



**INTERNATIONAL  
COFFEE  
ORGANIZATION**

Joint Committees meeting 6/22

SC-119/22

PM-78/22

PJ-151/22

**E**

22 November 2022

**Report of Joint Committee meetings  
held on 4 October 2022**

1. The **Statistics Committee, Promotion and Market Development Committee** and **Projects Committee** were held sequentially on 4 October 2022, in Bogotá, Colombia. In the absence of the Chair and Vice-Chair, the Statistics Committee was chaired ex-officio by Gerardo Pataconi, the Organization's Head of Operations. The Promotion and Market Development Committee was chaired by the Vice-Chair, Ambassador Aly Touré (Côte d'Ivoire), and the Projects Committee was chaired by Dr K. G. Jagadeesha (India).
2. The Executive Director, Ms Vanusia Nogueira, welcomed the delegates and observers and invited Mr Gerardo Pataconi to proceed with the meeting of the Statistics Committee.

**22<sup>nd</sup> Meeting of Statistics Committee**

**Item 1: Adoption of the Agenda**

3. The Committee approved the draft Agenda contained in document [SC-115/22 Rev. 3](#).

**Item 2: Reports on the joint meeting of the Committees  
held on 29 March 2022**

4. The Joint Committee approved the report on the previous joint meeting of the Committees held on 29 March 2022 contained in document [SC-114/22](#).

**Item 3: Priority issues**

**Item 3.1: Report on Compliance with Statistical Rules**

5. The Statistical Coordinator presented the Report on Compliance with Statistical Rules contained in [SC-117/22](#) where it was noted that Exporting and Importing Members had both significantly improved their compliance with the Rules on Statistics as compared with the previous report found in [SC-99/20](#).

6. The delegate of Kenya requested further explanations on why they had not achieved complete compliance and how compliance could be improved in the future. The Statistical Coordinator explained that it was mainly due to limited data provided by smaller Members that lack the infrastructure to meet the ICA 2007 data obligations as, after the end of the calendar month, only 15 days remain until the deadline must be met. The delegate of Kenya stated that the lack of capacity and infrastructure should not prevent or be a reason for non-compliance, and that smaller Members are encouraged to submit data even if they are late.

7. The delegate of India suggested that every year the ICO present a paper on the quality of the data and what is missing between the obligations and actual data. The Statistical Coordinator offered to write a Working Paper on this and make a submission to the next meeting of the Statistics Committee.

8. The Committee took note of the report.

**Item 3.2: Certificates of Origin**

9. The delegate of Brazil made a presentation on the proposed modifications of the statistics rules relating to the Certificates of Origin, as contained in document [SC-118/22](#). The proposed new format would remove the need to stamp the Certificate of Origin with two different markings, making the whole process more economical through saving on paper and time for the Certifying Agency; furthermore, it would reduce bureaucracy and eliminate one of the steps in the current two-step stamp process. A new and revised version of the Rules on Statistics, Certificates of Origin, [ICC 102.9 Rev. 5](#), was presented to the Committee.

10. The delegate of Kenya questioned whether the proposal would negatively impact the quality of the data. The Statistical Coordinator assured the delegate of Kenya that the proposal would not have any negative impact on the quality or quantity of statistics.

11. The delegate of Indonesia fully supported the proposal, which is aimed at saving time and reducing bureaucracy on the part of the Certifying Agency of Members.

12. The Committee took note of the report and recommended it for approval to the Council.

**Item 3.3: Statistics Roundtable**

13. The Statistical Coordinator reported on three meetings of the Statistics Roundtable that took place during coffee year 2021/22, in November 2021, March 2022 and May 2022. These meetings were resumed after a two-year hiatus.

14. The Committee took note of the report.

**Item 3.4: Procedure for Addressing Significant Discrepancies in Exports/Imports Monthly Report**

15. The Statistical Coordinator presented a proposal to establish a new Standard Operating Procedure to be included in the Rules of Statistics, to define how to handle significant discrepancies in the Exports/Imports Monthly Reports, as contained in [SC-116/22](#), with an introduction to the concept of three-way arbitration.

16. The delegate of Brazil congratulated the Secretariat on the proposal and emphasised the importance of statistics to the ICO, stating that statistics is a crucial part of the work of the Organization. Full support for the new Procedure was proclaimed.

17. The delegate of India asked for clarification on the process for choosing the expert for the three-way arbitration; the Statistical Coordinator stated that the choice would be made through mutual consensus between the Statistics Section and the Member concerned.

18. The delegate of the Philippines queried whether there were any financial implications of bringing in an independent expert. The Statistical Coordinator explained

that none are envisioned, as the arbitration process would be expected to be on a voluntary basis, conducted virtually.

