

50
years



INTERNATIONAL
COFFEE
ORGANIZATION

ICC 111-34

26 September 2013

Original: English

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**Decisions and Resolutions adopted
at the 111th Session of the
International Coffee Council**

9 – 12 September 2013

1. The International Coffee Council, chaired by the Vice-Chairperson, Ambassador José Ángel López Camposeco of Guatemala, met in Belo Horizonte, Brazil from 9 to 12 September 2013. The Council expressed its appreciation to the Government of Brazil and the Governor of the State of Minas Gerais, as well as the Ministry for Agriculture and the Legislative Assembly of the State of Minas Gerais for the excellent arrangements which had been made to host the 50th anniversary meetings.

Item 1: Draft Agenda

2. The Council adopted the draft Agenda contained in document [ICC-111-0 Rev. 1](#) and took note of the schedule of meetings. The Council also took note of statements by Angola ([ICC-111-12](#)), Burundi ([ICC-111-14](#)), Côte d'Ivoire, Ethiopia ([ICC-111-19](#)), European Union ([ICC-111-11](#)), Honduras ([ICC-111-24](#)), India ([ICC-111-18](#)), Indonesia ([ICC-111-23](#)), Kenya ([ICC-111-20](#)), Nicaragua, Mexico ([ICC-111-16](#)), Tanzania ([ICC-111-17](#)), Timor-Leste ([ICC-111-25](#)), USA, Vietnam ([ICC-111-15](#)) and Yemen ([ICC-111-13](#)).

Item 2: Admission of observers

3. Rule 5 of the Rules of the Organization provides that at the start of each Session, the Council shall decide on the acceptance of observers and designate the items on the Agenda open to accepted observers. The Secretary introduced document [ICC-111-3 Rev. 1](#) containing a list of observers approved for admission to Sessions in 2012/13, who had advised the Executive Director of their attendance, together with a list of observers invited by the Executive Director to attend the 50th anniversary meetings. With a view to streamlining the process of accepting observers, a list of observers who could be admitted to Sessions in coffee year 2013/14 was contained in Annex III. Any additional observers would need to submit requests for observer status in writing at least 45 days prior to the Session.

4. The Council took note of this information and decided that the observers listed in Annexes I and II of document [ICC-111-3 Rev. 1](#) should be accepted for admission to the 111th Session and Committees which were open to observers, except for items relating to Finance and Administration which should be restricted to Members only. Finally, the Council approved the list of observers contained in Annex III of document ICC-111-3 Rev. 1 for admission to Council Sessions in coffee year 2013/14. The Council further approved requests contained in documents [ICC-111-3 Add. 1](#) and [ICC-111-3 Add. 2](#) from the Arthur Dobbs Institute and the 4C Association to attend the 111th Council Session in September 2013 and future Sessions as observers. In the case of the Arthur Dobbs Institute, which was a recently established organization, the Council noted that observer status should be limited to the Council Session in September 2013, to enable the ICO to know it better.

Item 3: Votes and credentials

Item 3.1: Votes for coffee year 2012/13

5. The Council took note of the document [ICC-111-1 Rev. 1](#) containing the redistribution of votes and the situation of outstanding payments affecting voting rights as at 4 September 2013.

Item 3.2: Initial distribution of votes for coffee year 2013/14

6. Paragraph (6) of Article 12 of the 2007 Agreement provides that the distribution of votes shall be determined by the Council at the beginning of each coffee year. Under the provisions of Article 12, the votes of exporting Members and of importing Members are based on their exports and imports respectively in the preceding four calendar years. The Secretary said that document [ED-2156/13 Rev. 1](#) contained the latest information on the basis for the distribution of votes among exporting and importing Members for coffee year 2013/14 and introduced document [ICC-111-2](#) showing the initial distribution of votes for coffee year 2013/14. The Council took note of this information and approved the initial distribution of votes for coffee year 2013/14, which would be used as the basis for assessing contributions.

