



INTERNATIONAL COFFEE ORGANIZATION  
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ  
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ  
ORGANISATION INTERNATIONALE DU CAFÉ

**WP** Council 173/08 Rev. 5

23 July 2010  
Original: English

**E**

International Coffee Council  
105<sup>th</sup> Session  
22 – 24 September 2010  
London, England

**Draft strategic action plan for the  
International Coffee Organization**

**Background**

1. This draft strategic action plan for the International Coffee Organization (ICO) has been prepared pursuant to the International Coffee Agreement (ICA) 2007 which will enter into force when the requirements of Article 42 (Entry into force) have been met.
2. The aim of the strategic action plan is to set out the overall direction and priorities of the Organization under the ICA 2007. The plan will provide the context for the development of annual programmes of activities, which will prioritize and allocate resources for the items outlined in this document.
3. The document was substantially revised in the light of suggestions made during the 102<sup>nd</sup> Session of the Council and by the task-force established by the Council at that Session to assist in revising key strategic documents for the 2007 Agreement. At the 104<sup>th</sup> Session of the Council, Members were requested to send proposals in writing to the Secretariat to enable these to be incorporated in a revised document. This document reflects comments received from Members (see documents WP-Council 173/08 Rev. 4 Add. 1 and 2, and document WP-Council 200/10 Add. 1) or made during the 104<sup>th</sup> Council Session. As noted by the Council at its last Session, the conclusions and recommendations arising from the World Coffee Conference will need to be evaluated by Members prior to including them in the Plan.
4. It is proposed that the strategic action plan should be a rolling plan which can be updated as required by Members and that it should be reviewed at regular intervals after the entry into force of the 2007 Agreement and revised as appropriate.

**Action**

The Council will consider the draft strategic action plan in September 2010.

## **DRAFT STRATEGIC ACTION PLAN**

### **Executive summary**

Coffee is the world's most widely traded tropical product, produced in over 50 developing countries. It provides a livelihood for 25 million smallholder farmers and their families and can account for up to 50% of export earnings of some countries. Working towards securing a healthy world coffee economy is thus important economically, socially, environmentally and politically.

The world coffee sector faces many challenges in the next decade, ranging from the global economic crisis, rising production costs and reduced availability of land and labour, to the need to improve social conditions of small farmers, changing global weather patterns, and the scarcity of environmental resources such as water.

**The ICO's mission as set out in 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.** The ICO's Strategic Action Plan sets out the direction of the ICO during the 2007 Agreement. The ICO aims to achieve its mission through 27 actions under the following four broad strategic goals:

- 1. Serving as a forum for the development of policies and solutions to strengthen the global coffee sector through actions such as:**
  - Identifying priority issues, concerns and opportunities that affect the coffee economy and advising on responses
  - Consultations and cooperation on coffee policies and actions with Governments, the private sector and international organizations
  
- 2. Enhancing transparency of the coffee market and enabling economic decisions to be taken on the basis of accurate and timely data through actions such as:**
  - Detailed statistical coverage of the coffee value chain
  - Research studies and reports on the market situation and trends and developments

**3. Encouraging the development and dissemination of knowledge on the world coffee economy through actions such as:**

- Defining coffee development strategies
- Sponsoring coffee development projects
- Supporting the establishment of microcredit and risk management programmes, especially for smallholders
- Stimulating technology transfer and technical cooperation
- Encouraging scientific research and development
- Organizing workshops, training and other forms of knowledge sharing
- Seeking finance for these activities

**4. Promoting a sustainable coffee sector through actions such as:**

- **[Assisting Members in understanding and improving market structures and performance, in order to provide wider access to credit and risk management instruments for producers, especially smallholders,] [Improving market structures, providing wider access for producers to credit and risk management instruments] [that will enable them to better organize their supplies and to participate more actively in the international market price formation process and, in this way, promote an increase in the share of producing countries in the coffee value chain.] (Brazil / USA)**
- Implementing measures to improve quality
- Taking actions to increase consumption and market development
- Disseminating information about sustainable techniques and the efficient use of environmental resources
- **[Promoting studies and projects that will help to identify the potential for carbon sequestration by coffee farms as a complementary source of income for coffee farmers in the form of carbon credits.] (Brazil)**

**Comments:**

- In the case of the last bullet point, it was suggested during the 104<sup>th</sup> Council Session that if this text is agreed, it would need to be reflected in the main body of the plan.

