



INTERNATIONAL
COFFEE
ORGANIZATION



FA 342/23

3 March 2023
Original: English

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Finance and Administration Committee
57th Meeting
16 March 2023
London, United Kingdom

**Draft Administrative Budget for
financial year 2023/24**

RESTRICTED

Introduction

1. This document contains the draft Administrative Budget for financial year 2023/24.
2. The Administrative Budget, in line with the standard for multilateral international organizations where staff carry out all the planned activities, can be divided into three broad categories: Premises (15%); Personnel (73%) and Other Expenses (12%). Expenditure on premises is fixed, at least in the short term, and cannot be reduced. The budget and Members' contributions have been adjusted to take into account the need to enhance ICO activities and to re-establish a critical mass to carry out the mandate of the Organization and return to a more sustainable level of staffing as the Organization starts to resume normal activity levels. However, it is lower than 2018/19 and similar to 2019/20, the last 'non-emergency' budgets. If we account for inflation, this represents a significant real-terms reduction overall.

Action

This document will be reviewed by the Finance and Administration Committee.

CONTENTS

DRAFT ADMINISTRATIVE BUDGET FOR FINANCIAL YEAR 2023/24	Page
Contributions.....	2
Provision for Members in persistent arrears	2
Expenditure.....	2
Premises.....	3
Interpretation and translation	3
Travel	3
Personnel.....	4
Council meeting costs	5
Support for the Programme of Activities.....	5
Other costs	5
Liquidation Cost	5
Summary of liquidation cost, as at 30 September 2023	6
Surplus/(Deficit).....	6

ANNEX

- I Table A: Estimated revenue and expenditure
 Table B: Expenditure by item and sub-item
- II. Travel completed and planned during the Coffee Year 22/23
- IIIa. Establishment Table
- IIIb. Organigram
- IV. Programme of Activities and Budget Forecast for Coffee Year 2023/24
- V Activity-Based Budget for coffee year 2023/24

DRAFT ADMINISTRATIVE BUDGET FOR FINANCIAL YEAR 2023/24

1. This Budget has been prepared on a similar accounting basis to previous years, while also taking into account the approval of Resolution 470 by the Council at its 126th Session. When compared to the pre-pandemic 2018/19 and 2019/20 coffee years, nominal savings have been made for all items except two ('Personnel' and 'Support for the Programme of Activities'). Again, in real terms, these savings are even more significant.

Contributions

2. The estimated total revenue for financial year 2023/24 is £2,638,396, compared to (i) £2,250,320, as authorized for financial year 2022/23; and (ii) £1,932,707, the actual revenue in financial year 2021/22 (see **Table A** in **Annex I**). Based upon contributions of £2,600,000, which are £372,000 or 16.7% higher than the authorized 2022/23 budget, the contribution per vote is calculated at £1,300.

3. Interest income is forecast at £6,096. This amount is estimated based on an economic recovery from the post-covid-19 economic situation during budget year 2022/23. The Organization currently receives an interest rate of about 1.19% per annum on deposits for 6-to-9-month terms as compared to about 0 to 0.07% for the previous years.

4. Estimated revenue from external sources amounts to £38,896. This consists of revenue from other international organizations relating to accounting and payroll services provided by the Organization, as well as income from subscriptions to statistics and administrative charges for the Trust Fund projects.

Provision for Members in persistent arrears

5. A provision for outstanding contributions from Members in persistent arrears of £38,396 is included in **Table A** of **Annex I** (i.e. those who owed more than two years of contributions to the Administrative Budget as at 1 October 2023). The amount is net of the Recovery on Provision for outstanding contributions (please see [FA-340/23](#))

Expenditure

6. **Table B** in **Annex I** shows the proposed expenditure for financial year 2023/24 and compares this to authorized expenditure in 2022/23. The following table provides a summary of this information.

NET EXPENDITURE
FINANCIAL YEAR 2023/24 COMPARED TO PREVIOUS FINANCIAL YEAR

Financial year	Net expenditure	Increase/(decrease)	
		Amount	Percentage
	<u>£000</u>	<u>£000</u>	<u>%</u>
2022/23	2,168	313	16.9
2023/24	2,600	432	19.9

Premises

7. The term of the premises lease runs from April 2017 to April 2025. A half rent clause was reflected in financial year 2021/22; however, there is no longer any clause to be applied to the 2023/24 budget. Therefore, rent will be £290,000, the full annual rent amount.

8. The amount of £9,000 under Item 1.2 in **Table B** of **Annex I** reflects the estimated charge for rates as issued by the Valuation Office Agency.

9. The amount of £90,000 under Item 1.3 in **Table B** of **Annex I** reflects the estimated service charge of £10.2 per square foot based on the annual service charge reported by the landlord, which is linked to the Retail Price Index and adjusted with the inflation rate. Other costs included in this item are: building insurance; cleaning; electricity; replacement of lights; air conditioning; and fire safety equipment maintenance.

Interpretation and translation

10. The provision for interpretation is based on a programme of two Council Sessions, one in the Spring and one in September. As a cost-saving measure, provision is made for only two and three days of interpretation at each Session, respectively. Before the covid-19 pandemic, Council sessions used to have full interpretation on all five days.