Item 3.3: Credentials

7. The Council noted that the Secretariat had examined the credentials received from Members and had advised the Chairperson of the Council that they had been found to be in good and due form. Noting that credentials from the Dominican Republic and Kenya would follow, the Council decided to approve the report on credentials which was subsequently circulated, together with the List of Delegations, as document ICC-111-33.

Item 4: Membership of the International Coffee Agreement (ICA) 2007

8. The Executive Director introduced document [ICC-111-4](#) containing a report on the status of membership of the ICA 2007. As at 9 September 2013, there were 39 exporting Members and 6 importing Members. He had circulated document [DN-114/13](#) notifying Members of the opportunity to deposit instruments of ratification, acceptance, approval or accession during the 111th Session, and had also written to countries listed in Sections B and C of Annex I of the report to remind them of the need to complete membership procedures as soon as possible. Since the previous Session, Paraguay had deposited an instrument of ratification and, following its accession to the EU on 1 July 2013, Croatia was a new importing country represented by the EU. Bolivia, Colombia and Papua New Guinea were still applying the Agreement provisionally. With respect to non-members, China, Lao People's Democratic Republic, Nepal, Peru, Sri Lanka and the Russian Federation had expressed interest in membership. The Council took note of this information and expressed its appreciation to the Executive Director for his efforts to expand membership of the Organization.

9. The Executive Director said that the deadline for the deposit of instruments of ratification, acceptance, approval or accession would expire on 30 September 2013. He introduced document WP-Council 237/13 containing a draft Resolution proposing establishing 30 September 2014 as the new deadline for deposit of instruments. The Council approved this draft Resolution which became [Resolution 452](#), a copy of which is attached to these Decisions. Finally, the Council urged countries which had not yet done so to expedite the necessary formalities for membership of the 2007 Agreement. The procedures for membership contained in ED-2033/08 Rev. 8, including a model instrument, should be closely followed to avoid any difficulties.

Item 5: Coffee market situation

10. The Head of Operations introduced the monthly report on the coffee market for August 2013. A copy of his presentation is available on the technical presentations section of the ICO website (<http://www.ico.org/documents/cy2012-13/presentations/icc-hop-market.pdf>). He reported that the ICO composite indicator price was at its lowest level since 2009, with all four indicator groups showing a strong convergence, and a narrowing in the arbitrage. In recent months a number of producing countries had experienced considerable depreciation in their currencies against the US dollar. This had affected the market, as producers received more for their coffee in local currencies which could stimulate the availability of coffee on the market. Production costs such as labour and fertilizers had also increased substantially in the last 10 years. With respect to exports, Robustas had

performed strongly with total exports 3.6% higher than the previous year. Despite this, certified stocks of Robusta had decreased, indicating the very strong demand for Robusta coffee, while certified stocks of Arabica had remained stable. World coffee production amounted to 144.4 million bags in 2012, an increase of 7.6% on the previous coffee year. He reported on production levels in leading producing countries in 2012/13, and noted the damage from coffee leaf rust of 2.7 million bags in the Central American region. Although there were indications that measures taken in the region were providing some relief, the assistance of the international community was needed. In Colombia, production was recovering and was estimated at 9.5 million bags, and production was also recovering across Africa. Patterns of consumption were changing with growth in emerging and producing markets outpacing traditional markets. While per capita consumption in emerging markets was low, there was potential for strong growth in the future in emerging markets such as China, South Korea and Turkey.

11. The Council took note of this information and of document [ED-2165/13](#) containing the final production for 2012/13 Brazilian coffee crop and the third estimate for the 2013/14 crop. The Council also took note of document [ED-2157/13](#) containing a report on the impact of coffee leaf rust on production and actions taken by the ICO with respect to this issue following the adoption of Resolution 451 in March 2013.

Item 6: Studies and reports

12. The Head of Operations introduced documents ICC-111-5 and document [ICC-111-6](#) respectively containing a study on the World Coffee Outlook and a report on obstacles to consumption. Article 27 of the Agreement provided that the Executive Director should submit to the Council a periodic report on mixtures and substitutes. As limited additional information had been received from Members since the last report was issued in September 2010 (see document ICC-105-8), an updated document would be prepared for a future meeting. The Chief Economist introduced document [ICC-111-8](#) containing a study on China.