## **Introduction**

This strategic action plan sets out a strategy for the advancement of the objectives of the ICA 2007. As such, it provides guidance on the overall direction of the ICO, in terms of both policy initiatives and project activities, and will form the basis for developing the annual programme of activities.

The plan is composed of three sections. The first section provides background information on the ICO and the world coffee sector, and identifies relevant factors, both internal to the Organization and in the external environment, for the development of organizational strategy. The second section outlines strategic goals and proposed activities for the Organization. The final section provides an indicative approach for monitoring and evaluation of the strategic action plan.

## SECTION I

### CONTEXT AND ISSUES FACED BY THE WORLD COFFEE SECTOR

1. Coffee is the world's most widely traded tropical product, produced in over 50 developing countries. It makes an important contribution to socio-economic development and poverty alleviation and is of exceptional importance to exporting countries, some of which rely on coffee for over half their export earnings. For the 25 million smallholder farmers and their families who produce 80% of world production, coffee is an important source of cash income and responsible for significant employment. Working towards securing a healthy world coffee economy is therefore important economically, socially and politically, both to improve living standards in producing countries and to increase markets for goods produced in consuming countries.

2. As the only International Commodity Body for coffee, and a respected intergovernmental organization which speaks for both producers and consumers, the ICO has a focal role to play in channelling international cooperation and developing effective political solutions and coffee policy. Its 45 exporting Members account for over 97% of world coffee production and its 32 importing Members are responsible for around 84% of coffee consumption in importing countries.

3. The ICO's overarching mission under the 2007 Agreement 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.

#### **International Coffee Agreement 2007**

4. The text of the ICA 2007, the seventh Agreement since 1962, was approved by the International Coffee Council on 28 September 2007. It will last for ten years after its entry into force, with the possibility of extension for a further eight years. The Agreement aims to strengthen the role of the ICO as a forum for intergovernmental consultations, facilitate international trade through increased transparency and access to relevant information, and promote a sustainable coffee economy for the benefit of all stakeholders, particularly small-scale farmers in coffee producing countries. As was the case with the 1994 and 2001 Agreements, it has no market-regulatory clauses.

5. The 2007 Agreement is an important instrument for development cooperation and will provide the legal framework for core activities undertaken by the Organization after it enters into force. Sixteen ICO Members are Least Developed Countries, with low incomes and high economic vulnerability, and the Preamble specifically acknowledges the contribution of a

sustainable coffee sector to the achievement of internationally agreed development goals, including the Millennium Development Goals, particularly with respect to poverty eradication. Annex I shows the Objectives of the ICA 2007.

### **International Coffee Organization**

6. The ICO was established in 1963 when the first International Coffee Agreement entered into force in 1962 for a period of five years. The Council is the highest authority of the Organization and is composed of all Members. Under the 2007 Agreement, the Council will be supported by a Projects Committee, a Promotion and Market Development Committee and a Finance and Administration Committee. The Council will also be advised by the Private Sector Consultative Board (PSCB), the World Coffee Conference and the Consultative Forum on Coffee Sector Finance. The Council is assisted by the Executive Director and a small Secretariat. Annex II shows the organizational structure of the ICO.

7. The ICO has served the world coffee community for almost five decades, by working to address issues relating to the world coffee economy through international cooperation between producers and consumers and developing coffee policies and political solutions. It constitutes a unique forum where high-level representatives of producing and consuming Governments meet on a regular basis to discuss key questions and difficulties relating to the world coffee economy, rural development and sustainability, as well as to coordinate policies. The ICO provides unique advantages in areas of activity such as: coffee policy development; cooperation with other agencies; relations with the private sector; market transparency; promotion and market development; and sponsorship and supervision of projects.

8. The Organization cooperates closely with specialized commodity agencies and other international organizations, in order to benefit from the experience and expertise of relevant bodies. In view of the fact that many agencies have specific mandates to support agriculture and rural producers, the ICO is strategically placed to supply the necessary coordination and coherence to actions related to coffee. Further development of the links of the ICO with specialized commodity agencies and other international organizations is envisaged to explore synergies, especially with regard to the focus in the ICA 2007 on developing a sustainable coffee economy.

