



INTERNATIONAL COFFEE ORGANIZATION
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
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Post of Executive Director

**Submission from
Mr Robério Oliveira Silva, Brazil**

Background

At its 106th Session in March 2011, the Council decided that candidates for the post of Executive Director could make written submissions which should reach the Secretariat by the suggested date of 1 July 2011, to enable these to be translated and circulated and give Members sufficient time to consider these in their capitals (see document ICC-106-15 Rev. 1). The attached written submission has been received from Mr Robério Oliveira Silva (Brazil) in addition to his nomination and *Curriculum Vitae* which were circulated in March 2011 in document ICC-106-9.

Action

The Council is requested to consider this document.

INTERNATIONAL COFFEE ORGANIZATION – ICO

PROGRAMME OF WORK OF THE BRAZILIAN CANDIDATE FOR THE POST OF EXECUTIVE DIRECTOR OF THE ICO, MR ROBÉRIO OLIVEIRA SILVA

COFFEE: DEVELOPMENT WITH STABILITY

This document contains the preliminary Programme of Work, which will form part of the presentation to be made by the Candidate, Robério Oliveira Silva, on 26 September 2011 during the 107th Session of the International Coffee Council. The Candidate would be grateful for any suggestions which Members may wish to make for incorporation in his submission by 16 September 2011.

The Candidate's Programme of Work is based on the Strategic Action Plan for the International Coffee Organization (document ICC-105-19), which was extensively discussed by Members and approved by the Council at its 105th Session held from 21 to 24 September 2010. The Plan itself was prepared pursuant to the International Coffee Agreement (ICA) 2007, which aims to set out the overall direction and priorities of the Organization under the Agreement.

The Candidate intends to use the Strategic Action Plan as a guideline for his activities at the helm of the ICO, to promote cooperation between Members in order to strengthen the global coffee sector on the basis of the three pillars of sustainability: economic, social and environmental.

In relation to sustainability, it is clear to the Candidate that the ICO should discuss the subject with a view to enabling the needs of all stakeholders involved in the coffee chain to be met. Producers need to have remunerative prices in order to cope with market demand, traders to facilitate logistics and supply in the sector, the industry needs profits to invest in the growth of demand, and consumers should not be exposed to price fluctuations that lead them to change their consumption habits and switch to other beverages. Certified coffees, which currently account for only 8% of the total volume, are likely to increase their share of the market in view of the predicted growth in demand for these coffees. The discussion of sustainability, which is of great value to all ICO Members, should take into account the risks associated with non-tariff barriers and cost increases for producers, as well as the possible advantages to be gained from quality improvements and premiums.

The ICO's overarching mission under the International Coffee Agreement 2007 is to strengthen the global coffee sector and promote its sustainable expansion in a market-based environment for the betterment of all participants in the sector through four strategic goals:

- I. **To serve as a forum for the development of policies and solutions to strengthen the global coffee sector**, facilitating consultations on coffee-related issues, identifying priority issues, researching and promoting means for achieving equilibrium between supply and demand, as well as fair prices for both producers and consumers;
- II. **To enhance the transparency of the coffee market and enable economic decisions to be taken on the basis of accurate and timely data**, through detailed statistical coverage and the preparation of reports on issues related to production, consumption, trade, stocks, differentiated coffees, value distribution, structural conditions in international markets, long-term and new trends in production and consumption that balance supply and demand;
- III. **To encourage the development and dissemination of knowledge on the world coffee economy**, making the ICO an agency for the development and execution of projects of interest to Members, defining coffee development strategies, monitoring project proposals submitted to relevant donors and supervising their implementation; and
- IV. **To promote a sustainable coffee sector**, so as to contribute to the achievement of the Millennium Development Goals (MDG), in particular with respect to poverty eradication, disseminating information on the economic, social and environmental sustainability of the coffee sector.

The ICO Strategic Action Plan is, therefore, the key element in the Programme of Work presented by the Candidate, who considers it important to highlight the following points that will guide his management:

1. The ICO should be the convergence point for all discussions relating to the coffee sector, exercising greater leadership so that the Organization comes to be considered, in fact and in law, the main focus and authority in all matters related to coffee;
2. The ICO should encourage non-member countries to become Members of the Organization;

