



**Establishment of the
Coffee Public-Private Task Force –
Update and extended deadline for the
nomination of sherpas**

1. The Executive Director presents his compliments and wishes to (i) update ICO Members and observers as well as members of the Private Sector Consultative Board (PSCB) on progress in the establishment of the Coffee Public-Private Task Force and related technical working groups including next steps, and (ii) extend the deadline for the nomination of sherpas until **7 February 2020**.

Background

2. Following the International Coffee Council (ICC) Decision 125-10 of 27 September 2019 to set up a Task Force composed of ICO Members and representatives of the private sector, the Secretariat has been reviewing best practices for public-private collaboration in other commodities, sectors and industries, in addition to conducting a series of informal consultations with stakeholders. As a result of this process, the ICO has defined a proposal presented in the draft Terms of Reference (ToR) for the Coffee Public-Private Task Force that was distributed on 2 December 2019 ([ED-2327/19](#)) for consideration by all stakeholders, and secured a commitment by a number of ICO Member countries and private sector companies to provide financial and technical support.

3. In order to promptly and effectively engage ICO Members and observers as well signatories of the London Declaration on the establishment of the Task Force and related working groups, the ICO held a series of five interactive webinars between 12 December 2019 and 15 January 2020 with 66 registered participants from both the public and private sectors¹.

¹ Please refer to the attached Annex for the webinar presentation. The recording of the webinar is available on the following link: <https://attendee.gotowebinar.com/recording/2458648041928584971>.

In addition, the Secretariat held bilateral consultation with Members, members of the PSCB as well as signatories and supporting organizations of the London Declaration in order to solicit feedback on the draft ToR and proposed actions.

4. As a result of this inclusive process that marks the continuation of the Structured Sector-wide Dialogue, the ICO has received the following feedback:

Proposed scheme

- a) The proposed scheme for the Public-Private Task Force, based on the G-7/G-20 Leaders' Summit model, was welcomed by all stakeholders. It was clarified that the sherpa function is "to facilitate negotiation on behalf of organizations/regional groupings they represent so as to reach consensus on concrete actions and resource allocation between coffee public and private sectors". The ultimate decision will remain with the 'summit' (the CEO and Global Leaders Forum and the International Coffee Council).
- b) ICO exporting Member countries are requested to nominate the following number of sherpas within their regional groupings: Africa (4), Asia and the Pacific (3), Central America, Mexico and Caribbean (3), South America (3). Importing Members are also requested to nominate sherpas within their group (3).

Nomination of sherpas and registration of interest for technical working groups

- c) The ICO Secretariat has already have received nominations from signatories of the London Declaration with representatives confirmed as sherpas for the Task Force, experts for technical working groups and top executives that will participate in the second CEO & Global Leaders Forum. Likewise, several ICO Members have signalled strong interest in taking up the role of sherpa in their respective regional grouping. However, as the process of nomination is complex and involves selection at a regional level, the ICO has been requested to extend the nomination of sherpas to the Task Force beyond the initial deadline of 23 January 2020.
- d) The work of the Coffee Public-Private Task Force will benefit from inputs by a number of technical working groups. Participation and contribution to the working groups is open to all coffee stakeholders, international and regional organizations, NGOs, private sector representatives, and academia and is on a voluntary basis. Participation is expected to be both physical or online. The number of working groups to be newly established will be minimized by capitalizing on the work of existing sector initiatives.

Voluntary contributions to support the work of the Coffee Public-Private Task Force and working groups

- e) Bilateral donors, development agencies, NGOs and private companies have earmarked funds to provide technical expertise as well as communication and logistic support so as to facilitate the work of the working groups and of the Task Force.
- f) Specifically, as part of its bilateral support to the ICO, Germany will support the implementation of the Sector-wide Dialogue, including the coordination of the Coffee Public-Private Task Force and related technical working groups, through the provision of a full-time coordinator attached to the ICO. Additional support to the strategic development of the initiative will be provided through an expert consultancy funded by both the Governments of Switzerland (through SECO) and Germany (BMZ through GIZ).

Meetings of the Task Force

- g) Public and private sector stakeholders expressed the preference to hold Task Force Meetings in London rather than in conjunction with regional industry events as initially proposed.
- h) It was underlined that additional contributions to facilitate participation of sherpas from ICO exporting Members to Task Force meetings were required to assure their presence and active participation.

