

JC 06/24

14 October 2024 Original: English



## Report of the 1<sup>st</sup> meeting of the Joint Committee

- 1. The Joint Committee met for the first time in London, United Kingdom, on 5 September 2024. The meeting was presided by the Chair of the Committee, H.E. Aly Touré of Côte d'Ivoire, as well as the Vice-Chair, Mr Zoltan Agai of the EU-European Commission.
- 2. Representatives of the following Members were present:
  - a. Exporting Members: Brazil, Colombia, Côte d'Ivoire, El Salvador, Honduras, India, Indonesia, Nicaragua, Nepal, and Mexico
  - b. Importing Members: Norway, Russian Federation, Switzerland

Item 1: Draft Agenda

3. The Committee adopted the Agenda contained in document <u>JC-01/24</u>.

Item 2: Statistics

Item 2.1: Compliance with Statistical Rules

4. The Statistical Coordinator presented the document <u>JC-02/24</u>, and noted that, within the Organization, 17 Exporting Members and six Importing Members were fully compliant with the Rules on Statistics. He also noted that most Members could improve on their reporting of prices and stocks.

- 5. The delegate of Brazil emphasized the importance of accurate and complete statistics for the coffee value chain, as well as the valuable nature of access to said data. He argued that such access was indispensable in taking optimal actions and increasing farmers' income, all of which was something essential for exporting countries.
- 6. The Statistical Coordinator explained that the Secretariat was continuing its efforts to modernize its procedure and methodology for data collection and thereby facilitating Members' compliance with requirements pertaining to reporting, especially among exporting countries. The delegate of Brazil called for greater financial allocation towards activity-related statistics, as well as achievable goals for said financial allocation.
- 7. The delegate of Brazil explained that one of the most important ways of empowering farmers, giving power to cooperatives and giving importance to growers' and exporters' associations was to have mechanisms for access to information allowing people to make decisions on how to operate in the market, thereby granting the producers, farmers and cooperatives a return on their crops. The delegate of Brazil indicated that this remained essential to the coffee value chains in exporting countries. He then went on to say that it was the understanding of the Government of Brazil that one of the most achievable outcomes remained comprehensive access to information for Members. He pointed out that modernizing current procedures and improving access to information through on-the-ground training of different stakeholders in the supply chain was an achievable and genuine way of increasing the income of farmers, cooperatives and producers alike.
- 8. The Joint Committee considered the Report on Compliance and considered the following recommendations to the Council:
  - a. To hold regional statistics workshops with the aim of improving compliance with the Rules on Statistics; to explore ways in which technology partners could help digitalize and modernize data collection and dissemination for exporting countries.
  - b. To enhance the system for Certificates of Origin to ensure that they are properly implemented and that data is collected and disseminated.

## Item 2.2: Improving ICO data quality

9. The delegate of Brazil presented the position of his government on the ICO's World Coffee Statistics Database, highlighting that it needed a higher level of investment, which would help ensure that the database remained up to date and that it continued to be a reliable and highly efficient tool. He believed that producers should have access to modern and efficient tools to be able to consult market information. Furthermore, the delegate suggested that the Organization establish a series of national and regional seminars with countries that already had the capacity

to collect and distribute market indicators. He explained that, to his understanding, producers might rely on information supplied by the database because of extreme weather events, the participation of financial investors in the market, as well as increasing consumption. As a result, he stressed that it was important to overcome any technological challenges producing organizations could face when accessing and sharing information. The aim of the workshops would be to share experience and technical knowledge pertaining to these technical platforms, said sharing of knowledge being one of the fundamental purposes of the ICO.

- 10. Furthermore, the delegate of Brazil suggested that the ICO should consider establishing partnerships with large technological organizations with the aim of finding new technical solutions that could be adapted to facilitate the collection of information, generating new automatic routings, and easing the burden and loss of time resulting from compliance with the rules and regulations of the ICO. To this end, the delegate suggested that the ICO be better equipped to supply Members, which was something many multinational companies were already doing in-house. Lastly, while the responsibility of aggregating Certificates of Origin remained with the country of origin, the delegate of Brazil highlighted that the Executive Director should pursue any actions that may be considered necessary to ensure the effective implementation of measures relating to the Certificates of Origin, as provided for in the International Coffee Agreement 2007 and in the document 'Rules on Statistics Certificates of Origin' (ICC-102-9 Rev. 5).
- 11. The Executive Director informed the Committee that the Programme of Activities for coffee year 2024/25 was actually aligned with the suggestions made and that the Organization was already engaged in discussion with a number of vendors and platform providers, including Google, as part of the modernization efforts.
- 12. The Committee took note of the above.
- Item 2.2.1: ICO composite and group indicator prices: Share of markets and group weightings calendar year averages: 2021 to 2023, effective 1 October 2024 (biannual update)
- 13. The Statistical Coordinator presented document JC-03/24, which contained the updated shares of markets and group weightings of the I-CIP.
- 14. The delegate from the European Commission sought clarifications on the
  - a. Role of the Committee
  - b. Definition of "Europe" within the document and whether it referred to the European Union only, thereby excluding the United Kingdom and Switzerland.