11. The provision for translation is for work contracted to a new language services provider. Wherever possible, computer-assisted translation tools will be employed as a cost-saving measure, always alongside suitable quality and efficiency measures. Partial automation of translation work will enable recurring content to be automatically translated. As a result, the budget for translation costs has decreased by £10,000.

Travel

12. Many Members have invited the Executive Director to visit them, and efforts are being made to maximize the ICO's presence and implement new activities. Thus far, expenses have

largely been funded by the countries in question, but drastic rises in airfare prices have led to an inevitable increase in travel expenses versus the last two years. The £45,000 set aside for 2023/24, however, is still a reduction from the £54,000 and £53,500 that were authorized for 2018/19 and 2019/20, prior to the pandemic (**Annex II**).

Personnel

13. **Annex IIIa** shows the proposed Establishment Table of the Organization for 2023/24 (with a related Organigram in **Annex IIIb**). The following table presents a breakdown of the cost of personnel for each category of staff in the financial years 2021/22 to 2023/24.

	Number of posts			Personnel cost		
	2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
				£000	£000	£000
Total	12	12	15	1,293	1,498	1,905
Professional staff	11	11	14	1,293	1,454	1,856
General Service staff	1	1	1	-	44	49

14. Management conducted another full review of all posts in the Establishment Table since December 2022. The draft Budget proposes an increase in Personnel Costs of £407,500 in the financial year 2023/24, which is mainly due to two factors.

15. Firstly, the full-time Personnel Cost budget proposes that the Senior Economist (P-3/P-4) be replaced with the post of Public-Private Partnership Coordinator (P-3/P-4) and that a Communication Officer (P-1/P-2) and Economist (P-1/P-2) be included. Currently, the function of the Communications Officer is being carried out by a temporary part-time consultant. However, the Organization's communications strategy requires full-time resourcing. Moreover, given that the Chief Economist is due to retire at the end of 2024, a provision has been made for the recruitment of an Economist to ensure a smooth handover of his 30 years of institutional knowledge and experience, and an optimal performance of future ICO activities. It must also be noted that some activities related to the Programme of Activities and, specifically, the coordination of the Coffee Public-Private Task Force (CPPTF), are currently carried out by the Coordinator of the CPPTF, a cost-free staff member, whose remuneration is provided voluntarily by an ICO Member country. However, this situation is expected to persist only until the end of financial year 2022/23.

16. Secondly, the calculation of the annual personnel cost, except for National Insurance, private health insurance, travel and life insurances and home leave, is based on the UN Salary

Scale released in January 2023 (average increase of 3.2% from the 2022 Salary Scale) with the expected inflation rate of approximately 2% and an exchange rate of US\$1.177 = £1.

Council meeting costs

17. Under this budget scenario, expenditures under Item 11 of **Table B** in **Annex I**, 'Council meeting costs', remained the same as the previous year, i.e. £25,000. This assumes that, in 2023/24, one Council session will be held outside of UK, and the other in hybrid (in person/online) format in London. Provision has been made for an electronic hub for interpreters and venues during the sessions of the Council.

Support for the Programme of Activities

18. The 'Programme of Activities', is primarily an allocation of consultancy funds to complement staff expertise for the implementation of the Five-Year Action Plan of the International Coffee Organization (document [ICC-120-11](#)). The amount has been increased by £9,000 to £76,000, as in pre-pandemic years 2018/19 and 2019/20. The operation and coordination of the Coffee Public-Private Task Force (CPPTF) is carried out by the Coordinator of the CPPTF and mainly funded by voluntary contributions from ICO Members, the private sector and international inter-governmental and non-governmental organizations (**Annex IV**).

Other costs

19. Communications and Other Operating expenses were reduced over the last few years, as a part of a move to a paperless office and a cost-saving measure. However, there is expected to be an increase in supplier costs due to inflation.

Liquidation Cost

20. The estimated cost of liquidation of the Organization at 30 September 2023 is £1,438,000 (as compared to £1,313,000 at 30 September 2022) based on the average exchange rate used by the United Nations between August 2022 and January 2023. The rise is due to more termination entitlement months, and an increase in the estimated outstanding annual leave balances as at 30 September 2023, as per the Staff Regulations and Staff Rules. The Premises cost was set as an 18-month lump sum rental cost and miscellaneous charges upon liquidation, which were indicated in the lease agreement as a clause for termination of the contract.

Summary of liquidation cost, as at 30 September 2023

	£ 000's	£ 000's
Premises		
Rent and car parking	435	
Service charge and rates	130	
Electricity, heat and maintenance	5	
Dilapidations	97	
		667
Personnel		
Salaries of staff to liquidate Organization	99	
Termination indemnity - Professional staff	596	
Termination indemnity - General Service staff	0	
Repatriation costs	34	
		729
Communications		
Postage, telephone, etc.	2	
Other expenses	40	
		42
Total cost of Liquidation		1,438

Surplus/(Deficit)

21. By maintaining the current overall level of contributions and income from external resources, the proposed budget would result in a zero deficit.

