



Organización Internacional del Café  
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PC 39/06

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**Decisions and Resolutions adopted by  
the Promotion Committee at the  
Tenth meeting**

1. The Promotion Committee, chaired by Dr. Ernesto Illy, met for the tenth time under the 2001 Agreement on 26 September 2006.

**Item 1: Adoption of the Agenda**

2. The Committee adopted the draft Agenda contained in document PC-38/06 Rev. 2.

**Item 2: Promotion activities and proposals**

**Item 2.1: Step-by-step Guide to promote coffee consumption**

3. The Committee noted that the Guide provided valuable information on approaches to promoting coffee consumption and was being used in the development of projects to promote domestic consumption, which could in turn boost employment and trade. There were no further developments to report on the use of the Guide at this meeting.

**Item 2.2: Proposal from Brazil to expand world coffee consumption**

4. The Committee noted that in May 2006, it had considered a presentation of a Brazilian proposal to expand world coffee consumption, and had requested a more detailed proposal to be circulated for consideration at its next meeting. Mr. Carlos Brando of P&A Marketing International introduced document WP-Promotion No. 8/06. The proposal was intended to create an ICO network for the promotion of coffee consumption, which would build on knowledge already gained and bring together participants in the world coffee industry to collaborate on ways of increasing coffee consumption in all markets. Exporting Members were requested to consider authorizing the Executive Director to use a sum not exceeding US\$120,000 from the Promotion Fund to contract specialized firms to create this network. The Committee expressed its appreciation to Mr. Brando for his informative presentation.

5. In discussions on this item, several delegates noted that the proposal was of great interest. It had many potential advantages and deserved support as an initiative that could meet the challenges of the new century and encourage consumption. Other delegates noted the need for more details and suggested that the proposal should be referred to the Steering Group on Promotion for consideration at its next meeting. Areas where clarification was needed included the possible liabilities for the ICO, distribution of profits, endorsement of products, commission on sales, management and implementation of the project, staff commitments for managing the project, whether P&A Marketing International would act as the consultant and the involvement of other companies. It would also be useful to have a detailed breakdown for the figure of US\$120,000 and information as to whether additional funding would be needed. It was suggested that it could be useful to explore the possibility of funding for the proposal with the Common Fund for Commodities (CFC) at the CFC/ICO workshop on 27 September 2006. While the funds sought were from the Promotion Fund which belonged to exporting Members, the contribution of consuming countries to the project as a joint initiative would be welcomed. In response to these and other points, Mr. Brando said that the proposal was at an early stage of its development and some of the questions would be addressed in preparing the terms of reference. Regarding the participation of African countries, he stressed that the project was not aimed at any specific country or region. He would very much welcome participation by African countries, and noted that the second workshop for the Step-by-step Guide to promote coffee consumption had been held in this region.

6. The Committee took note of this information and further noted that the proposal would be considered by the Steering Group on Promotion at its next meeting<sup>1</sup>.

**Item 2.3: Domestic consumption**

7. The Committee noted that P&A Marketing International was preparing a detailed proposal for a pilot project to expand and develop the market in selected producing countries (India, Indonesia and Mexico) for submission to the CFC (see document WP-Promotion No. 7/06). The necessary preparatory activities had taken place in all three countries and meetings were also taking place during the week of 25 September 2006 to discuss the development of the proposal. The Committee took note of this information and further noted that efforts to increase domestic consumption required the commitment of the whole coffee sector in a country.

8. Mr. Nathan Herszkowicz of the Brazilian Coffee Industry Association (ABIC) made a PowerPoint presentation on the promotion and marketing activities of *Cafés do Brasil* in Brazil and elsewhere. Brazilian consumption had increased by 9% and 4% in 2004 and 2005 respectively, and was expected to increase by 6% in 2006, compared to average growth in world consumption of 1.5%. ABIC had a target of 21 million bags for 2010 (an increase of almost five million from 2005). He outlined the Coffee Marketing Programme and structure,

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<sup>1</sup> The Council subsequently noted that exporting Members had agreed at a coordination meeting held during the week of 25 – 29 September 2006 to authorize the Executive Director in principle to use a sum not exceeding US\$120,000 from the Promotion Fund to contract specialized firms to create an ICO network to promote coffee consumption as described in document WP-Promotion No. 8/06 (see paragraph 48 of document ICC-96-11).

and ABIC's Coffee Quality Programme (PQC). The PQC involved a certification programme with different quality symbols for traditional, superior and gourmet coffee and also educated consumers about coffee consumption. Marketing and promotion activities included a coffee quality competition and films. The Coffee and Health Programme included a website, research, a Conexão Médica programme using television and the Internet, TV films and almost two million folders on coffee and health. The Committee expressed its appreciation for Mr. Herszkowicz's excellent and informative presentation, a copy of which was distributed at the meeting and is available on request from the Secretariat.

**Item 2.4: China**

9. The Committee noted that the Executive Director would consult the private sector about their interest in participating in promotion activities in China at the meeting of the PSCB on 27 September 2006.

**Item 3: Steering Group on Promotion  
for 2006/07 and 2007/08**

10. The Committee noted that the term of office for Members of the Steering Group on Promotion for 2004/05 and 2005/06 expired on 30 September 2006. The terms of reference for the Group (contained in document PC-8/03) provided that the Group should be appointed by the Promotion Committee at this meeting. The Committee noted that representatives of importing and exporting Members would notify the Chairman of the Committee of their representatives for the next two coffee years<sup>2</sup>.

**Item 4: Other business**

*Health and quality strategies to encourage consumption*

11. The Chairman of the Promotion Committee introduced a document outlining health and quality strategies to encourage consumption contained in document WP-Promotion No. 10/06. He stressed the need to continue with the information campaign on the positive effects of coffee and to improve the pleasure associated with coffee consumption. The Committee took note of this information.

**Item 5: Date of next meeting**

12. The Committee noted that its next meeting would take place during the 97<sup>th</sup> Session of the Council to be held at the ICO headquarters in London from 21 to 25 May 2007, and further noted that a meeting of the Steering Group on Promotion would be organized at the time of ICO meetings in January 2007.

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<sup>2</sup> *The composition of the Steering Group was subsequently confirmed by Members during the 96<sup>th</sup> Session of the International Coffee Council as follows:  
Exporting Members: Brazil, Colombia, Côte d'Ivoire, Indonesia;  
Importing Members: France, Italy, Japan, United Kingdom;  
PSCB Chairman and Vice-Chairman; Promotion Committee: Chairman and Vice-Chairman and ICO Executive Director.*