Next steps and key dates

- 5. In light of the above and in order to ensure that the Task Force can start its work as soon as possible, please kindly:
 - i. Nominate the ICO Members' sherpas representing each respective grouping to the Task Force by **7 February 2020** (extended deadline).
 - ii. Note the date/register for the first meeting of the Coffee Public-Private Task Force, which is scheduled for 16 March 2020 at the European Bank for Reconstruction and Development (EBRD) in London.
 - iii. Register interest/nominate experts for participation in technical working groups in the following thematic areas:
 - a) Market transparency and responsible sourcing.
 - b) Strengthening the coffee policy and institutional environment.

- c) Conceptualization, allocation & global coordination of funding to the coffee sector.
- d) Coffee sector coordination and vision.
- e) Sustainable production and consumption.

6. To confirm nominations of sherpas, participation in the Task Force meeting and in working groups please send an email to info@ico.org **by 7 February 2020**. We are of course also available for bilateral discussions by contacting Gerardo Patacconi, Head of Operations (patacconi@ico.org, +44 (0) 7917 044127), or Christoph Sänger, Senior Economist (saenger@ico.org, +44 (0) 20 7612 0610).

7. We look forward to advance swiftly the ICO-led Sector-wide Dialogue through the establishment and operation of the Coffee Public-Private Task Force and its working groups to ensure the effective implementation of the decisions and resolutions of the International Coffee Council as well as of the London Declaration, as well as to identify new concrete solutions and ensure substantial allocation of funds, in a true spirit of shared values and responsibility to ensure a sustainable future for the coffee sector, in particular smallholder farmers.

Setting up of a Public-Private Task Force and related Working Groups for the Implementation of Resolution 465 and the London Declaration

Webinar

Welcome to the ICO Webinar



Speakers



José Sette
Executive Director



Gerardo Pataconi
Head of Operations

Moderator



Christoph Sängler
Senior Economist

Anti Trust Statement

As participants in this webinar, we need to be mindful of the constraints of antitrust laws. During this meeting, participants shall not enter into discussions, agreements or concerted actions that may have as their object or effect the restriction of competition.

This prohibition covers the exchange of competitively sensitive information including, but not limited to, information concerning individual prices, production, sales, capacities, costs, rates, coverages, market practices, claims settlement practices, company level investments, or any other competitive aspect of an individual company's operation.

The participants acknowledge that any efforts made by the signatories of the London Declaration to address the structural problems in the coffee sector shall not result in any understandings or agreements to limit individual activities or efforts to the same ends.

Each participant is obliged to speak up immediately for the purpose of preventing any discussion falling outside these bounds.