TABLE A
ADMINISTRATIVE BUDGET 2023/24
ESTIMATED REVENUE AND EXPENDITURE
(FIGURES IN £ STERLING)

	Actual 2021/22 ^{4/}	Authorized 2022/23	Proposed 2023/24
Revenue			
(a) Contributions of Members	1,912,972 ¹	2,228,000 ²	2,600,000 ³
(b) External sources			
Interest	1,796	700	6,096
Accounting services	7,800	7,200	7,800
Statistical data subscriptions	6,639	14,420	20,000
Administrative fee for Trust Fund	3,500	0	5,000
External sources	19,735	22,320	38,896
Total revenue	1,932,707	2,250,320	2,638,396
Net expenditure	1,814,058	2,167,600	2,600,000
Less: Provisions for outstanding contributions	68,351	82,720	38,396
Surplus/(Deficit)	50,298 ⁴	0	0

1/ The 2021/22 contribution corresponds to £953 per vote, (decrease of 27% in relation to 2019/20).

2/ The 2022/23 contribution corresponds to £1,114 per vote, (decrease of 17% in relation to 2019/20).

3/ The 2023/24 contribution corresponds to £1,300 per vote)

4/ Figures are based on the audited financial reports for 2021/22.

TABLE B
ADMINISTRATIVE BUDGET 2023/24
EXPENDITURE BY ITEM AND SUB-ITEM
(FIGURES IN £ STERLING)

Item and sub-item	Actual 2021/22 ₁ /	Authorized 2022/23	Proposed 2023/24	Increase/(Decrease) 2022/23 versus 2023/24	
				Amount	Percent
1. Premises	312,452	384,000	389,000	5,000	1.3%
1.1 Rent	219,316	290,000	290,000		
1.2 Rates	5,061	9,000	9,000		
1.3 Service charge, utilities and maintenance	88,075	85,000	90,000		
1.4 Refurbishment costs for relocation to new premises	0	0	0		
2. Language services under contract	83,692	93,000	83,500	(9,500)	(10.2)%
2.1 Interpretation	26,400	23,000	23,500		
2.2 Translation	57,292	70,000	60,000		
3. Special contracts	5,688	12,000	10,000	(2,000)	(16.7)%
3.1 Coffee price service	0	0	0		
3.2 Professional fees	5,688	12,000	10,000		
4. Travel	8,196	25,000	45,000	20,000	80%
4.1 Fares for official travel	4,532	15,000	30,000		
4.2 Subsistence allowance	3,664	10,000	15,000		
5. Communications	7,551	8,600	9,200	600	7.0%
5.1 Postage	181	100	200		
5.2 Telephone and fax	7,370	8,500	9,000		
6. Personnel	1,247,467	1,497,500	1,905,000	407,500	27.2%
6.1 Basic salaries (net)	515,577	626,000	863,000		
6.2 Post adjustments	319,799	396,000	495,000		
6.3 Personal representation allowance	5,000	5,000	5,000		
6.4 Dependency allowance	40,254	65,000	44,000		
6.5 Education grant	41,615	45,000	46,000		
6.6 Provident Fund	182,512	283,000	376,000		
6.7 Insurance	32,168	60,000	70,000		
6.8 Installation/Repatriation	23,740	0	0		
6.9 Fares for home leave	1,481	1,500	6,000		
6.10 Temporary/Outside service	85,321	16,000	0		

Item and sub-item	Actual 2021/22 ^{1/}	Authorized 2022/23	Proposed 2023/24	<u>Increase/(Decrease)</u> <u>2022/23 versus 2023/24</u>	
				Amount	Percent
7. Other operating costs	32,473	35,500	37,300	1,800	5.1%
7.1 Photocopiers and printers	8,541	8,000	5,000		
a. Rental and service					
7.2 Office supplies and stationery					
a. Document production	1,483	1,500	1,000		
b. General	870	1,000	1,800		
7.3 Publications	71	1,500	1,500		
7.4 Other expenses	21,508	23,500	28,000		
8. Computer-related costs	38,304	20,000	20,000	-	-
9. Council meeting costs	9,475	25,000	25,000	-	-
10. Support for the Programme of Activities	68,760	67,000	76,000	9,000	13.4%
Total	1,814,058	2,167,600	2,600,000	432,400	19.9%

1/ Figures are based on the audited financial reports for 2021/22.

**TRAVEL COMPLETED AND PLANNED BY THE EXECUTIVE DIRECTOR
COFFEE YEAR 2022/23**

October

- Geneva – Participated in the International Trade Centre (ITC) partnership meetings. Expenses partially covered by partners/ICO Members.
- Trieste, Italy – Participated in the TriestEspresso Expo 10th Edition. Expenses partially covered by partners/ICO Members.

November

- Lome, Togo – Participated in and expert speaker at the Inter-African Coffee Organisation (IACO) Annual Meeting and in the Forum “Women in Coffee Business Clusters and Partnerships for Women”, from ACRAM. Expenses partially covered by partners/ICO Members.
- Rome, Italy – Participated in the Illy Coffee Annual Meeting and Ernesto Illy International Coffee Award 2022. Expenses partially covered by partners/ICO Members.
- Honduras - Participated in and expert speaker at the Summit for the Sustainability of Coffee Farming in the PROMECAFE region, 4th Edition 2022. Expenses partially covered by partners/ICO Members.

December

- Hanoi, Vietnam – Participated in and expert speaker at the International Conference on the Vietnam Coffee Industry 2022 (ICCV 2022). Expenses partially covered by partners/ICO Members.
- New York, USA – Participated in Meetings with Private Sector representatives to advance the public-private partnerships agenda.

January

- Uganda – Participated in the C3SD Project meetings with the International Trade Centre (ITC). Expenses partially covered by partners/ICO Members.

