INTERNATIONAL COFFEE ORGANIZATION

JC 09/25

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Report of the 2nd meeting of the Joint Committee

1. The Joint Committee (JC) met for the second time in London, United Kingdom, on 12 March 2025. The meeting was presided by the Chair of the Committee, Mr Zoltan Agaï of the EU-European Commission.

2. Representatives of the following Members were present online using Zoom software:
   a. Exporting Members: Brazil, Colombia, Côte d'Ivoire, El Salvador, Indonesia, Nepal and Togo
   b. Importing Members: European Union and Switzerland

Item 1: Draft Agenda

3. The Committee adopted the Agenda contained in document JC-07/25.

Item 2: Report of the 1st meeting of the Joint Committee

4. The report of the previous meeting held on 5 September 2024, contained in document JC-06/24, was adopted without amendments.

Item 3: **Statistics**

Item 3.1: **Data availability, accessibility and quality improvement**

5. The Statistical Coordinator reported on the range of data, reports and information available to Members, subscribers and to the public, and outlined the plans to improve the data collection of the Secretariat.

6. The delegate of Brazil thanked the Statistical Coordinator. He went on to make the following comments. He stated that the Brazilian delegation would firstly appreciate receiving a document from the Secretariat with a detailed proposal regarding the improved data collection system so that this could be analysed and appreciated by the relevant organizations in the Brazilian coffee chain. More in general, such proposals should be circulated and analysed by all the Members prior to any decision and before the sending of proposals to the International Coffee Council (ICC).

7. Secondly, the delegate of Brazil referred to the limited compliance of Members with the provision of accurate statistical information to the ICO. He considered the provision of statistics on markets and prices as the most important service of the ICO to its Members. Members mutually depend on the delivery of good and accurate statistics. The delegate explained that Brazil was one of the countries which had continuously and in a very detailed manner been presenting statistics to the Organization.

8. In that context of the need of capacity development of certain Members for providing good statistics to the ICO secretariat, the delegate of Brazil asked for further clarifications from the Secretariat about the proposed training workshops on data for producing countries.

9. The Statistical Coordinator stated that a requested document with further details on the proposal for work on statistics would be disseminated. Regarding the training workshop, the Committee was informed that the first workshop was planned for 14 May 2025 in Jakarta. The second would be held in Honduras in September 2025, alongside the session of the ICC. A third workshop would be held in Africa, with the dates and venue to be decided.

10. The Committee took note of the above.

Item 4: **Promotion and Market Development**

Item 4.1: **ICO Special Fund**

11. The Head of Operations informed the Committee that the Philippines and Timor-Leste were the only Members yet to utilize the Special Fund. Bilateral discussions with the

representative of the Philippines had taken place, but no communication has been received from Timor-Leste.

12. The delegate of the Philippines stated that discussions were still taking place and requested patience on this matter.

13. The Committee took note of the report.

Item 4.2: International Coffee Day

14. The Head of Operations informed the Committee that the theme for 2025 would be an update of the theme of 2024 – namely collaboration within the coffee value chain – and that materials and tools for the celebration would become available by July. The Committee was informed that efforts towards the recognition of International Coffee Day at the Food and Agriculture Organization of the United Nations (FAO) and the United Nations itself were progressing.

15. The delegate of Brazil made observations regarding Item 4. He explained that the Brazilian delegation would like to ask the Secretariat whether there were any other activities planned or envisaged regarding the promotion of coffee, consumption and market development. This aspect should be central in the Organization, especially with the spectacular coffee expansion, import and consumption, in the Chinese market in mind. Since the overall goal of the Organization was to strengthen the coffee sector and promote its expansion, comments, observations and initiatives on this topic, and especially regarding the Chinese market, would be most welcome, according to the delegate of Brazil.

16. The Head of Operations informed the Committee that the Secretariat already provided tools for promoting coffee consumption in the form of the Coffee Market Development Toolkit. The Secretariat, led by the Executive Director, was actively engaging with China, and was engaging with Asia in general as an emerging market with fast-growing demand.

17. The Committee took note of the report.

Item 5: Projects and sector finance

Item 5.1: Global Coffee Funding Mechanisms

18. The Head of Operations began by explaining the core purpose and framework of the Global Coffee Funding Mechanism. The Committee was reminded that the G7 had approved

the establishment of a Global Coffee Sustainability and Resilience Fund as a framework for coordinated action and generation of investment funds in the coffee sector.

19. The delegate of Brazil requested inputs regarding the prospects of the funding mechanisms in the light of the recent changes in priorities and commitments of budget allocation to international cooperation.

20. The Head of Operations informed the Committee that the function of the Secretariat, mandated by the International Coffee Agreement 2007 (ICA 2007), was to try to mobilize additional resources for the coffee sector for farmers in coffee producing countries.

21. The Committee took note of the report and of the interventions by Members on the Global Coffee Funding Mechanism.

Item 5.2: Coffee Public-Private Task Force (CPPTF) project highlights

22. The Coffee Public-Private Task Force (CPPTF) Coordinator gave an update on activities since September 2024, focusing specifically on projects on Living and Prosperous Income.

23. The Committee took note of the report.

Item 5.3: Development projects

24. The Head of Operations explained that the Secretariat had not received any requests from Members to develop a specific project. He gave an overview of the ongoing projects and of the projects for which ideas were still being generated. The projects reflected the implementation of the approved Programme of Activities (PoA) contained in the ICO's budget for coffee year 2024/25. He clarified that his overview was to be considered as an interim report, with the full report to be provided to the Council in September 2025.