Today's agenda

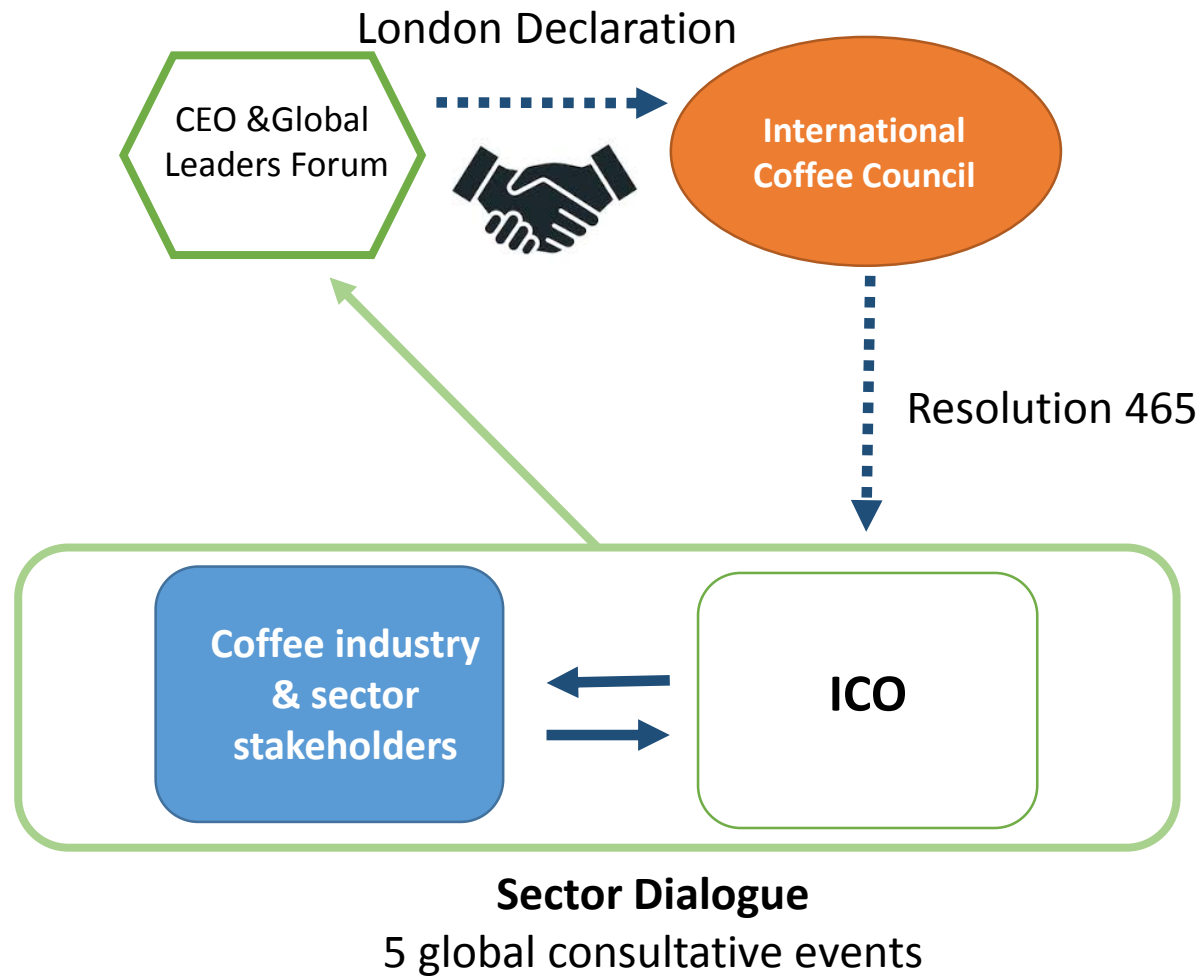


Implementation of the London Declaration

- a. Background
- b. Objectives of the Task Force and related technical Working Groups
- c. Public-private Task Force - a unique model for the coffee sector
- d. Related technical Working Groups
- e. Preliminary timeline
- f. Next steps

Open discussion / Q&A

Responding to coffee sector challenges: ICO Sector-wide Dialogue



London Declaration and Resolution 465 identify six thematic areas

1. **Market transparency** (with distinct focus on: market information systems on production costs and living income benchmarks, responsible sourcing, environmental sustainability, price, etc.)
2. **Strengthening the policy and institutional environment** (efficient functioning of coffee futures markets, effective policies in exporting/importing countries)
3. **Global and regional funding mechanisms**
4. **Sector coordination** (individual and shared commitments, theory of change and measurement of impact/progress)
5. Promoting **competitive and sustainable production** and **expanding sustainable sourcing**
6. Promoting **responsible consumption**

Implementation of Resolution 465 and London Declaration

Formation of

- an innovative **Coffee Public-Private Task Force (TF)**, and
- related **technical Working groups (WG)**

to effectively implement the work of the Sector-wide Dialogue initiated and led by the ICO

Objectives of the Coffee Public-Private Task Force (TF)

- 1. Build consensus among public and private sector stakeholders** on a roadmap for the implementation of the commitments and concrete actions contained in the London Declaration
- 2. Define new joint concrete actions and resource allocation**
- 3. Monitor progress and measure impact**
- 4. Drive the discussion on a joint long-term vision for the sector** in order to achieve transformational solutions

Objectives of the technical Working Groups

1. **Providing independent technical inputs required to transform commitments into concrete actions** through, for example, feasibility studies, surveys and research activities
2. **Developing a theory of change and shared vision of success** for the initiative

... building on, whenever possible, existing tools and frameworks already available within the sector

Public-private Task Force – a unique consensus building model for the coffee sector