13. In discussions on this item, the Council noted the potential for increasing consumption in China and further noted that Members would welcome China becoming a Member. The analysis of this country should continue, together with analysis of emerging and non-traditional markets which had potential for growth. In the case of the World Coffee Outlook, one Member had queries regarding the methodology. In view of the limited time to consider it at this meeting, it should be further developed and analysed in more detail at the next meeting. With respect to obstacles to consumption, Members took note of concerns expressed about the tariffs on Brazilian soluble coffee, particularly those applied by the EU, which resulted in difficulties for the soluble coffee industry in Brazil, despite the

importance of added value. The EU stated that this issue had been subject of bilateral contacts between the EU and Brazil. Furthermore, it was informed that applied duties did not exceed the level of the EU bound duties at the WTO. Finally, the Council noted that the Secretariat welcomed comments on the studies and methodologies used to prepare them, which should be sent in writing to the Executive Director.

Item 7: Coffee and climate toolbox

14. The representative of Hanns R. Neumann Stiftung made a presentation on the coffee and climate toolbox. The Council expressed its appreciation for this important work and noted that further information about this initiative would be provided during workshops on coffee and climate toolbox which would take place during the International Coffee Week taking place in Belo Horizonte at the time of the 111th Council Session.

Item 8: Programme of Activities for 2013/14

15. The Head of Operations introduced document WP-Council 232/12 Rev. 1 containing a revised Programme of Activities for 2013/14. The Programme incorporated revisions proposed during the 110th Session of the Council and had been summarized to better reflect the areas of work of the Organization. Routine activities were no longer listed in detail. The estimated costs of specific activities amounted to £43,000 and had been incorporated in the draft Administrative Budget for the financial year 2013/14 (document FA-57/13 Rev. 1). Indicators for activities would be presented in March 2014 to enable Members to better assess progress. Members had been invited to send any further comments on this document to the Executive Director by 19 August 2013; however no comments had been received by that date.

16. In discussions on this item, Members welcomed the proposal to develop benchmarks and indicators and noted the need to develop measurable indicators for activities, such as specific figures for the use of the website. With respect to resources, it would be useful to provide more detail about how these were allocated to different aspects of activities, and to estimate costs for all activities in the Programme rather than those with specific budget allocations. Members noted that the resources allocated for Activity 6 were intended to enhance the analytical work of the ICO and upgrade statistical and market analysis capacity. The point was also made that ICO studies and reports should become a key reference point for the market as had been the case with other commodity organizations. The Council took note of this information and approved the Programme of Activities, which was subsequently circulated as document [ICC-111-30](#).

Item 9: Consultative Forum on Coffee Sector Finance

Item 9.1: 3rd Consultative Forum

17. The Council noted that the 3rd Consultative Forum had taken place on 10 September 2013, facilitated by Mr Robert Nelson of the National Coffee Association of USA (NCA). The Forum had focussed on farmer aggregation and had used an innovative methodology which had involved 22 experts working with 12 small groups considering case studies and questions prepared by United States Agency for International Development (USAID) and NCBA Clusa International, and collating information arising from their discussions. In the brainstorming session in the second part of the Forum, delegates had identified around 200 driving forces and restraining forces which could impact on farmer aggregation. The priority driving forces included creating market incentives for organizing farmers including common buyers, examples of successful groups (farmer organizations, not just cooperatives), and disseminating information on management and leadership skills. Restraining forces included the lack of female participation, lack of education about cooperatives, poor legal frameworks and corruption, and risk adversity. If programmes could be developed to strengthen the driving forces and weaken the restraining forces, this could facilitate the development of farmer organizations. The Secretariat would prepare the proceedings of the Forum and highlight the driving and restraining forces. These could be used to assist with developing appropriate strategies which could be implemented either by the ICO, or by relevant institutions, with the ICO acting as a catalyst in encouraging their engagement in this area. The proceedings would be widely distributed to the coffee sector and other relevant sectors. Members noted the point that information about the driving and restraining forces and experiences of countries should be systemized, and the recommendations and strategies should form part of future ICO policy. The Council expressed its appreciation to Mr Nelson for facilitating the Forum, to the experts for participating, and to the All Japan Coffee Association and the World Bank for their generous sponsorship of the event. Finally, the Council expressed its appreciation to the Chairperson of the Forum in 2012/13 (Mrs Mary-Estelle Ryckmann of the USA) and the previous Chairperson (Ms Amy Karpel of the USA) and the US delegation for their contributions to the Forum which was a vital element of the 2007 Agreement.

