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**Memorandum of Understanding
between the International Coffee
Organization and the Specialty Coffee
Association**

Background

1. This document contains a copy of the draft Memorandum of Understanding (MoU) between the International Coffee Organization (ICO) and the Specialty Coffee Association (SCA).
2. By way of this MoU, the ICO and SCA undertake to create educational programs for the development of skills in coffee production, trade and commercialization and to plan and design promotion actions focused on high-quality coffee consumption, among other things.

Action

The Council is requested to consider and, if appropriate, to approve the attached Memorandum of Understanding between the ICO and SCA.

Memorandum of Understanding
between
the International Coffee Organization (ICO)
and
the Specialty Coffee Association (SCA)

To strengthen the development of skills, capacities, and market systems in the coffee industry

WHEREAS the International Coffee Organization (ICO) is an intergovernmental organization, established in London in 1963 under the auspices of the United Nations and operating under the International Coffee Agreement 2007, with the objective of strengthening the global coffee sector and promoting its sustainable expansion in a market-based environment for the betterment of all participants in the sector.

WHEREAS the ICO is the only intergovernmental organization bringing together coffee exporting and importing governments to tackle the challenges facing the world coffee sector through international cooperation, providing a unique forum for dialogue among governments, the private sector, development partners, civil society and all coffee stakeholders.

WHEREAS the ICO has set up the Coffee Public-Private Task Force (CPPTF), a unique partnership model where leading private sector companies and organizations and ICO Member governments work together to build consensus on priority issues and take joint actions.

WHEREAS the ICO collects and compiles independent official statistics on coffee production, trade and consumption, supports the development and funding of technical cooperation projects and public-private partnerships, and promotes sustainability and coffee consumption.

WHEREAS the SCA is a trade association built on foundations of openness, inclusivity, and the power of shared knowledge, with the purpose of fostering a global coffee community and support activities to make specialty coffee a thriving, equitable, and sustainable activity for the entire value chain.

WHEREAS the SCA, as a unified organization established in 2017, is a trade association with the purpose of fostering a global coffee community and support activity to make specialty coffee a thriving, equitable, and sustainable activity for the entire value chain.

WHEREAS the International Coffee Organization (ICO) and the Specialty Coffee Association (SCA), hereinafter “the Parties”, have been collaborating over the years, with the SCA having signed the London Declaration on price levels, price volatility and the long-term sustainability of the coffee sector as a supporting organization and given its engagement in the Coffee Public-Private Task Force (CPPTF) and the realization of its Roadmap 2030.

TAKING INTO ACCOUNT the respective mandates, objectives and programmes of the ICO and SCA;

NOW THEREFORE the Executive Director of the ICO, Vanússia Maria Carneiro Nogueira, and the Chief Executive Officer of SCA, Yannis Apostolopoulos, considering their respective executive powers and their organizations’ mandates, objectives and programmes,

HEREBY agree:

ARTICLE 1 PURPOSE

1. The purpose of this Memorandum of Understanding (MoU), understood as a joint collaboration, is to:

COLLABORATION BETWEEN THE ICO AND SCA

- A) Establish an MoU between both organizations that allows the leverage of their respective outreach and expertise in order to expand the positive influence they seek in the global coffee sector to benefit all coffee sector stakeholders.
- B) To focus on:
 - (i) Creating educational programs for the development of skills in coffee production, trade and commercialization, roasting, brewing and preparation methods aligned with the educational pathways (to be) developed by the SCA;
 - (ii) Implementing and delivering innovative educational activities to promote understanding and use of the SCA's new Coffee Value Assessment (CVA);
 - (iii) Implementing and delivering educational programs to strengthen producing countries and enable producer organizations to access specialty coffee and higher-value trading models that distribute value more equitably. The SCA will lead the development of the curriculums and content for each educational activity and will collaborate directly with ICO and its Members;
 - (iv) Planning and designing together promotion actions focused on high-quality coffee consumption.

Any review of the above and any additional areas of collaboration will be determined and agreed by the Parties through the exchange of letters.

ARTICLE 2 IMPLEMENTATION

The Parties shall, within their available capabilities and respective capacities, and for the purpose of this agreement, focus their partnership on the following declarations and commitments.