19. The delegate of the Russian Federation fully supported the proposal.

20. The delegate of Côte d'Ivoire requested clarification on whether the discrepancies are arising due to comparisons between non-official and Member submitted data. The Head of Operations explained that it refers to discrepancies between data submitted by Members and the official data of said Member country.

21. When identifying an expert for the three-way arbitration, the delegate of El Salvador suggested that Members with in-depth resources and knowledge also be included in the process, so as to recognise the inclusive nature of the ICO and the existence of mutual support and cooperation among Members.

22. The Head of Operations suggested an amendment to [SC-116/22](#) so as to incorporate the inputs by Members: "An independent expert from a United Nations body or another recognized statistical authority or Member with in-depth resources and knowledge is identified and mutually agreed upon."

23. The Committee took note of the report and recommended it for approval to the Council.

## **24<sup>th</sup> Meeting of the Promotion and Market Development Committee**

24. In the absence of the Chair, the Vice-Chair of the Committee, Ambassador Aly Touré of Côte d'Ivoire, presided over the meeting and welcomed the delegates, and emphasized the importance of it being the first physical meeting since the start of the Covid-19 pandemic.

### **Item 1                      Adoption of the Agenda**

25. The Committee approved the draft agenda contained in document [PM-77/22 Rev. 3](#).



domestic market for coffee products in Papua New Guinea was commissioned. The Australian Development Agency has facilitated coffee training sessions throughout the country. A workshop on setting up and running coffee shops is planned for next year.

- **Thailand:** The activities have been completed and a full report will be presented at the next session of the Committee.
- **Philippines:** The country has expressed that they are still interested in availing themselves of the Fund but are currently undergoing relevant domestic procedures to proceed with the application.
- **Indonesia:** Delegates gave an update on their country's programme under the ICO Special Fund: a study was 80% complete as at September 2022, and is expected to be completed by the end of this year.

### **Item 3.5.3                    Situation of unclaimed portions of the Special Fund (Timor-Leste)**

31. The Chief Economist reported that the Head of Operations recently established contact with the UN Resident Coordinator in Timor-Leste who indicated the country's interest and availability to support engagement with the ICO and use of the Special Fund. All relevant documents were sent to the UNRC to finalize the process for use of the special fund in Timor-Leste.

32. The Committee took note of the report.

### **Item 3.6                        ICO Market Development Toolkit**

33. The Chief Economist informed the Committee that the Toolkit is now complete, and that training sessions on using it have already taken place. The date of the availability of the Toolkit will soon be announced.

34. The Committee took note of the report.

### **Item 3.7                        International Coffee Day (ICD)**

35. The Head of Operations reported that the Secretariat had recorded and received feedback about a large number of celebrations for ICD 2022 around the world and played a video that the Secretariat had specially prepared for the day which focused on the job

and income opportunities and zero-waste solutions brought about by the circular coffee economy. A special report on ICD 2022 will be released at a later date.

### **Item 3.8                      Studies and reports**

36.    **Mixtures and substitutes:** The Chief Economist presented document [ICC-134-1](#), stating that responses to the survey for updating mixtures and substitutes data were received from the following countries: Brazil, Colombia, India, Indonesia, Japan, Mexico, Norway, Peru, the Philippines and Switzerland.

37.    **Maximum Residue Limits (MRLs):** The Chief Economist presented document [ICC-134-2 Rev. 1](#), stating that replies were received from: Brazil, Colombia, India, Indonesia, Japan, Mexico, Norway, Peru, the Philippines and Switzerland.

38.    A delegate from the European Union considered the report and suggested that the ICO report on MRLs should distinguish those related to food safety issue and those related to environmental impact.

39.    The Committee took note of the report.

### **23<sup>rd</sup> meeting of the Projects Committee**

40.    The Chair of the Committee, Dr K. G. Jagadeesha of India welcomed all delegates and observers and thanked them for their presence following a long period without in-person meetings due to the Covid-19 pandemic.

### **Item 1                              Adoption of the Agenda**

41.    The Committee approved the draft agenda contained in document [PJ-150/22 Rev. 3](#).

### **Item 2                              Report of the joint meeting of the Committees held on 29 March 2022**

42.    The Committee approved the report of the joint meeting of the Committee held on 29 March 2022 (document [PJ-149/22](#)).

**Item 3**                      **Priority issues**

**Item 3.9**                    **New projects and funding opportunities**

43. The Head of Operations informed the Committee that efforts were being made to mobilise new resources and he stressed the success of the Coffee Public-Private Task Force in mobilising funds to assist Exporting Members. He reported on the development of the project to be funded by the Austrian Development Agency, which has a special focus on Africa and particularly on building the capacity of African youths and women as agents for change who are able to provide sustainability services to the coffee sector.