3. The ICO should undertake a process of reorganization to make it more effective in this new de-regulated environment, including a review of the staffing structure, in order to maximize the efficiency of the Organization and prioritize the sectors most related to the needs of the current coffee market;
4. ICO finances will be subject to permanent scrutiny by the Executive Director and the Finance and Administration Committee in order to reduce expenditures and make them more effective;
5. Seeking a lasting solution for reducing expenditure on rent for ICO premises must be sought, possibly by sharing accommodation with another tenant or moving to a less expensive location. The Candidate suggests a period of six months for the new Executive Director to submit objective suggestions on this matter for decision by the Council;
6. Producing information material for sale to the public as a means of supplementing ICO income. A promising initiative could be the publication of the Coffee Yearbook, a compilation of statistics, studies and analyses already routinely prepared by the ICO, which would be made available to Members free of charge;
7. A Zero Paper policy for meetings: studying the possibility that documents for ICO meetings could be made available by email or on the Organization's website, avoiding the cost of reprographic services;
8. The permanent ICO Committees – the Finance and Administration Committee, the Promotion and Market Development Committee, the Projects Committee and the Statistics Committee – could meet in between International Coffee Council Sessions in order to prepare issues for consideration by the Council and create a more dynamic decision-making process for the Organization;
9. Initiating, in the framework of the Promotion and Market Development Committee, a process of discussion designed to create greater interest in promoting coffee consumption and to generate a consensus on how this important issue should be dealt with, particularly in relation to the market in China. This process would involve all Members of the Organization and invitations to participate could be extended to members of the Private Sector Consultative Board (PSCB) and representatives of the main stakeholders in the global coffee sector such as individuals responsible for promotion programmes in individual countries and coffee firms;

10. Organizing Seminars between Council Sessions on issues of interest to Members, such as: futures markets; coffee and health; climate change; financing; and institutional organization of the coffee sector. Seminars could be financed using existing ICO resources such as staff and premises, without involving additional costs to the Organization;
11. Particular attention will be paid to the operation of the Consultative Forum on Coffee Sector Finance, which is responsible for facilitating consultations on topics related to finance and risk management in the coffee sector. The Candidate intends to use his experience as manager of the Coffee Economy Defence Fund (FUNCAFÉ) in Brazil to disseminate information and suggest policies for consideration by other producing countries. Banks involved in trade finance and structured finance operations could be involved in projects to provide clarification on these matters for producing countries;
12. In accordance with the interest shown by Members, more detailed discussions could be promoted on the sustainability of the coffee production chain, taking into account the interdependence between the social, economic and environmental pillars of sustainability, with a view to promoting the development of coffee activities, generating quality improvement and greater added value;
13. Continuing and developing discussions on coffee certification, seeking ways of extending advantages and reducing disadvantages for the various links in the coffee production chain;
14. Continuing to develop and prioritize relations between the ICO and the Common Fund for Commodities (CFC), emphasising alternatives that enable the Fund to take a more active role in finding resources from potential donors. In this way, the Fund could continue to promote the development of specific commodity chains, without having to rely on significant contributions from its own resources;
15. Strengthening the role of the Private Sector Consultative Board (PSCB) in order to encourage greater private sector initiative in the ICO, particularly in matters such as promotion, removal of obstacles to trade and consumption, and other barriers. The PSCB could meet between Council Sessions, with broader participation of representative bodies in producing and consuming countries, so as to propose policies and consider matters of interest to the coffee sector;

16. The ICO should promote cooperation between research agencies in producing countries, aimed particularly at achieving sustainability in coffee production and a balanced view of its geographical distribution and the costs involved, finding alternative uses for poorer quality coffees and improving current coffee varieties in order to make them more productive and more resistant to unfavourable weather conditions;
17. The ICO should operate with the purpose of strengthening the capacity of local communities and small coffee growers by promoting the dissemination of information on the need for building up solid institutions in producing countries, capable of sounding out the various segments of the coffee sector and taking decisions based on technical data for sustainable development of coffee production in the long-term while respecting market principles;
18. Creating a task force coordinated by the ICO and composed of exporting countries with the best performance in issuing Certificates of Origin, with a view to implementing computerized systems in other countries for generating, issuing and forwarding to the ICO reports relating to Certificates of Origin;
19. Establishing a Young Coffee Professionals Programme to enable young people who have a passion for coffee and the potential to become future leaders of the coffee sector to initiate their career in the ICO;
20. Establishing links with higher education institutions in producing and consuming countries with a view to implementing courses on the world coffee economy;
21. Creating, in the framework of the ICO, a World Register of Coffee Sector Participants, listing producers, exporters, traders, roasters and service providers by country; and
22. Preparing periodic reports on specialty coffees covering producers, trading firms, roasters and all others involved in this market, which has been growing at higher rates than the market in general.