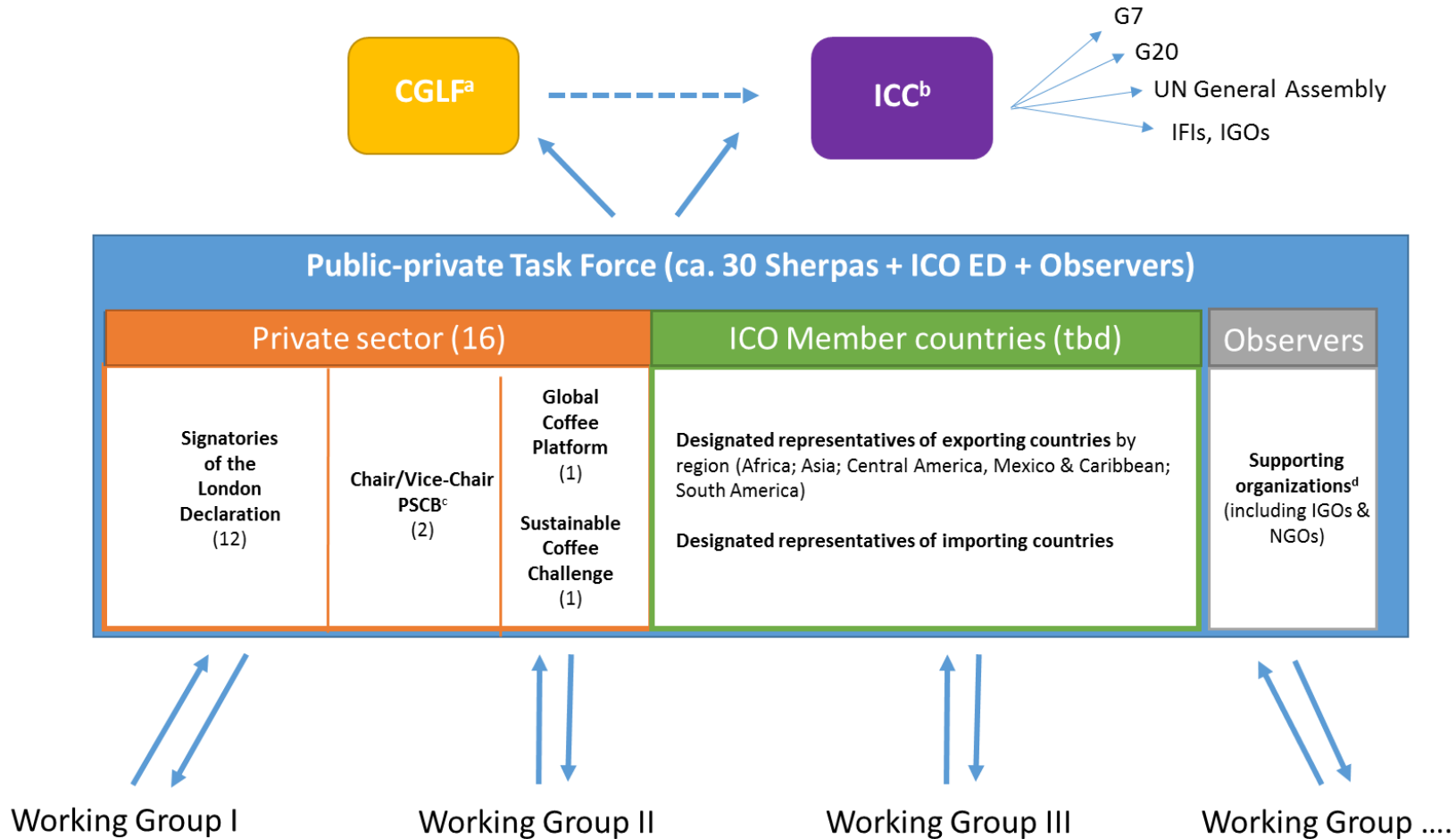
- Based on high-level governmental process '***G-20 Summit***'
- Similarities:
 - Impetus: address/respond to severe global challenges (G-20 formed during the Financial Crisis 2008)
 - Annual summit prepared by sherpas who build consensus on actions and resource allocation
- Innovations:
 - Public-private mechanism based on co-responsibility in the coffee value chain and SDG 17
 - First of its kind international mechanism



Public-Private Task Force – the role of sherpas

- Individual with a mandate to **facilitate negotiations** on behalf of the organization or grouping she/he represents
- Prepare the annual ‘summit’ (CEO & Global Leaders Forum / International Coffee Council)
- Sherpas identify areas of consensus as well as areas where further debate and negotiation is required
- Track progress on commitments
- BUT: final decisions on any proposed agreement are reserved to the summit (CGLF/ICC).