44. A delegate from Côte d'Ivoire stressed that the new International Coffee Agreement is an important step forward in the efforts of the Secretariat to mobilise new resources, namely from the private sector. Furthermore, the importance of funding projects in exporting countries was emphasized, as a way of improving the revenue of farmers. The Secretariat was praised for its good work.

45. The Executive Director shared that she had recently had a meeting with the Managing Director of the Common Funds for Commodities (CFC) to look for new opportunities for more coffee-related projects, and furthermore, that the Secretariat is in conversation with the World Bank for funding for coffee projects.

46. The delegate of Brazil encouraged developed countries to support developing countries and urged them to remember the pledges made as part of their commitment to the UN Sustainable Development Goals.

**Item 3.10**                    **Delta project: bridging the gap in measuring real-time sustainability performance**

47. Ms Annette Pensel of the Global Coffee Platform (GCP) presented the final report on the Delta project, implemented together with the ICO. The project developed a sustainability framework (impact indicators, guiding principles and data standardization), linking sustainability performance to business actors and governments, and promoting value addition for farmers. The framework is applied to coffee and cotton farming with the potential to be expanded to other agricultural commodities. The current outcome of the project is alignment on nine Sustainable Development Goals and the development of 15 indicators. For coffee, Vietnam was selected for pilot testing.



48. The delegate of Côte d'Ivoire congratulated the presenter and requested that the Secretariat make the presentation available as soon as possible to all participants in the meeting.

**Item 3.11: Rapid appraisal of the financing landscape for the coffee sector in Africa: A business case for financing the “missing middle” and the last mile borrowers in the African coffee value chains**

49. The Chief Economist informed the Committee that a grant of US\$52,000 had been provided by AFREXIMBANK to the IACO to carry out a study on identifying financing gaps and business opportunities in the coffee value chain in Africa. The terms of reference of the study were approved by the Committee in April 2021. Three entities are involved in the study, including the IACO, ICO and CABI. A draft inception report will be presented to the Members of the IACO during its Annual General Assembly in November 2022 in Lomé, Togo.

50. The delegate of Côte d'Ivoire congratulated the ICO and the Chief Economist and AFREXIMBANK for all their work and support.

**Item 3.12: Building a resilient coffee value chain to mitigate climatic disasters and Covid-19 pandemic in Honduras and Nicaragua**

51. The Chief Economist gave an update on the project, a study submitted in September 2021 to the Central American Bank for Economic Integration for its financial support. The bank has approved two corresponding studies, including: (i) the evaluation of impacts caused by hurricanes Eta and Iota; and (ii) the effect of Covid-19 on the coffee sector, prioritizing damages in terms of production, job losses, infrastructure, etc.

52. The Committee Members congratulated the Chief Economist on the study and suggested finding a way to expand it in order to examine the impact of climate change and Covid-19 on all coffee-producing countries and regions. Support for the proposal was given by Côte d'Ivoire, El Salvador, Honduras, Kenya and Panama, and it was requested to find ways to extend the project to other ICO Members.

**Item 3.13:                   ICO and ITC Alliances for Development: the case of Coffee Guide, Value Addition at origin and Producer led Due Diligence**

53.    A representative of the International Trade Centre (ITC) made a presentation on the collaborative work taking place in many coffee-producing countries. He also presented the latest edition of the Coffee Guide and highlighted several initiatives in partnership with the ICO, ACRAM and other organisations in supporting the coffee sector. He also reported on a new project being developed with the ICO and funded by the EU to build capacity on due diligence with regard to a new regulatory framework on human rights. A few countries/ICO Members were highlighted.

54.    The delegates from Côte d'Ivoire and Honduras requested an explanation on the criteria for country selection. It was explained that there were several criteria, including availability of funding and donors' priorities.

55.    The delegate from Kenya stressed that in the ICO-ITC programme (Coffee Guide), the value addition at origin should be carefully calibrated, with partnerships with roasters put in place, reminding those present that Kenya exports over 95% of its coffee. The delegate further emphasized that due diligence is an arduous and costly task on farmers, and that support is necessary for successful implementation.

56.    The Committee took note and thanked the representative of ITC.

**Item 4:                       Other business**

57.    The delegate from Kenya submitted a project proposal on "Coffee Market Development Strategy in Kenya Through Establishing Coffee Houses in Universities."

58.    The Head of Operations acknowledged that the Secretariat had received the initial draft proposal. It was further stated that the Secretariat and the Coffee Authority of Kenya would work together to accurately redefine the scope and determine the resources required to implement the project as well as to identify potential funding sources.

59.    The Committee recommended its approval by the Council.

**Item 5:                      Date of next meetings**

60.    The next meetings of the Statistics Committee, the Promotion and Market Development Committee and the Projects Committee will take place at the time of the next Council session.