25. The delegate of Brazil made the following observations. The delegate referred to the observation of the Head of Operations about not having received any indication from countries for projects or topics of interest. The delegate explained that he did not have any knowledge of the Secretariat circulating inquiries to Member states about any priority or project of their preference. The delegate referred to the International Sugar Organization, where traditionally countries were consulted about their topics of interest. The delegate stressed that proposals for studies and projects needed to be circulated beforehand so that Members could analyse and evaluate the proposals together with the stakeholders of the value chain in their respective countries.

26. The delegate of Brazil continued that it was important to receive documentation before the meeting, rather than having verbal statements by the Secretariat during the meeting. This would allow good preparation, inquiries, suggestions and more vivid discussions during the meeting.

27. The delegate of Brazil clarified that there was no endorsement or approval of the presentations and proposals made during the meeting. The delegate repeated that for the sake of transparency, clarity and objectivity, the Organization needed to respond to the wishes and priorities of its Members.

28. The Head of Operations clarified that there was no procedure for submissions of project proposals by Members, however a formal process could be developed at the request of the Committee.

29. Stating the need for transparency, clarity and objectivity, the delegate of Brazil requested that a good practice of formal Member consultation for projects would be adopted. The delegate explained that he saw it as an opportunity for the ICO Secretariat to consult Member states about their national priorities and what they expected in terms of studies, projects and activities. These consultations should be transparent. The delegate of Brazil also pointed out that the capacity of the ICO was limited and that therefore priorities should be set, based on consultation of the Members.

30. The delegate of Colombia sought and received clarification on a Colombian project, an International Labour Organization programme, developed in conjunction with the All-Japan Coffee Association. The Head of Operations stated that the Secretariat would provide detailed information to the delegate of Colombia.

31. The Committee took note of the report by the Head of Operations and of the interventions by Members on the development projects.

Item 6: Studies, surveys and reports
Item 6.1: Plan for studies, surveys and reports for coffee year 2024/25

32. The Head of Operations explained that the plan for Item 6.1 was based on the provisions of the ICA 2007, the Five-Year Action Plan and the Programme of Activities. The plan for 2024/25 included two mandatory surveys (Obstacles to Trade and Consumption and Maximum Residue Limits), four studies, on the topics of climate change, production, speculation, prices, consumption and the decaffeinated coffee market and finally the Coffee Development Report 2024/25, with a theme of collaboration within the coffee value chain.

33. A delegate of the European Union supported and endorsed the study on the global decaffeinated coffee market.

34. The delegate of Indonesia endorsed the 2024/25 plan, stating that these initiatives were essential for fostering a sustainable and resilient coffee sector and were of paramount importance to Indonesia, in particular (i) the survey on Maximum Residue Limits, (ii) the activity on the links between climate change and coffee production and (iii) the activity on international coffee prices, and transmission to local coffee prices.

35. The delegate of Brazil stressed that no project being mentioned or inserted in the Programme of Activities of the budget of the Organization could be automatically implemented without the prior consensus of the JC, as indicated by the Terms of Reference of the JC (document ICC-136-11, dated 16 October 2023, Paragraph 2, 2.1., Item B).

36. The delegate of Brazil asked again for more details of all proposed projects and studies and insisted to have time for detailed analysis by Members of the proposals made by the Secretariat. The description should include the objectives to be achieved, and the methodologies used. The delegate explained that no study or report can be published and stamped by the ICO without prior consultation of the Members on the relevance of the study and on the draft reports of the study. The delegate referred to bad experiences in the last two years with two reports by the ICO that made statements that were not in line with the goals and priorities of coffee producing countries. This needed to be avoided in the future.

37. The Head of Operations gave an overview of the methodologies for the proposed studies, surveys and reports.

38. The delegate of Brazil reiterated that the Secretariat needed to prepare a detailed description of each of the projects and submit these for consultation to the Members. After this consultation, another meeting of the JC would need to be organized to approve those studies that were considered by Member states to be of relevance to their participation in the Organization.

39. The Chair of the Committee, in view of the PoA and to avoid delays, suggested that the Secretariat submit a more detailed proposal to the Committee. In the meanwhile, all proposed studies would be forwarded to the ICC with the observation that there was no consensus reached on the proposal in the JC.

40. Following this, the Chair of the Committee spoke in his capacity as a delegate of the European Union and suggested that the Committee agree, with acknowledgement of a lack of consensus in the JC, to put this item forward to the ICC for their consideration to allow the Secretariat to move forward.

41. The delegate of Brazil reiterated that he did not agree and that a consultation was required. The length of the consultation period was discussed. The delegate stated that, in Brazil, eight entities participating in the high-level governance of coffee in Brazil would be consulted. These would have a meeting for joint analysis of the proposals of which the results would instruct the Representation of Brazil in London. This consultation process would take a month. It was explained that the transmission to London and the initial translation both needed to be taken into account as well. Finally, six weeks' lead time was fixed to reflect the complexity, depth and time taken to consult the respective value chains of Members.

42. The Executive Director of the ICO intervened with the consensus of the Committee that a detailed proposal would be distributed to the members of the Joint Committee six weeks prior to the next scheduled meeting date, to fall in June or thereafter, but prior to the 140th Session of the ICC.

43. It was not agreed that Item 6.1 be forwarded to the ICC for their approval.

Item 7: Other business

44. There were no further topics to address.

Item 8: Date of next meeting

45. The date of the next meeting was scheduled to be held in June 2025 or thereafter, but before the 140th Session of the Council.

46. The Chair thanked all participants.