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PRESS RELEASE

**UNIDO and ICO publish the report
“Sustainability & resilience of the coffee
global value chain: towards a global
investment vehicle”**

London, United Kingdom/Vienna, Austria (13 June 2024) – The United Nations Industrial Development Organization (UNIDO) and the International Coffee Organization (ICO) are proud to announce that they are leading new concrete efforts to strengthen climate adaptation measures and foster sustainability in the Coffee Global Value Chain (C-GVC). These initiatives have been made possible through direct engagement, advocacy, and collaboration with the Italian Presidency of the G7 and public and private partners.

Within this context, UNIDO and ICO present a joint report entitled **“Sustainability & resilience of the coffee global value chain: towards a global investment vehicle”**. The primary objective of this work is to analyse the requirements and options for establishing a global funding mechanism. This mechanism would support stakeholders throughout the C-GVC, especially farmers, and address climate change and structural challenges such as living income gaps, stringent regulatory framework, price levels, and volatility, productivity, quality, and market access.

Providing valuable insights into the current state of the coffee sector, the joint report highlights future demand patterns and the economic rationale for mobilizing public and private funding in the form of both grants and investments. It also underscores the need to refine investment estimates through improving data access for farmers and addressing knowledge gaps in sustainability interventions to ensure targeted and effective allocation of funds. Consequently, it proposes to set up a blended financial vehicle. Notably, a feasibility assessment of such a mechanism would need to consider the inclusion of both grants and loans engaging International Financial Institutions, impact investors, and shares from coffee companies to be developed in a phased approach, providing a concrete roadmap for sustainable investment in the coffee industry.

According to ICO Executive Director Vanúcia Nogueira, “The report is an important resource for navigating the requirements and options for mobilizing public and private funding to support all stakeholders across the C-GVC: from farmers to consumers. It also provides invaluable and timely inputs to the G7 leaders to catalyse investment and commitment to ensure the resilience and sustainability of the coffee industry.”

Gerd Müller, Director General of UNIDO said: “We are happy to release this report which provides concrete solutions to address the challenges faced by millions of smallholder coffee farmers through targeted investments in the coffee sector. Coffee farmers often struggle to make a decent

living due to volatile market conditions, the impacts of climate change on agriculture, as well as the need to respond to growing consumers' demand for sustainability.”

Coffee is a cornerstone of global agriculture. One of the top cash crops, it is a driver of sustainable development and livelihoods in both coffee-producing and consuming countries. Only a robust partnership between governments, private sector stakeholders, international organizations and civil society can pool resources, enhance coordination, and leverage expertise to support transformative projects in the C-GVC. By providing financial incentives and technical assistance, the initiative will enable the implementation of sustainable, resilient, circular, and regenerative practices, thereby enhancing the long-term viability of the sector.

Recognizing the importance of collaboration, UNIDO and the ICO, with funding from the Italian Development Cooperation and the ICO's Coffee Public-Private Task Force (CPPTF), have produced this Report and are committed to continue working together to identify common solutions and create sound financial options for the entire C-GVC. They look forward to further cooperation with Italy and the other G7 Members, and with partners including the World Bank Group, the United Nations Development Programme (UNDP), the Food and Agriculture Organization (FAO) and the International Trade Centre (ITC), among others, to realize these objectives and ensure a sustainable and resilient future for coffee-producing countries.

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NOTES TO EDITORS

About the [International Coffee Organization \(ICO\)](#) – Established by the first International Coffee Agreement in 1962 under the aegis of the United Nations, the ICO is the only intergovernmental organization for coffee, bringing together exporting and importing governments to strengthen the global coffee sector and promote its sustainable expansion in a market-based environment for the benefit of all actors in the Coffee Global Value Chain (C-GVC).

About the [United Nations Industrial Development Organization \(UNIDO\)](#) – A specialized agency of the United Nations with a mandate to promote, dynamize and accelerate sustainable economic and industrial development. It focuses on three areas: ending hunger by supporting sustainable food systems with modern agri-tech and agribusinesses; tackling climate change by using renewable energy and energy efficiency to reduce industrial greenhouse gas emissions; and supporting sustainable supply chains so that developing country producers get a fair deal and scarce resources are preserved.