February

- Rwanda – Participated as expert speaker at the World Coffee Producers Forum (WCPF) and the 19th African Fine Coffees Association (AFCA) Conference & Exhibitions.
- Brussels – Participated in a Meeting with civil society groups to discuss current legislation changes affecting the coffee industry, a Meeting with the EU Commissioner for the EU Commission for the Environment, and a meeting with a team from INTPA.

March

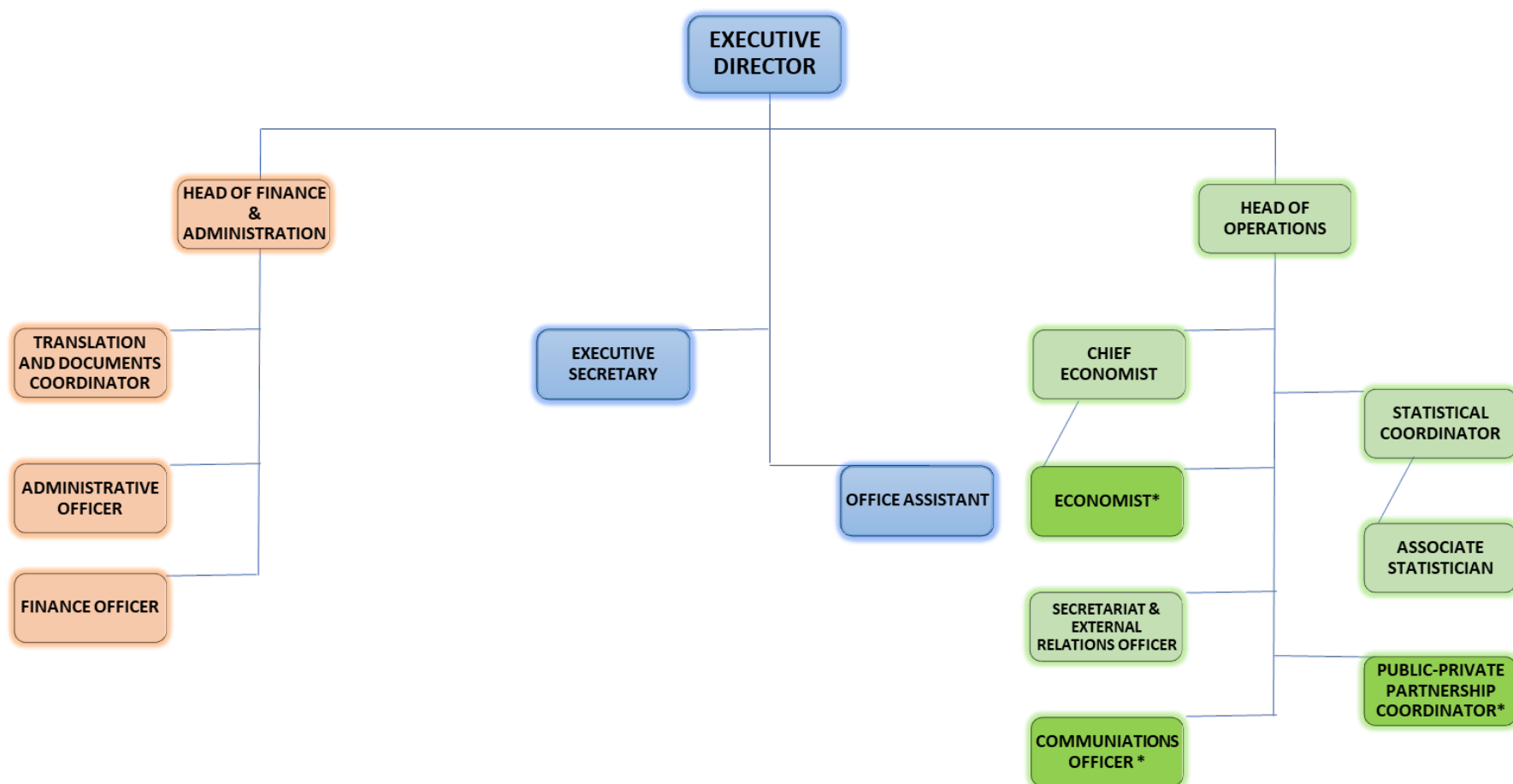
- USA – Participating in the National Coffee Association (NCA) Conference. Expenses partially covered by partners/ICO Members.

ADMINISTRATIVE BUDGET 2023/24

ESTABLISHMENT TABLE

2023/24	Post title	Classification
15	TOTAL	
3	OFFICE OF THE EXECUTIVE DIRECTOR	
1	Executive Director	USG
1	Assistant to the Executive Director	P-1 / P-2
1	Office Assistant	G-4 / G-5
8	OPERATIONS DIVISION	
1	Head of Operations	D-1
1	Chief Economist	P-4 / P-5
1*	Public-Private Partnership Coordinator	P-3/ P-4
1	Statistical Coordinator	P-2 / P-3
1	Secretariat, Communications and External Relations Officer	P-1 / P-2
1	Associate Statistician	P-1 / P-2
1*	Communications Officer	P-1 / P-2
1*	Economist	P-1 / P-2
4	ADMINISTRATION DIVISION	
1	Head of Finance and Administration	P-4 / P-5
1	Translation and Documents Coordinator	P-1 / P-2
1	Administrative Officer	P-1 / P-2
1	Finance Officer	P-1 / P-2