Public-Private Task Force – composition and positioning within the Sector-wide Dialogue



^a CEO & Global Leaders Forum

^b International Coffee Council

^c Private Sector Consultative Board (see Annex 3 for composition)

^d Supporting organization of the declaration (initial list see Annex 1) are invited as members/lead of working groups and to attend the Task Force meetings as observers/invited partners similar to G20 process

Technical Working Groups

Membership

- Membership in the Working Groups is voluntary and should be based on the expertise required; drawn from all stakeholder groups
- To ensure that the outcomes are practical, each Working Group should include several industry 'champions' to provide a strong link to the market
- Ad-hoc expertise may be required to produce technical inputs through studies, surveys and research, for which additional resources and voluntary contributions may be required
- Participation in the Working Groups can be physical or virtual through online connection

Technical Working Groups

Roles and responsibilities

- Producing technical inputs (e.g. feasibility studies) required to support the implementation of commitments and concrete actions as per directional guidance of the TF
- Building on existing initiatives of the coffee industry and other relevant sectors.
- Presenting technical reports in Task Force Meetings to provide sherpas with relevant information to build informed consensus
- Establishing linkages between Working Groups in order to ensure coherence.
- Working Groups cover specific thematic aspects as identified by the London Declaration.
- **NB:** In forming WGs, existing work/initiatives carried out by sector stakeholders will be taken into account in order to minimize duplication and the number of groups to be newly formed

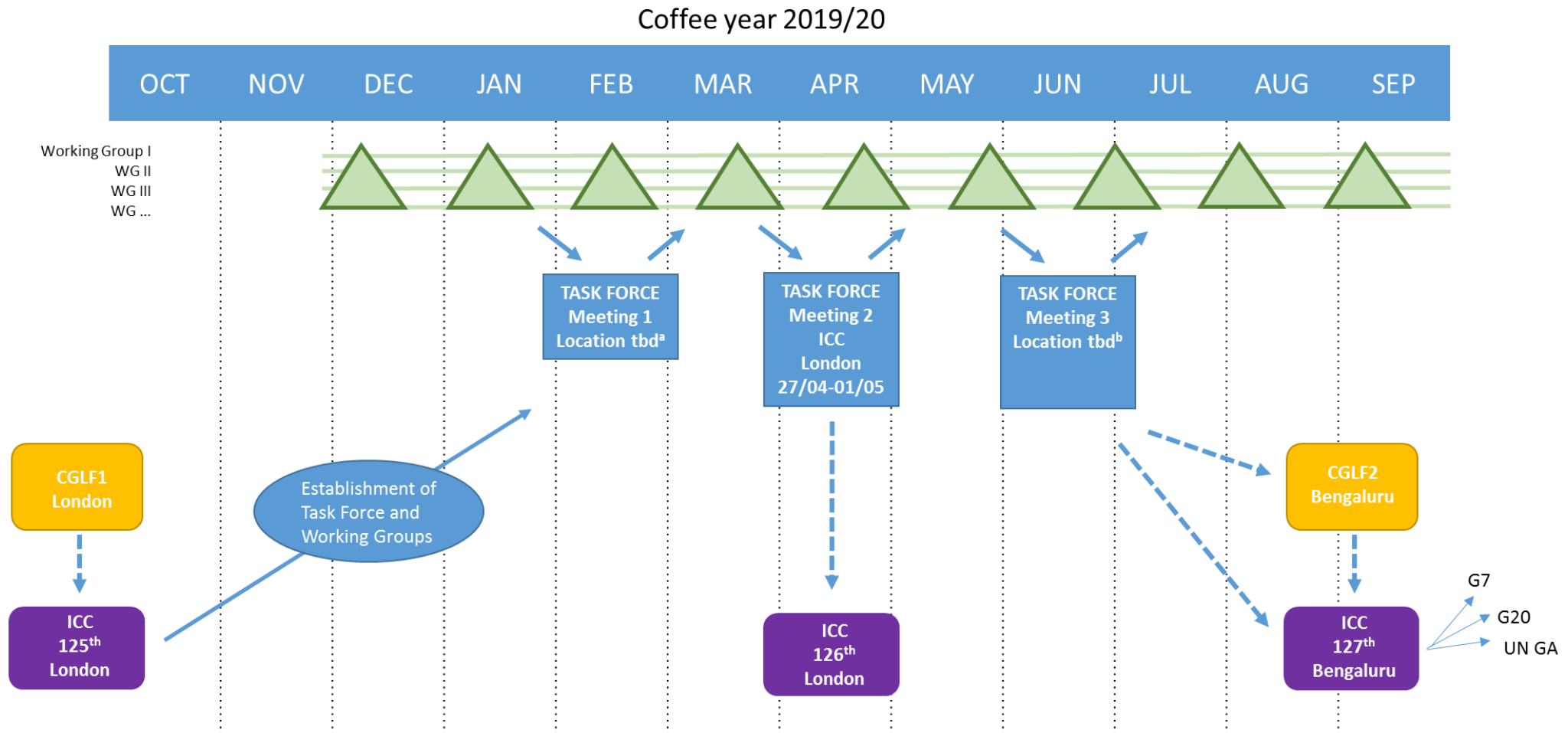
Working Groups in the thematic areas identified by Resolution 465 / London Declaration