9. The ICO's 16-strong PSCB provides advice on matters of practical relevance to coffee including food safety, health and sustainability. Members benefit from the ability of the Organization to mobilize cooperative initiatives with the private sector on issues such as the dissemination of information on coffee and health to the media and interested parties. Private sector participation in ICO activities will be further enhanced under the ICA 2007, particularly with regard to issues related to the coffee supply chain, food safety procedures, quality, coffee and health, statistics and other matters.

10. The world coffee sector is currently served by the ICO through regular market reports, economic studies, world conferences, seminars and expert panels on coffee issues, as well as access to statistical data on the world coffee trade and economy. Although the ICO is the leading supplier of world coffee statistics, coverage of subjects such as differentiated coffees and niche markets requires further development during the term of the ICA 2007.

11. The need to promote consumption and develop the world coffee market have led the ICO to sponsor the publication of the Step-by-Step Guide to Promote Coffee Consumption, which has provided the methodological basis for several promotion programmes in producing countries and can be usefully deployed in emerging consumer markets. The ICO has also set up a CoffeeClub Network, a collaborative Internet based community to interact and develop ways of promoting coffee consumption. In the belief that coffee quality is a key component of future market development, the Organization has instituted the Coffee Quality-Improvement Programme (CQP), a voluntary initiative to encourage Members to ensure that their green coffee shipments fulfil certain basic quality standards. In addition, the Organization supports education and training in coffee-related subjects, by means of workshops and other initiatives.

12. The ICO sponsors and secures financing for coffee development projects and supervises project execution to ensure that project activities are implemented, and to avoid duplication of activities and disseminate results of projects. Projects with a total value of US\$84 million have received support since 1995. During the life of the ICA 2007, a diversification of sources of project funding is desirable in order to develop further these activities.

### **Challenges faced by the world coffee sector**

13. Coffee remains a key crop in many developing countries because of its capacity to generate rural income, provide employment and earn foreign exchange revenue. In the past, the world coffee market has been characterized by cyclical upswings and downturns, which have been attributed to low investment in new trees and poor maintenance in periods of low prices and high rates of new plantings in periods of high prices. The latest such downturn lasted from 1999 to 2004. Coffee prices fell to their lowest levels in 30 years, and producers saw their export earnings decline from around US\$12 billion to US\$5.5 billion. This had devastating social, economic and political consequences for countries throughout Africa, Asia and Latin America, leading to coffee farms being neglected or abandoned, and increasing poverty and migratory pressures. Since then, prices have recovered, although they are still low in inflation-adjusted terms relative to historical levels.

14. In recent years, the demand and supply of coffee have been affected by important developments that require new and coordinated responses from the public and private sectors.

On the demand side, coffee consumption has shown dynamic but inconsistent growth. High rates of increase in consumption have been recorded in some coffee producing countries and in emerging markets, particularly Eastern Europe and Asia. On the other hand, overall consumption growth in some traditional consuming markets shows signs of stagnation, although specific market niches, such as speciality and certified coffees, remain buoyant. New forms of consumption, such as ready-to-drink preparations and sophisticated domestic coffee-making machines, are also gaining in popularity.

15. Notwithstanding these positive developments, the following factors represent major challenges to the economic, social and environmental sustainability of the world coffee economy:

- (a) [Negative externalities, such as the decline of the US dollar, the global economic crisis, escalating production costs due to rising prices of inputs, reduction in the availability of labour for coffee production activities in certain countries of origin and decreasing availability of land due to urbanization ~~and use in the production of biofuels~~]. (Brazil)  
**[Economic pressures that are both external and internal to the coffee sector, such as unfavourable and volatile exchange rates, global and regional economic crises, increasing cost of essential factors of coffee production (such as fertilizer and energy), shortages in supply and higher costs of labour needed for coffee production and harvesting, and decreasing availability of land for new coffee plantations.] (USA)**
- (b) World coffee stocks are at low levels in historical terms, increasing the vulnerability of the market to disruptions in supply caused by weather and other factors.
- (c) [Certification and verification schemes [can be] **seek to be**] powerful tools for value addition, access to a fast-growing market segment and the dissemination of good agricultural, environmental and social practices. However, compliance with their requirements may involve significant actions and investments in infrastructure that may not be viable from a cost-benefit viewpoint for many producers, particularly smallholders.  
**[Certification and verification schemes that may provide access to fast-growing market segments and disseminate good business, environmental and social practices, but which also may require significant effort and investments that may not be possible for some producers, particularly smallholders.] (USA)**