* *Positions added in the 2023/24 Administrative Budget*

ORGANIGRAM (* NEW POSTS)

**PROGRAMME OF ACTIVITIES AND BUDGET FORECAST FOR
COFFEE YEAR 2023/24**

A. Guiding principles:

This document outlines the proposed Programme of Activities (PoA), including planned results, deliverables, and associated budget forecast for coffee year 2023/24. It has been drafted in accordance with the:

I. Guiding mandated actions as defined by the International Coffee Agreement 2007 (and the ICA 2022 upon entry into force), including:

- i. Collection, exchange and publication of statistical and technical information¹ including the daily composite indicator price (I-CIP).
- ii. Studies, surveys, technical reports and other documents concerning relevant aspects of the coffee sector, as well as the periodic survey on Obstacles to Consumption, report on compliance on Mixtures and Substitutes; report on status of all projects approved by the Council.
- iii. Consultation and cooperation with the United Nations and its specialized agencies (FAO, ITC, UNIDO, UNDP, ILO amongst others) as well as with international and regional financial institutions (IFAD, World Bank, African Development Bank, Inter-American Development Bank amongst others) as well as with civil society and academia to mobilize support and resources to the development and sustainability of the coffee sector and specifically for the farmers;
- iv. Promotion of consumption and market development activities.
- v. Conduct of two regular sessions of the Council a year, and special sessions as required, as well as regular and intersessional meetings of Committees and advisory bodies.

II. The three strategic goals outlined in the Five-Year Action Plan for the International Coffee Organization, approved by the Council during its 120th Session on 29 September 2017, as a provisional framework pending the development and launch of the renewed Five-Year Action Plan, namely:

- i. Delivering world-class data, analysis and information to the industry and policy-makers.
- ii. Using the Organization's convening power to provide a forum for dialogue between and within the public and private sectors.

¹ On world production, prices, exports, imports and re-exports, distribution and consumption of coffee, including information on production, consumption, trade and prices for coffees in different market categories and products containing coffee.

- iii. Facilitating the development of projects and promotion programmes through public-private partnerships

B. CURRENT DISTRIBUTION OF RESOURCES:

The ICO administrative budget 2023-24 has been forecast with the objective of enabling the Secretariat to effectively and efficiently deliver its strategic and administrative functions afforded by the International Coffee Agreement (ICA) 2007, the decisions adopted by the International Coffee Council (ICC), through the implementation of the proposed annual Programme of Activities (PoA) utilizing the resources outlined herein:

i. In-house Human Capital:

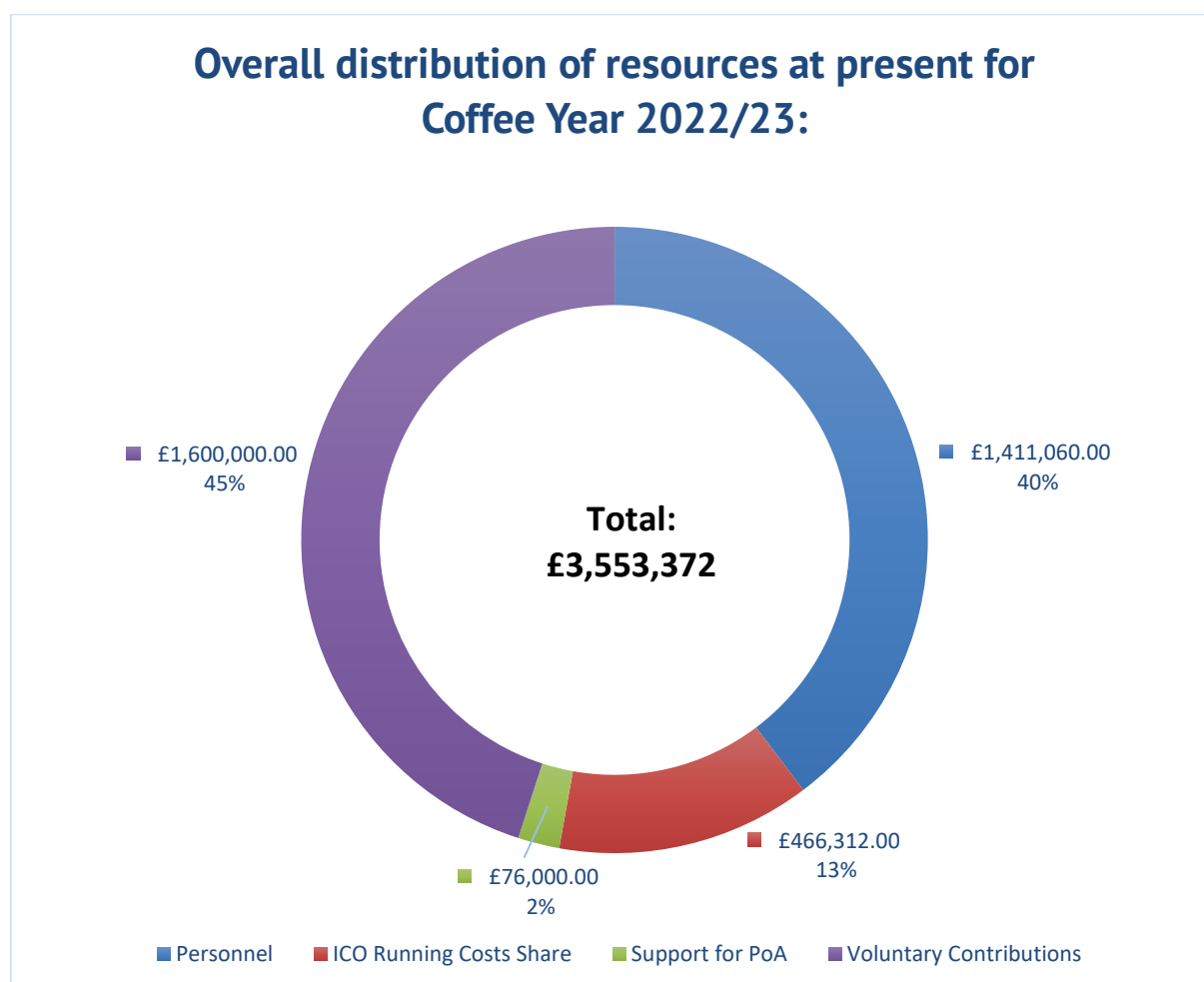
The ICO Operations Division (OPS) team, is the main implementing division for substantive activities, drawing upon its specialized staff knowledge and expertise, and thus constitutes the main human capital resource dedicated to the implementation of the planned programme of activities, complemented by external consultants hired on an ad-hoc needs basis, and in close collaboration with the Office of the Executive Director (OED) and of the Finance and Administration Division (FAD).

