



For immediate release

— Begins —

Building the Post COVID-19 Resilience for Africa's Coffee Sector



01 September 2020 - The [Inter African Coffee Organisation \(IACO\)](#) has joined forces with the [International Coffee Organization \(ICO\)](#) and the [Centre for Agriculture and Biosciences International \(CABI\)](#), to design an emergency intervention programme to alleviate the impact of Coronavirus disease (COVID-19) on Africa's coffee sector. The initiative estimated to cost Euro 12 million aims to alleviate market disruptions, food, nutrition and income security challenges facing millions of smallholder coffee farmers across 11 countries for an initial three-year period.

The risk posed by COVID-19 on Africa's agricultural sector remains critical given the sector accounts for 23 per cent of the continent's Gross Domestic Product, with food and agricultural exports averaging \$35 billion to \$40 billion annually. Out of this, agricultural products including, coffee and food worth \$8 billion flow through intra-regional trade every



year according to a [McKinsey's report](#), calling for the need to safeguard Africa's food systems against the pandemic.

COVID-19 has revealed the critical weakness of the agricultural systems in Africa, and particularly the growing concern of its coffee value chain. ICO projects a loss of exports valued between \$100 million and \$200 million, potentially affecting 6.6 million jobs in the coffee sector, particularly in the East Africa region.

Dr Fred Kawuma, Secretary General of IACO, said, "This pandemic has dealt a major blow to the coffee economy. World prices were already bad for producers at the beginning of the year before COVID-19. Unfortunately, the outbreak worsened the downward trend in coffee price to the disadvantage of vulnerable smallholder producers. This is why we are working towards building resilience that will protect our producers."

Activities along the entire value chains across the continent have been disrupted, leading to stockpiling of coffee at farm levels, reduced price to growers, reduced domestic consumption due to closures of coffee roasting units, cessation of movements and meetings, and closure of distribution outlets.

This joint venture by IACO, ICO and CABI aims to address these challenges and add to ongoing efforts under [Africa Coffee Facility \(ACF\)](#) set up to promote domestic coffee consumption in the continent. The program adds to support systems and agricultural practices which will ensure sustainable intensification of smallholder coffee farming systems in a manner that ensures income security devoid of the price shocks in the international markets, guarantee food and nutrition security of the smallholder coffee systems and promote the creation of entrepreneurial jobs beyond farming, both in the rural and urban areas.

Dr Denis Seudieu, Chief Economist of the ICO, said, "In the immediate term, the programme will focus on building a system where coffee smallholders are enabled to earn living incomes by systematically incorporating high-value nutritious crops that provide income during coffee off-seasons. It will consequently ensure that producing countries remain food secure amid reduced food imports due to COVID-19 and mitigate any future disruptions."

"In addition to ensuring income, food and nutrition security, the proposed complementary crops will form the basis for developing rural-based Small and Medium Enterprises in aggregation, grading, packaging and distribution of coffee and produce from the associated crops," added Dr Morris Akiri, CABI's Regional Director.

In the medium and long term, the resilience created will make operators eligible for loan financing requests and the ability to consolidate their investments, thus creating business for the banks.

Projected costs of this initiative estimated at Euro 9.6 million, will be met through grants from Development Partners with an additional Euro 2.4 million drawn from counterpart contribution of the recipient countries. The programme proposal supported by the African Union Commission has been submitted to the European Commission for consideration. It has also been submitted to the International Coffee Council for endorsement during its forthcoming session in September 2020.

Ends



Notes to editors

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About Inter Africa Coffee Organisation

IACO is an intergovernmental organisation serving the interests of the African coffee industry to enhance the image and position of Africa's unique coffees in the global coffee industry, ensuring it is competitive and sustainable, while maintaining quality and productivity for all stakeholders involved. IACO comprises of the following 25 African coffee producing countries: Angola, Benin, Burundi, Cameroon, Congo, Central African Republic, Democratic Republic of Congo, Côte d'Ivoire, Ethiopia, Gabon, Ghana, Guinea, Equatorial Guinea, Kenya, Liberia, Madagascar, Malawi, Nigeria, Rwanda, Sierra Leone, Tanzania, Togo, Uganda, Zambia and Zimbabwe.

www.iaco-oiac.org

About International Coffee Organization

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 represent 98% of world coffee production and 67% of world consumption. ICO's mission is to strengthen the global coffee sector and promote its sustainable expansion in a market-based environment for the betterment of all participants in the coffee sector.

www.ico.org

About CABI

CABI is an international not-for-profit organisation that improves people's lives by providing information and applying scientific expertise to solve problems in agriculture and the environment.

Through knowledge sharing and science, CABI helps address issues of global concern such as improving global food security and safeguarding the environment. We do this by helping farmers grow more and lose less of what they produce, combating threats to agriculture and the environment from pests and diseases, protecting biodiversity from invasive species, and improving access to agricultural and environmental scientific knowledge. Our 50 member countries guide and influence our core areas of work, which include development and research projects, scientific publishing and microbial services.

www.cabi.org.