- (d) The persistence of measures that affect the international trade of coffee, such as tariffs, can limit opportunities in exporting countries for growth of added value, especially from processed coffee.
- (e) The need for the continual improvement of quality in order to promote increased consumption.
- (f) The need for research into coffee production, conservation of coffee varieties and the coffee genome, to ensure the future economic, environmental and social sustainability of the coffee sector.
- (g) The need for more efficient use of environmental resources, such as water, throughout the supply chain.
- (h) Changes in global weather patterns may affect the viability of coffee production in certain areas.
- (i) The need to improve the social conditions of coffee producers, especially smallholders, by building the capacity of institutions, improving access to credit and risk management mechanisms, reducing vulnerability to income volatility, avoiding migration from rural areas and promoting gender equality.
- (j) **[The incapacity of producers to participate more actively in the coffee price formation process due to their lack of effectiveness in organizing supply to the international market, with a consequent transfer of stocks to consuming countries [among other things]]. (Brazil / PNG)  
[Economic and institutional difficulties facing producers who wish to improve their efficiency and effectiveness in organizing supply to the international market, including management of stocks, and thereby participate more actively in the coffee price formation process.] (USA)**
- (k) Misconceptions about coffee held by some consumers, such as the negative impact of coffee and health, can act as a constraint to increasing consumption.

16. In combination, the above may diminish the attractiveness of coffee as a cash crop and offset the benefits of the recovery in prices since 2004, thereby reducing the incentive for the new plantings necessary to meet the expected growth in world demand for coffee.

**Comments:**

- With respect to paragraph 15 (c), Brazil prefers ‘seek to be’ since certification schemes do not always achieve better remuneration for producers.

## SECTION II

### STRATEGIC GOALS AND PROPOSED ACTIVITIES

The main objective of the 2007 Agreement, as set out in Article 1, 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.

In order to achieve this objective, the ICO requires general strategies within which priority actions can be formulated and executed. For this purpose, four broad strategic goals that reflect the provisions of the ICA 2007 have been set:

- (i) to serve as a forum for the development of policies and solutions to strengthen the global coffee sector;
- (ii) to enhance the transparency of the coffee market;
- (iii) to encourage the development and dissemination of knowledge on the world coffee economy; and
- (iv) to promote a sustainable coffee sector.

This section includes: justifications for the adoption of the strategic goals; connections of the strategic goals to the relevant provisions of the ICA 2007 and the major challenges faced by the world coffee sector set out in paragraph 15 (Section I); and proposed priority actions to achieve the strategic goals. In the case of time frames for implementation, in most cases activities would be implemented on an ongoing basis throughout the term of the ICA 2007.

**Goal 1: Forum for the development of policies and solutions to strengthen the global coffee sector**

To play a leading role in the development of policies and solutions to strengthen the global coffee sector, by acting as a convener, catalyst and source of reference, so as to improve the consistency of coffee policy-making on a global level.

*Relevant provisions of the ICA 2007*

Article 1	Objectives (Paragraphs (1), (2) and (4))
Article 15	Cooperation with other organizations
Article 16	Cooperation with non-governmental organizations
Article 29	The Private Sector Consultative Board
Article 30	The World Coffee Conference
Article 31	The Consultative Forum on Coffee Sector Finance

*Priority actions*

1. To facilitate consultations on coffee-related issues through regular Council sessions, meetings of ICO advisory bodies and committees, and other relevant meetings and activities, including missions and briefings.
2. To identify priority issues, emerging concerns and opportunities arising from international and domestic trends, including technological developments, that may affect the coffee economy, and to advise on responses to these issues.
3. To **[promote] [research] [research and promote]** means for achieving equilibrium between supply and demand, as well as fair prices for both producers and consumers.
4. To enhance cooperation and communication on coffee policies and actions, including project activities, with appropriate intergovernmental, international, regional and other organizations, as well as with the private sector.
5. To encourage non-member countries to become Members of the Organization.

These priority actions address the following challenges set out in paragraph 15 (a), (b), (c) **[and (j)]** (Section I).

**Comments:**

- With respect to Action 3, Brazil suggests adopting ‘promote’.

**Goal 2: Market transparency**

To enhance market transparency by providing statistics, research studies and other information on the world coffee economy, thereby reducing transaction costs to the benefit of all components of the coffee supply chain and enabling economic decisions to be taken on the basis of accurate and timely data.