- 15. The delegate of Brazil requested a correction regarding the reference of a quoted document. Said request was agreed to by the Committee.
- 16. After agreeing that the data in Tables 1 and 2 was correct, the Committee recommended the document JC-03/24 for approval by the Council, but with the stated changes as well as greater elucidation of the frequency at which data was updated. A revision of the document, JC-03/24 Rev. 1, was consequently published and recommended to the Council for approval.

# Item 2.2.2: List of Exporting Agencies, Port and ICO Codes – updates on agencies and ICO codes

- 17. The Statistical Coordinator presented document JC-04/24 Rev. 1.
- 18. Brazil requested that the document JC-04/24 Rev. 1 be revised with the corrections included on a list from Brazil. Indonesia's updated list, sent on 5 September, was also included in the series of changes to be made.
- 19. The revised document, <u>JC-04/24 Rev. 2</u>, was published on 7 September 2024, and was recommended by the Committee for approval by the Council.

Item 3: Coffee Promotion and Marketing

Item 3.1: ICO Special Fund

Item 3.1.1:Regional programme in Africa (Inter-African Coffee Organization – IACO)Item 3.1.2:Regional programme in Asia and the Pacific (India, Indonesia, Nepal, Papua

New Guinea, Thailand, Vietnam)

Item 3.1.3: Situation of unclaimed portions of the Special Fund (Philippines and

Timor-Leste)

- 20. The Chief Economist of the ICO presented items 3.1.1-3.1.3 as part of document <u>IC-05/24</u>, summarizing the use of the Special Fund in three regions Latin America, Africa and Asia to boost local coffee consumption and make coffee industries in exporting countries more resilient to external shocks.
- 21. The Committee took note of the report.

## Item 3.2: International Coffee Day

22. The Head of Operations presented item 3.2 and shared document <u>PR-357/24</u> pertaining to International Coffee Day. Furthermore, he mentioned that there were assets disseminated on the <a href="https://www.internationalcoffeeday.org/">https://www.internationalcoffeeday.org/</a> website to allow relevant parties to organize events

and promote the positive impact and consumption of coffee. The Head of Operations invited all Members and organizations to celebrate International Coffee Day and use the assets provided.

23. The Committee took note of the report.

Item 4: Projects and sector finance

Item 4.1: Global Coffee Funding Mechanisms

- 24. The Head of Operations presented item 4.1, mentioning that the Report on Global Coffee Funding Mechanisms, which had been produced by the ICO in partnership with the United Nations Industrial Development Organization (UNIDO), had triggered a lot of interest. He added that the Report was the basis for the Italian Government, which held the Presidency of the G7 for 2024, for highlighting the importance of coffee, already formally recognized by the G7 leaders. The Report was also the basis for developing a G7 Coffee Initiative and for creating a global coffee fund allowing ICO coffee-producing Members and their farmers significant access to finance. The Head of Operations reported that more details would also be shared at the 138th Session of the International Coffee Council.
- 25. The Committee took note of the report.

### Item 4.2: Africa Coffee Facility

- 26. The Chief Economist of the ICO presented item 4.2 and discussed partnerships between the ICO and IACO, CABI and AfreximBank, the result of which had been a proposal to establish a special fund addressing challenges in African coffee value chains.
- 27. The Committee took note of the report.

## Item 4.3: CPPTF project highlights

28. This item was not presented due to lack of time and therefore no comments were raised.

#### Item 5: Other business

29. There were no further topics to address.

## Item 6: Date of next meeting

30. The date of the next meeting was not discussed.

31. The Chair thanked all participants and requested that the Secretariat carry out all of the approved changes and publish the revised documents before the 138<sup>th</sup> Session of the International Coffee Council.