Spain. He has been involved in planning, coordination and monitoring of multi-country research projects implemented by FAO, Rome, Natural Resources Institute, UK and CIRAD, Montpellier, France.

PANEL 2: INNOVATIVE FINAL INSTRUMENTS

MODERATOR



Alexander Borisov

1968 - 71 USSR Army

1971 - 75 Moscow State University of Foreign Languages

1975 - 79 Senior Interpreter, Embassy USSR in India

1979 - 87 Expert, Chief of department,
State Committee for Foreign Economic Relations,
Moscow Russia

1985 Candidate of Science Economy (Ph. Doc)
Academy of Science USSR, Moscow

1987 - 90 Economic expert, Embassy USSR in India

1990 - ND Private businessman

Tea, Coffee, Cacao, Rise trade

3 packaging plants in Russia,

Creation of one of the leading tea and coffee brand in Russia «GRAND»

2008 - 12 «GRAND» Ltd. Joint venture with TATA (India) and EBRD

50% shareholder plus managing director

Tea and coffee packaging and trade

2004 - ND «KRUEGER-GRAND» ZAO Joint venture with Krueger GmbH (Germany)

50% shareholder and director

Cacao and coffee mixtures packaging and trade

2004 - ND Major shareholder of Russian companies:

«Podeda truda» ZAO, «Knigoexport» ZAO, «Shodnia-Grand» Ltd., «PM-69» Ltd.

packaging, warehouses, real estate in Moscow and Moscow region

2017 - ND Chairman of «GRAND tea and coffee group»

shareholder plus managing director

2017 - 18 Member of “Consultative Committee of Common Fund for Commodities (UN)” Amsterdam.

PANEL 2: INNOVATIVE FINAL INSTRUMENTS

PANELLISTS



Michaela Seimen Howat

Michaela is a Sustainable Investing (SI) Strategist in the Chief Investment Office Wealth Management. She joined UBS in April 2018 from Scope Ratings, a European credit rating agency, where she was a senior analyst for financial institutions. At Scope Ratings she lead a project team for the assessment and implementation of ESG criteria in the credit rating process.

Michaela has more than 15 years of international experience in the credit and debt markets. Prior to joining Scope Ratings, Michaela was a rates strategist within the Investment Banking Divisions of Royal Bank of Canada, Barclays and

UBS in London where she covered Supranationals, Sub-Sovereigns & Agencies, as well as Covered Bonds. Prior to joining She was responsible for advising institutional clients with a global coverage. Michaela also worked in counterparty risk management for financial institutions at UBS in London and, from 2003 until 2006, she worked as a bank analyst for Moody's in Frankfurt and London.

Michaela studied Economics with a focus on International Business Relationships and International Market Management at the Universities of Passau and Muenster, Germany, and received a Masters degree.

PANEL 2: INNOVATIVE FINAL INSTRUMENTS

PANELLISTS

Andrey Kuleshov
Strategy & Development Advisor,
Common Fund for Commodities

Details to follow



Nick Silver

Nick is managing director of Callund Consulting, founder and director of Climate Bonds Initiative (CBI) and Radix, the think tank of the radical centre. He is also a visiting fellow at Anglia Ruskin University and Cass Business School.

He recently won The President's Award for outstanding contribution to the Actuarial Profession and the Phiatus Award for an actuary who has made the most impressive charitable efforts.

PANEL 2: INNOVATIVE FINAL INSTRUMENTS

PANELLISTS



Herbert Lust

Herbert Vice President for Global Public Partnerships and Vice President and Managing Director of Conservation International Europe. Since September 2015, he has led government engagement and corporate partnerships in Europe.

Conservation International Europe and Global Public Partnerships oversee opportunities to increase global public funding: influence

European decision-making on the government and corporate levels; and reduce the European Union's footprint through sustainable supply chains. Prior to this role, Herbert was the Director of Strategy Integration for Boeing's Global Corporate Citizenship programs, where he managed a portfolio of projects covering the environment, sustainable biofuels and supply-chain management in the Middle East, South East Asia, Africa and the Americas. He also designed Boeing's overarching Corporate Social Responsibility and Citizenship and Community Affairs strategies.

Conservation International is a nonprofit organization built upon a strong foundation of science, partnership and field demonstration to empower societies to responsibly and sustainably care for nature, global biodiversity, and the well-being of humanity.

WHAT IS THE CONSULTATIVE FORUM ON COFFEE SECTOR FINANCE?

Hosted by the International Coffee Organization, the Consultative Forum on Coffee Sector Finance was launched in 2011 and is held on an annual basis. It has established itself as an important sector event which attracts a wide audience of coffee experts from the public and private sectors across the globe.

Over the past seven years, the Forum has been the focal point of discussions covering a wide array of topics, ranging from improving access to finance and risk management tools, to strengthening the role of the public and private sectors in addressing constraints to production currently holding back coffee farmers in many countries.