*Relevant provisions of the ICA 2007*

Article 1	Objectives (Paragraphs (5) and (6))
Article 2	Definitions
Article 24	Removal of obstacles to trade and consumption
Article 25	Promotion and market development
Article 26	Measures related to processed coffee
Article 27	Mixtures and substitutes
Article 32	Statistical information
Article 33	Certificates of Origin
Article 34	Studies, surveys and reports
Article 36	Sustainable coffee sector

*Priority actions*

6. To provide detailed statistical coverage of the coffee value chain, including data related to production, consumption, trade, stocks, differentiated coffees, value distribution and evaluation of efficiency.
7. To prepare reports and studies on the market situation and trends and developments in the coffee sector, especially with regard to structural conditions in international markets, and long-term and new trends in production and consumption that balance supply and demand.
8. To take into account actions related to Article 24 (Removal of obstacles to trade and consumption) in implementing the ICA 2007, including preparing periodical surveys on the effects of tariffs, non-tariff barriers and indirect taxes on coffee consumption and trade.
9. To submit to the Council periodic reports on compliance with Article 27 (Mixtures and substitutes) of the ICA 2007.
10. To review and revise, as appropriate, statistical matters related to the ICA 2007, including the Rules on Statistics, the system of indicator prices and conversion factors for types of coffee.
11. To promote private-public partnerships to enhance the transparency and reliability of coffee statistics.

These priority actions address the following challenges set out in paragraph 15 (b), (c), (d), (e) **[and (j)]** (Section I).

**Comments:**

- There was a proposal during the Council that statistics on gender should be collected. If agreed, this could be reflected in Action 6.

**Goal 3: Development and dissemination of knowledge**

To encourage the development and dissemination of knowledge on the world coffee economy, through project activities, microcredit programmes, workshops, training, and other forms of knowledge sharing; and seeking finance for these activities.

*Relevant provisions of the ICA 2007*

Article 1	Objectives (Paragraphs (8), (11), (12) and (13))
Article 25	Promotion and market development
Article 26	Measures related to processed coffee
Article 28	Development and funding of projects

Article 31	The Consultative Forum on Coffee Sector Finance
Article 37	Standard of living and working conditions

*Priority actions*

12. To [sponsor] [**enhance the viability and execution of**] projects that benefit Members and the world coffee economy by defining coffee development strategies, monitoring project proposals [for submission] [**submitted**] to relevant donors and supervising their implementation. (**Brazil**)
13. To screen project proposals submitted with the support of Members, using consistent mechanisms and involving experts from Members, so as to select proposals that are suitable for potential donors.
14. To seek finance for projects and other activities, such as training courses, that benefit Members and the world coffee economy.
15. To strengthen country ownership of projects and encourage the capacity-building of local communities and small-scale farmers.
16. To encourage greater technology transfer and technical cooperation, particularly among producing countries, so as to enhance remuneration to producers.
17. To promote scientific research and development throughout the coffee chain, including alternative uses for [**low-quality coffee and**] by-products of coffee processing, and enhancing existing coffee varieties.
18. To develop the role of the ICO as Project Executing Agency in appropriate cases.
19. To organize seminars, round-tables and workshops on coffee-related matters, including project results, and disseminate information presented at these events.

These priority actions address the following challenges set out in paragraph 15 (c), (f), (g), (h) and (i) (Section I).

**Comments:**

- In the case of Action 17, there was a proposal during the Council that this text should be retained.

#### **Goal 4: Sustainable coffee sector**

To promote the development of a sustainable global coffee sector, thereby contributing to its environmental sustainability, as well as generating increased income and employment, and improved living standards and working conditions in Member countries.

##### *Relevant provisions of the ICA 2007*

Article 1	Objectives (Paragraphs (3), (7), (9) and (10))
Article 25	Promotion and market development
Article 26	Measures related to processed coffee
Article 31	The Consultative Forum on Coffee Sector Finance
Article 36	Sustainable coffee sector
Article 37	Standard of living and working conditions