18. The Council further noted that the Core Group had met on 12 September 2013 and had considered a report on the Forum and an interim report on the World Bank/ICO joint studies on risk and finance in the coffee sector contained in document [CG-12/13](#). The outcome of the 3rd Forum would be considered in more detail during the 112th Session of the Council in March 2014. In the case of the World Bank/ICO study, rather than three separate studies, there would now be a single report, which would focus on around

20-30 innovative case studies demonstrating best practices in finance and risk management which could be adapted for use in other countries. Members were requested to provide data and information on finance and risk management activities and programmes in their countries, particularly in areas such as regulation, to ensure the report was as comprehensive as possible, and to share innovative programmes in their countries for the case studies.

Item 9.2: Chairperson and Vice-Chairperson of the Forum and Core Group for 2013/14

19. The Council appointed the following to serve on the Core Group of the Consultative Forum on Coffee Sector Finance in 2013/14:

Chairperson (2013/14):	Mr Juan Esteban Orduz (Colombia)
Vice-Chairperson (2013/14):	To be appointed at the next Session
Exporting Members (2013/14 and 2014/15):	Brazil, Colombia, Costa Rica and Côte d'Ivoire
Importing Members (2013/14 and 2014/15):	European Union, Switzerland and the USA

20. The Council also re-appointed the following as advisors to the Core Group for 2013/14:

- Mr Marc Sadler (Team Leader, Agricultural Finance and Risk Management Unit, Agriculture and Rural Development Department, The World Bank)
- Ms Noemí Pérez (Executive Director, Finance Alliance for Sustainable Trade)
- Mr Silas Brasileiro (Executive Chairman, National Coffee Council, Brazil)
- Mr Nicolas Tamari (Chief Executive Officer, Sucafina S.A.)

Item 10: Report by Chairpersons of ICO bodies

Item 10.1: Private Sector Consultative Board (PSCB)

21. The Chairperson of the PSCB, Mr Ricardo Villanueva of Anacafé, said that the PSCB had met on 11 September 2013. The report of this meeting was subsequently circulated as document PSCB-137/13. The PSCB had discussed the market situation including damage from coffee leaf rust and ICO missions to the Central American region in accordance with Resolution 451. It had also received a presentation on caffeine and health claims under consideration by the European Food Safety Authority, as well as a presentation on the Chinese coffee industry. Members had noted that China was consuming 80,000 tons of

coffee a year, around two cups per person, with potential for future increases, particularly in the youth market. Members had also considered an overview of the Canadian coffee market, the 11th largest in the world and second to Italy in out of home consumption, as well as reports on the Coffee Quality-Improvement Programme (CQP). In the case of the 3rd Consultative Forum, the PSCB had expressed its appreciation to the representative of the NCA for facilitating the event, as well as to the All Japan Coffee Association and the World Bank for their generous sponsorship. Finally, the PSCB had reappointed Mr Ricardo Villanueva of Anacafé and Mr Ric Rhinehart of the Specialty Coffee Association of America (SCAA) as Chairperson and Vice-Chairperson respectively and had proposed that the Council should consider introducing an International Coffee Day.