ii. Financial Resources:

The main source of financial contributions (both monetary and in kind) to support operational costs are mainly derived from voluntary contributions made by ICO members, donors, development partners, the private sector and other organizations. These are principally allocated to the specific activities under the purview of the Coffee Public-Private Task Force and the development of its 2030 Road Map for exporting Members.

iii. **Overall distribution of resources at present for Coffee Year 2022/23²³⁴⁵:**

To carry out the PoA, the ICO has access to the following resources:



The Organization's 2023/24 draft Administrative Budget allows for an increase of the critical mass to carry out the Programme of Activities even if it is still below the resources required and available in the 2016/17 Budget.

² Personnel refers to 100% of the staff from the Operations Division and a share of the cost of the other ICO staff.

³ ICO Running Costs Share refers to running costs required for the Operations Division to carry out the PoA for 2023/24.

⁴ Support for the Programme of Activities (PoA) refers to the specific budget allocation for consultancies and other support services to complement in-house resources and expertise.

⁵ Voluntary contributions are those made by ICO Members, donors, development partners, the private sector and other organizations, both in kind and in cash, mainly for the work of the CPPTF and the realization of its Road Map 2030 in exporting Members.

PROPOSED PROGRAMME OF ACTIVITIES FOR COFFE YEAR 2023/24
STRATEGIC GOALS, PLANNED RESULTS, DELIVERABLES AND ASSOCIATED BUDGET FORECASTS

STRATEGIC GOAL I: DELIVERING WORLD-CLASS DATA, ANALYSIS AND INFORMATION TO THE INDUSTRY AND POLICY-MAKERS

A core function of the Organization is to be the world's most respected coffee statistical authority, enhancing market transparency by providing Members and third parties with easy access to accurate and comprehensive statistical data, and high-quality analytics related to the world coffee economy to the benefit of all stakeholders in the coffee supply chain, including decision-makers responsible for coffee policy. This function can be accomplished by improving the quality of the statistics and economic analysis produced by the Organization. to ensure that the ICO statistics are collected from Members, processed and disseminated efficiently, promptly and accurately, and that statistical capacity is built on a needs basis in Member countries.

PLANNED RESULT I.A:

ENHANCE MARKET TRANSPARENCY THROUGH THE IMPROVEMENT OF MEMBER COMPLIANCE IN RAW STATISTICAL DATA COLLECTION, STORAGE, PROCESSING AND DISSEMINATION

DELIVERABLES BY CATEGORY AND SUBCATEGORY	IMPLEMENTED BY	OPERATIONAL COSTS	STAFF COSTS
Facilitation of the intergovernmental process and expert bodies			
Substantive services for meetings (Member states, ICC, ad-hoc expert group meetings...)			
Meeting of the International Coffee Council	HOO/STA/ECON/EA		Staff
Meeting of the Finance Committee	HOO/STA		Staff
Meeting of the Statistical Roundtable			
Support to statistics issues within the committees	HOO/STA		Staff
Seminars, workshops and training events			
Provision of training - up to 4 Seminars/workshops/events to ICO Member Statistical Focal Points on ICO Rules of Statistics	STA	£10,000	Staff
Technical Materials (Documents, newsletters, bulletins...)			
Daily Indicator Prices (365 total)	HOO/STA/ECON/EA		Staff
Monthly Coffee Market Report (12 total)			

Quarterly Statistical Bulletin (4 total)			
Monthly Trade Statistics Report amongst others (min. 12)			
Substantive deliverables			
Consultation, advice and advocacy			
Consultations to assess Members' compliance with ICO-SCI/E and ICO-SCI/I Indicators	HOO/STA		Staff
Inputs for calculations of votes and contributions	HOO/STA		Staff
Databases and substantive digital materials			
Maintenance of the ICO World Coffee statistics database and other ICO tools	HOO/STA		Staff
Maintenance of the Rules on Statistics	HOO/STA		Staff
Communication deliverables			
External and media relations			
Ad hoc statistical briefings for publications, external ICO interventions and in response to external consultations			