Thematic area from Declaration	Specific outcomes	Structure for coordination	Lead organization (for specific outcome areas where applicable)
MARKET TRANSPARENCY	Market information (systems) used to proactively address or prevent price fluctuations and market shocks	Working Group I “Market transparency”	ICO
	Living Income gap addressed in key production areas		tbd
	Transparency on cost of production in key production regions		ICO
	Transparent, sustainable sourcing from diverse origins		GCP
STRENGTHENING POLICY & INSTITUTIONAL ENVIRONMENT	Effective functioning of market institutions (including futures market)	Working Group II ‘Market policies & institutions’	GCP/ICO
	Policy development in exporting/importing countries supports sustainable production		ICO
	National dialogues foster the development of an enabling environment in exporting countries		GCP

Working Groups in the thematic areas identified by Resolution 465 / London Declaration (contd.)

Thematic area from Declaration	Specific outcomes	Structure for coordination	Lead organization (for specific outcome areas where applicable)
ALLOCATION & GLOBAL COORDINATION OF FUNDING	Effective public, private and blended (impact) investments made, coordinated through global multi-stakeholder funding mechanism(s)	Working Group III 'Funding mechanisms'	ICO
	Feasibility study for a global stabilisation fund		[Olam]
SECTOR COORDINATION	London Declaration operationalized through coordination of individual and shared action	Working Group IV 'Sector Coordination'	SCC
	Joint vision for the sector, Theory of Change /measurement framework of Sector Dialogue developed		tbd
PROMOTING RESPONSIBLE CONSUMPTION	Increased demand for sustainably sourced coffee from diverse origins in traditional and emerging markets, especially in producing countries	tbd	tbd
PROMOTING COMPETITIVE & SUSTAINABLE PRODUCTION/ SUSTAINABLE SOURCING	Improved economic viability as well as environmental and social sustainability of coffee production	Working Group V 'Sustainable production & sourcing'	SCC
	Sustainable use and protection of natural resources by the coffee sector		SCC

Preliminary timeline



^a National Coffee Association of the US (NCA) Annual Convention, Austin TX, US (5-7 March 2020) OR alternative event

^b World of Coffee, Warsaw, Poland (18-20 June 2020) OR alternative event

Next steps

1. Nominate sherpa to represent your organization (signatories) by ~~23 January 2020~~ → **now extended to 7 February**
2. Agree on date and place for the first meeting of the Task Force → **now 16 March in London**
3. Register interest to participate in / contribute to technical Working Groups
4. Mobilise resources to support the implementation of the London Declaration

Contact: Patacconi@ico.org and saenger@ico.org

Open discussion / Q&A

- Please raise your hand or formulate your questions in the chat window