DECLARATIONS OF THE PARTIES

THE SCA DECLARES THAT:

- i) It has the will, technical knowledge, experience and availability of personnel to contribute to the development of and faithful compliance with this agreement.
- ii) It acknowledges and agrees that the ICO and SCA will make their best joint efforts to achieve compliance with all the objectives, goals and activities described in this MoU.

THE ICO DECLARES THAT:

- (i) It will make its best efforts to collaborate with the SCA in formalizing and effectively executing this collaboration agreement.
- (ii) It acknowledges and agrees that the ICO and SCA will make their best joint efforts to achieve compliance with all the objectives, goals and activities described in this MoU.

COMMITMENTS OF THE PARTIES.

For the effective and successful fulfillment of this agreement, the parties undertake to carry out the following actions:

THE ICO COMMITS TO:

- (i) Collaborate with the SCA on the design and strategic development of interventions related to the four areas of interest described in the first clause, which will be implemented through joint collaboration and with the SCA leadership. This does not mean that each intervention will be fully or partially financed, but it does mean that the ICO will do its best to support the successful development and implementation of the prioritized actions.
- (ii) Discuss and schedule, if necessary, action plans for the effective implementation of joint interventions that are agreed upon.

- (iii) Report on significant progress achieved in the execution of joint activities that are part of the agreement.

THE SCA COMMITS TO:

- (i) Provide technical leadership and collaborate with the ICO to design and develop interventions related to the three areas of interest described in the first clause, the implementation of which will be subject to the particular capacities and conditions of each initiative. This does not mean that the SCA will fully or partially support or implement each area of intervention, but it does mean that the SCA will do its best to implement interventions that allow for the implementation of prioritized actions for the benefit of the global coffee sector.
- (ii) Dialogue and collaborate on the review of action plans or potential joint work agendas that allow for a more effective implementation of the potential agreed interventions.
- (iii) Appoint an SCA liaison officer for the project or projects, who will be responsible for the execution of those joint work actions, as well as for promoting effective coordination of activities between the ICO and SCA.
- (iv) Monitor, with technical, administrative and executive personnel, the effective execution of those activities or action plans that arise and which are covered by this agreement.

**ARTICLE 3
GOVERNANCE**

CONFIDENTIALITY

The ICO and the SCA agree that verbal or documentary information shared between the Parties creates a relationship of trust between those involved. Both Parties, the ICO and the SCA, agree not to use, disclose or allow any person/organization to use any confidential information about the activities, products or matters arising from the information created, discovered, developed by or for the other Party or acquired by the other Party, that has commercial value in the present or future activities of the other Party, unless they are necessary in the search and performance of tasks related to this program and by virtue of the prior written authorization of the corresponding authorities. The Parties agree to keep confidential any document containing information marked as confidential, as well as any discussions that are specifically designated as being confidential.

Neither Party will be liable for accidental or inadvertent disclosure of confidential information if any such disclosure occurs despite the Parties exercising reasonable care to prevent the disclosure of such information. In addition, the Parties agree not to disclose or transmit information related to this agreement, including, but not limited to agreements, conceptual approach, technical approach, work plan and personnel, to companies or individuals that are not respective members of the Parties;

Upon termination of this agreement, each Party shall return to the other all confidential information in written or other tangible form that it has received or compiled and is in its possession or control. In addition, each Party must dispose of all copies of any analyses, notes, memos, diagrams, compilations, studies or other documents that have been prepared and that contain or reflect any confidential or sensitive information.

MARKETING AND COMMUNICATIONS

Both Parties agree not to issue press releases, advertisements, or any other form of publicity for the program(s) without the express written consent of the corresponding counterparty. In all communications made, the ICO and SCA sponsors/donors or acknowledged partners must be recognized, respecting the communication and brand policies of each one. Any knowledge, progress and results stemming from the project(s) carried out under this agreement will be considered public information, after the respective approval of said documents by both Parties.