PLANNED RESULT I.B:

STRENGTHEN THE ICO'S POSITIONING AS *THE WORLD'S MOST RESPECTED COFFEE STATISTICAL AUTHORITY* THROUGH THE DEVELOPMENT AND DISSEMINATION OF RELEVANT STATISTICAL DATA AND ECONOMIC ANALYSIS RELATED TO THE GLOBAL COFFEE SECTOR

DELIVERABLES BY CATEGORY AND SUBCATEGORY	IMPLEMENTOR	OPERATIONAL COSTS	HUMAN RESOURCE COSTS
Publications (Recurrent)			
Coffee Development Report 2023-24	External consultants ICO staff	£10,000	£30,000 ICO staff
Substantive deliverables			
Consultation, advice and advocacy			
Conduct, by request, economic research and empirical analysis with ICO data, surveys and external data	HOO/STA/ECON/EA		
Monitor and assess new regulations, standards and other stress factors affecting the coffee sector, engaging with regulators and coffee producers			
Communication deliverables			
External and media relations			
Preparation of articles, presentations, interviews and other relevant content as inputs for external media	HOO/STA/ECON/EA		

STRATEGIC GOAL II: USING THE ORGANIZATION'S CONVENING POWER TO PROVIDE A FORUM FOR DIALOGUE BETWEEN AND WITHIN THE PUBLIC AND PRIVATE SECTORS

The Organization should strengthen its role as the forum for discussion of coffee matters between Members and with the private sector by acting as a convener, catalyst and source of reference, so as to improve the consistency of coffee policy-making on a global level. It should also identify the particular actions necessary to increase the engagement of Members and third parties with a view to providing better coordination of the various initiatives that address the major challenges facing the coffee sector. This will be achieved by improving the ICO's outreach and its profile as a global knowledge-centre of excellence and analysis of the coffee sector by: (i) delivering high-quality research/analysis in the area of socio-economics of coffee production, trade/consumption, sustainability; (ii) increasing the satisfaction of Members and users; and (iii) advocating for and increasing the interest of donors/partners in the opportunities and challenges of the global coffee sector including new regulations and standards.

PLANNED RESULT II.A/B:

STRENGTHEN THE ICO'S ENGAGEMENT WITH MEMBERS AND OTHER EXTERNAL STAKEHOLDERS THROUGH PROVIDING A MULTI-SECTORIAL THOUGHT LEADERSHIP FORUM FOR DIALOGUE AND KNOWLEDGE EXCHANGE ON ISSUES IMPACTING THE COFFEE SECTOR

DELIVERABLES BY CATEGORY AND SUBCATEGORY	IMPLEMENTOR	OPERATIONAL COSTS	HUMAN RESOURCE COSTS
Facilitation of the intergovernmental process and expert bodies			
Substantive services for meetings (Member states, ICC...)			
Meetings of the CPPTF (at least 3 per year)	HOO/CPPTF	£3,000 (travel costs)	Staff CPPTF budget
CEO and Global Leaders Forum	HOO/STA/ECON/EA		Under CPPTF budget
Meetings of the Private Sector Consultative Board (PSCB)			Staff CPPTF budget
Regular sessions of the International Coffee Council (at least 2 per year), as well as regular and intersessional meetings of Committees and advisory bodies.			Costs allocated in the budget

Ad-hoc Expert Group Meetings with International Organizations (including, but not limited to: FAO, ITC, UNCTAD, UNIDO)			Staff CPPTF budget
Meetings of the International Coffee Council (ICC)			
Meetings of the Promotion & Market Development Committee			
Substantive deliverables			
Consultation, advice and advocacy			
Consultations and advocacy to increase the engagement of ICO Members, private sector and other stakeholders in the CPPTF and the realization of the roadmap	HOO/CPPTF		
Communication deliverables			
Outreach programmes, special events and information materials			
Mobilization of funds through voluntary contributions, sponsorships and donations to ICO activities and the CPPTF for the realization of the Road Map	HOO/CPPTF		
Engaging IGOs, IFIs and NGOs in ICO events and participation in external events	ECON/STA/ER	£3,000 (travel costs)	Staff
External and media relations			
Implementation of signed MoUs, and development, negotiation, signature of new MoUs and cooperation agreements	ECON/STA/ER		

REMARKS: The operation of the CPPTF and the actions in the exporting members will depend on external voluntary contributions by the private sector, bilateral donors, and international development and financial institutions.

STRATEGIC GOAL III: FACILITATING THE DEVELOPMENT OF PROJECTS AND PROMOTION PROGRAMMES THROUGH PUBLIC-PRIVATE PARTNERSHIPS

In order to address specific challenges that constrain the development of the coffee sector in Member countries, the Organization shall facilitate and actively promote the development and implementation of coffee development projects. Furthermore, the ICO shall work towards promoting coffee consumption both in exporting and importing Member countries. The main focus of Strategic Goal III is to: (i) Support ICO Members and coffee stakeholders in the identification, design, fundraising, implementation, monitoring and evaluation of technical cooperation projects with a focus on public-private partnerships. (ii) Provide Members and all coffee stakeholders with tools and actions to foster the promotion of coffee and consumption with a focus on public-private partnerships.