##### *Priority actions*

20. To promote a sustainable coffee sector so as to contribute to the achievement of the Millennium Development Goals, in particular with respect to poverty eradication.
21. To disseminate information about **[economic, environmental and social]** sustainability, sustainable techniques and practices, and the efficient use of environmental resources throughout the coffee supply chain, including performance indicators and appropriate organizational structures.
22. To disseminate information on the effects of climate change on the coffee sector, in the light of the United Nations Framework Convention on Climate Change **[and other relevant actions]. (Brazil)**
23. **[To seek finance for, evaluate and give feedback on project proposals aimed at developing a sustainable coffee sector.]**
24. **[To improve market structures, including [financing stocks in producing countries,] wider access to credit and risk management instruments appropriate for smallholders.] (Brazil)**  
**[To improve understanding of market structures, including methods of financing stocks and providing wider access to credit and risk management instruments in producer countries and appropriate for smallholders.] (USA)**
25. To develop an action plan to encourage increased consumption and market development under the ICA 2007.
26. To disseminate, in conjunction with the private sector, information about issues related to coffee and health.
27. To encourage quality assurance measures, including the implementation of quality standards for exported coffee (as provided for in Resolution 420).

These priority actions address the following challenges set out in paragraph 15 (e), (f), (g), (h), (i), [(j)] and (k) (Section I).

**Comments:**

- In the case of Action 21, both Brazil and USA support including the wording 'economic, environmental and social'.
- In the case of Action 23, there was originally a proposal to delete this item in view of similarities with activities 12 and 14 under Goal 3. The USA prefers to retain it.

### **SECTION III**

#### **MONITORING AND EVALUATION**

This strategic action plan provides orientation on measures to attain the objectives of the ICA 2007. This work will be accomplished by the Organization through the various ICO bodies, the Secretariat and Members themselves.

The ICO Secretariat will use the strategic goals and priority actions as a reference framework for the development of the annual programme of activities, which constitutes the mechanism for the implementation of the strategic action plan and matches the priorities of the ICO with the resources available for the period under consideration.

The ICO bodies will be able to use the contents of the strategic action plan to assist in drafting policies and making recommendations about projects and other activities to the Council. In turn, the strategic action plan will serve as a basis for the Council in its decision-making and in the evaluation of the activities of the Organization.

A monitoring and evaluation system will be established to examine and assess progress and outcomes of the implementation of the strategic action plan. Monitoring of actions will be conducted by the Secretariat by means of the assessment of the execution of the annual programme of activities contained in the Annual Review and other reports, including regular progress reports on the implementation of the plan. An evaluation of the strategic action plan will be conducted during coffee year 2012/13, wherein progress and achievement of its outcomes will be measured with qualitative and quantitative indicators.

It is also proposed that the plan should be a rolling plan which can be updated as required by Members.

The following summary model provides an overview of the required monitoring and evaluation framework, including potential indicators and sources of verification.

A suggestion has been received to use 'Balanced Scorecard' techniques for monitoring and evaluation.



**SUGGESTED MONITORING AND EVALUATION MODEL**

Strategic goal	Indicators	Sources of verification
1) To serve as a forum for the development of policies and solutions to strengthen the global coffee sector	(a) Meetings of the Council and other ICO bodies (b) Missions and briefings on ICO activities (c) Membership of the ICO (d) Holding of World Coffee Conferences (e) Participation in events organized by the international coffee trade and relevant international organizations (f) Publication and dissemination of policy documents	(a) Annual Review (b) Specific documents and presentations (c) ICO website (d) Regular progress report on implementation of plan
2) To enhance the transparency of the coffee market	(a) Updated statistics on coffee trade, production, prices, consumption, etc. (b) Statistical quality (c) Studies and reports on relevant aspects of the world coffee economy (d) Market expansion and diversification	(a) Annual Review (b) Monthly Coffee Market Report (c) Monthly, quarterly and annual statistics (d) Specific studies and reports (e) ICO website (f) Regular progress report on implementation of plan
3) To encourage the development and dissemination of knowledge on the world coffee economy	(a) Number and value of projects screened, under implementation and concluded (b) Number of seminars, round-tables and workshops organized (c) Inclusion of capacity-building, risk management, credit access and other relevant activities in projects and ICO events (d) Publication and dissemination of information on the world coffee economy	(a) Annual Review (b) Specific project reports (c) Reports on seminars, round-tables and workshops (d) Specific studies and reports (e) ICO website (f) Regular progress report on implementation of plan
4) To promote a sustainable coffee sector	(a) Increased awareness of sustainability issues (b) Increased use of sustainable practices (c) Dissemination of information about coffee and health issues (d) Action plan to encourage increased coffee consumption and market development (e) Volume of consumption in coffee exporting countries (f) Usage of the ICO CoffeeClub Network to promote coffee consumption (g) Implementation of coffee quality standards [(h) Promoting conditions through marketing instruments to enable producers to have a greater share in coffee price formation process] (Brazil)	(a) Annual Review (b) Specific studies and reports (c) ICO website (d) Usage of the ICO CoffeeClub Network to promote coffee consumption (e) Regular progress report on implementation of plan [(f) Greater access for producers to financing of stocks] (Brazil)