PROPER CONDUCT

Each Party agrees to comply with all laws, internal rules and regulations and good practices applicable to this agreement regarding ethical management standards. In particular and without limitation of the foregoing, each Party agrees not to pay any salary, commission or fee, or make any payments or reimbursements to any employees of local or international partners (including other partners, buyers, etc.) or any person designated by said employee(s). Each Party also undertakes not to favor any employee of said allies, or any person designated by said employee, with gifts, tips, goods, services or benefits.

CONFLICTS OF INTEREST

It is understood and agreed that some of the work performed under this agreement may place SCA or ICO staff/personnel in situations that create organizational conflicts of interest. An organizational conflict of interest may affect the objectivity of the activities or staff member in the performance of the work. To prevent or mitigate potential conflicts of interest, both Parties agree not to engage in any activity that may give rise to an organizational conflict of interest without notifying the corresponding party of that potential conflict of interest and receiving written approval to conduct the aforesaid activity.

INDEMNIFICATION/LIMITATIONS OF LIABILITY

Both Parties agree that, in the event of any trial, judgment, court order or liquidation for death or bodily injury, damage, loss or destruction of any personal property, real or tangible, directly caused by the negligence of staff/personnel, each organization (the ICO and the SCA) will be responsible for any damage, loss or destruction caused by its corresponding (contracted or hired) personnel/staff. The SCA and ICO, its funders, donors, partners, or members will have no responsibility for such occurrences caused by the other Party.

COORDINATION

For coordination and communication purposes, the ICO designates Vanúsia Maria Carneiro Nogueira, Executive Director, and the SCA designates Kim Elena Ionescu, Chief Sustainability and Knowledge Development Officer. In case there is a change in the contact persons specified herein, both Parties may send an email and/or letter to share the complete updated contact information.

DISAGREEMENTS AND DISPUTE RESOLUTION

Any differences arising within the framework of this agreement will be resolved by the ICO, Vanúsia Maria Carneiro Nogueira, and the SCA, Chief Sustainability and Knowledge Development Officer, Kim Elena Ionescu. The Parties acknowledge that the ICO's and the SCA's funders, donors, partners, or members have no responsibility or authority in any dispute arising between the Parties.

DURATION OF THIS AGREEMENT

This agreement will be in force for 2 years. It may be extended for a period to be defined by way of an addendum modifying said term.

TERMINATION OR SUSPENSION OF THE AGREEMENT

This agreement may be terminated and the Parties' obligations suspended when any of the following causes occurs: a) Failure to comply with any of the obligations stipulated in this MoU and its general and special conditions; b) Due to force majeure or a fortuitous event, which in the opinion of the ICO or the SCA is justified as the case may be. For the purposes of this agreement, a fortuitous event or force majeure shall be understood to mean all present, future and unforeseeable acts or events which absolutely and directly prevent compliance with the provisions of the agreement.

Termination for Convenience. This agreement may be terminated in whole or in part by agreement of the Parties with 30 calendar days' notice. Neither Party will incur any new obligations for the performance of any part of this agreement after the effective date, and any outstanding obligations due shall be cancelled.

Termination procedures. Upon receipt of and pursuant to notice of termination as specified above, both Parties will take immediate steps to minimize all expenses and obligations funded under this agreement and will cancel outstanding obligations whenever possible.

OTHER CONSIDERATIONS

In addition to the considerations listed above, the ICO and the SCA agree that:

- (i) For the effective implementation of this agreement and, immediately after the signature thereof, both institutions will focus their efforts on defining and sharing the planning documents, coordination of activities, appointment of coordinators and selection of coffee producing regions to involve and/or prioritize.
- (ii) This agreement may be modified by mutual consent between the parties by signing an addendum thereto.

[The Parties agree that the ICO will be represented by Vanússia Maria Carneiro Nogueira, as Executive Director, with broad and sufficient powers to hold this kind of act or the person

she designates, and the SCA will be represented by Yannis Apostolopoulos, as Chief Executive Officer, with broad and sufficient powers to hold this kind of act or the person he designates].

Signed in _____, on _____ in English.

For the International Coffee Organization

For the Specialty Coffee Association

Vanússia Maria Carneiro Nogueira,
Executive Director

Yannis Apostolopoulos,
Chief Executive Officer