PLANNED RESULT III.A:
FACILITATE ACCESS TO FUNDING FOR COFFEE SECTOR DEVELOPMENT PROJECTS THROUGH ENHANCING CAPACITY IN THE PREPARATION OF PROJECT PROPOSALS AND DONOR RELATIONS

DELIVERABLES BY CATEGORY AND SUBCATEGORY	IMPLEMENTOR	OPERATIONAL COSTS	HUMAN RESOURCE COSTS
Facilitation of the intergovernmental process and expert bodies			
Substantive services for meetings (Member states, ICC...)			
Meetings of the Projects Committee	HOO/ECON/ER		Staff CPPTF budget
Generation and transfer of knowledge			
Field and technical cooperation projects			
Assist in the preparation of coffee project proposals	HOO/ECON/ER	£5,000	Part of the above Staff CPPTF budget

Substantive deliverables			
Consultation, advice and advocacy			
Advocacy for the promotion of cooperation with bilateral, regional and multilateral development agencies and donors, to further the sustainable development of the coffee sector, with a focus on regulatory framework and long-term sustainability and resilience.	HOO/ECON/ER		Part of the above Staff CPPTF budget
Advocacy and advice for the establishment of partnerships and collaboration with the donor community as well as the mobilization of resources for coffee development projects (Trust Fund)			

PLANNED RESULT III.B:**ENHANCE THE PROMOTION OF COFFEE CONSUMPTION THROUGH STRENGTHENING COOPERATION WITH THE PRIVATE SECTOR**

DELIVERABLES BY CATEGORY AND SUBCATEGORY	IMPLEMENTOR	OPERATIONAL COSTS	HUMAN RESOURCE COSTS
Facilitation of the intergovernmental process and expert bodies			
Substantive services for meetings (Member states, ICC...)			
Meetings of the Promotion & Market Development Committee			Staff
Generation and transfer of knowledge			
Seminars, workshops and training events			
Provision of training - up to 4 Seminars/workshops/events to exporting Members on accessing and using the new market access toolkit and other ICO market promotion tools			Staff
Technical Materials (Documents, newsletters...)			
Maintenance and operation of ICO's Market Access Toolkit		£5,000	
Substantive deliverables			
Consultation, advice and advocacy			
Consultations and advice in support of the monitoring and implementation of regional domestic consumption programmes			Staff

Communication deliverables			
Outreach programmes, special events and information materials			
Development of the International Coffee Day (ICD) 2024 campaign including social media	HOO/ER/COMMS		£10,000
Digital platforms and media content			
Communication/social media support and promotion and mobilization of resources and funding for the ICD and other coffee consumption promotional campaigns			

ACTIVITY-BASED BUDGET FOR COFFEE YEAR 2023/24

Background

1. The Secretariat has prepared a cost analysis summary that analyses the outputs of the Organization from a financial perspective. It seeks to present the relative costs of the main activities of the Organization.
2. The Activity-based Budget for 2023/24 has been prepared, as supplementary information, on the basis that the approximate allocation of time spent on activities has been re-analysed to reflect the restructuring of the Organization. The method of calculation is examined in greater detail below.

Methodology

3. The Secretariat undertook a review of five goals of the Organization:
 - (a) Delivering world-class data, analysis and information to the industry and policy-makers.
 - (b) Using the Organization's convening power to provide a forum for dialogue between and within the public and private sectors.
 - (c) Facilitating the development of projects and promotion programmes through public-private partnerships.
 - (d) Ensuring the coherence and the sustainability of the Organization's financial resources based on a reliable internal control system and effective risk management.
 - (e) Ensuring effective human resource management, management of support services and good conditions of work.
4. An analysis of the work of individual staff members was undertaken to determine the amount of time spent on each activity, expressed in broad terms as a percentage of the individual's work.
5. The Organization's activities were costed in terms of personnel and other directly attributable costs, as well as fixed costs that were allocated to the activities on the basis of staff members' working time on each activity.

**ACTIVITY-BASED BUDGET FOR COFFEE YEAR 2023/24 –
Allocation based on the main activities**

REF	GOAL	BUDGET ITEMS	COSTS (£)	TOTAL (£)	%
I	Delivering world-class data, analysis and information to the industry and policy-makers	Premises	81,690		
		Personnel	415,150		
		Others	48,300		
		Support for the Programme of Activities	50,000	595,140	23%
II	Using the Organization's convening power and to provide a forum for dialogue between and within the public and private sectors	Premises	141,335		
		Personnel	573,650		
		Others	83,567		
		Support for the Programme of Activities	6,000	804,552	31%
III	Facilitating the development of projects and promotion programmes through public-private partnerships	Premises	70,020		
		Personnel	422,260		
		Others	41,400		
		Support for the Programme of Activities	20,000	553,680	21%
IV	Ensuring the coherence and the sustainability of the Organization's financial resources based on a reliable internal control system and an effective risk management	Premises	40,197		
		Personnel	235,580		
		Others	23,767		
		Support for the Programme of Activities	-	299,544	12%
V	Ensuring an effective human resource management, a management of support services and good conditions of work	Premises	55,757		
		Personnel	258,360		
		Others	32,967		
		Support for the Programme of Activities	-	347,084	13%
Draft Budget – Activity based			2,600,000	2,600,000	100%