**OBJECTIVES OF THE INTERNATIONAL COFFEE AGREEMENT 2007****ARTICLE 1**  
**Objectives**

The objective of this Agreement 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, by:

- (1) promoting international cooperation on coffee matters;
- (2) providing a forum for consultations on coffee matters among governments, and with the private sector;
- (3) encouraging Members to develop a sustainable coffee sector in economic, social and environmental terms<sup>1</sup>;
- (4) providing a forum for consultations seeking understanding with regard to the structural conditions in international markets and long-term trends in production and consumption that balance supply and demand, and result in prices fair both to consumers and to producers;
- (5) facilitating the expansion and transparency of international trade in all types and forms of coffee, and promoting the elimination of trade barriers;
- (6) collecting, disseminating and publishing economic, technical and scientific information, statistics and studies, as well as the results of research and development in coffee matters;
- (7) promoting the development of consumption and markets for all types and forms of coffee, including in coffee producing countries;
- (8) developing, evaluating and seeking finance for projects that benefit Members and the world coffee economy;
- (9) promoting coffee quality with a view to enhancing consumer satisfaction and benefits to producers;
- (10) encouraging Members to develop appropriate food safety procedures in the coffee sector;

---

<sup>1</sup> *Brazil considers that social and environmental pillars are dependent on the economic sustainability of the sector (see document WP-Council 173/08 Rev. 4 Add.1).*

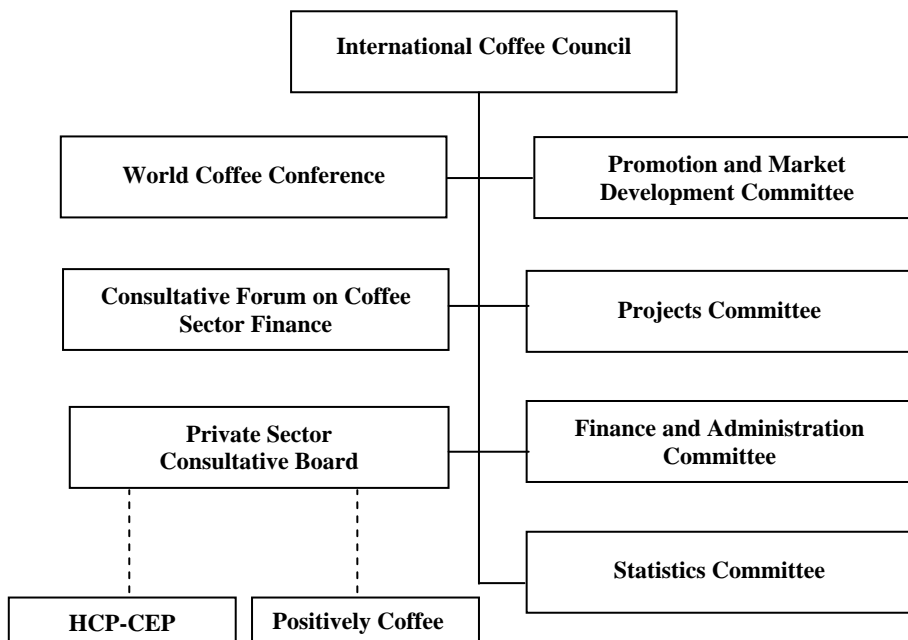
(11) promoting training and information programmes designed to assist the transfer to Members of technology relevant to coffee;

(12) encouraging Members to develop and implement strategies to enhance the capacity of local communities and small-scale farmers to benefit from coffee production, which can contribute to poverty alleviation; and

(13) facilitating the availability of information on financial tools and services that can assist coffee producers, including access to credit and approaches to managing risk.

**ICO STRUCTURE**

**ORGANIZATIONAL STRUCTURE**



**SECRETARIAT STRUCTURE**