22. The Council expressed its appreciation to the Chairperson of the PSCB for this report. Members agreed that it would be useful to introduce an International Coffee Day and noted that possible dates could include 29 or 30 September, which marked the end of the harvest and crop year for some countries, or 1 October, although this clashed with International Cocoa Day in some countries, and it would be useful to have a separate date from the point of view of branding. The Council noted that the Executive Director would consult Members and make a proposal for a date for an International Coffee Day for consideration during the 112th Session in March 2014. Finally, the Council noted that it would be useful for the Secretariat to suggest themes and principles for this initiative.

Item 10.2: Promotion and Market Development Committee

23. The Executive Director, as the Acting Chairperson of the Promotion and Market Development Committee, said that the Committee had met on 9 September 2013. The report of this meeting was subsequently circulated as document PM-31/13. The Committee had reviewed the implementation of the Plan for Promotion and Market Development and received presentations on plans for the Expo 2015 which would include a coffee Cluster. The Committee had also noted that exporting Members were considering a proposal to consider allocating resources from the Special Fund for a communication strategy for the ICO. Members had also received reports on the CQP and national quality standards for coffee, as well as a presentation by the Chief Executive of the Alliance for Coffee Excellence on the historical contribution of the ICO to promotion activities including to the development of the Cup of Excellence and Alliance for Coffee Excellence through the CFC/ICO project on gourmet project.

24. In discussions on this item, the Council noted that exporting Members considered that the Special Fund could be used for funding initiatives if matching counterpart funds were provided by importing Members. In the light of questions about the proposal

expressed by some Members, and noting that no counterpart funding was available in this case, exporting Members had decided not to allocate Special Fund resources for the communication strategy but had established an ad hoc committee to examine and draw up proposals for consideration in March 2014. The Council took note of this information.

Item 10.3: Projects Committee

25. The Chairperson of the Projects Committee, Mr Juan Diego Stacey Chiriboga of Ecuador, said that the Projects Committee had met on 11 September 2013. The report of this meeting was subsequently circulated as document PJ-62/13. The representative of the Brazilian Agency for Cooperation (ABC) had reported on options for technical cooperation under the Memorandum of Understanding (MOU) signed with the ICO and the Committee had agreed that with a view to streamlining procedures, concept notes could be submitted directly to the Projects Committee rather than going through the Virtual Screening Subcommittee (VSS). With a view to reducing the number of proposals in the pipeline, the ICO had removed 21 projects from the report, and had resubmitted projects currently in the pipeline to the CFC, whose response was awaited. The Committee had also discussed the need to review alternative sources of finance and ways in which projects were approved, as although the Council was approving some high-budget projects to assist farmers, there was no guarantee that funding would be available. The Committee had noted that a consultant had developed a fundraising and communication strategy (see Item 10.2). In the case of the ‘Revitalization of the coffee industry in Yemen’ project, the CFC had approved financing of US\$250,000 for this subject to the remaining resources being secured by the Government of Yemen with the assistance of the ICO. Finally, the Committee had considered a report on gender in coffee projects and received reports on the rehabilitation of the coffee sector in Cuba¹ and in Côte d’Ivoire.

26. In discussions with respect to the withdrawal of projects approved by the Council from the pipeline, Members noted that only the Council had the authority to delete such projects. All projects approved by the Council should remain in the pipeline for consideration for funding from other sources until the Council decided otherwise. If there were technical or other reasons for removing a project from the pipeline, the Secretariat should put a proposal forward for consideration by the Council at a future Session.

Item 10.3.1 Projects for approval by the Council

27. The Council noted that the Projects Committee had considered document [PJ-53/13](#) containing the reports and recommendations of the VSS on one new and two revised

¹ Subsequently circulated as document PJ-61/13.

proposals. On the recommendation of the Committee the Council decided to approve the proposals entitled International research and development services for durable genetic control of the coffee leaf rust disease in Arabica coffee (document [PJ-58/13](#)) and 'Best practice management of coffee berry borer (CBB) and coffee leaf rust (CLR) to improve Panama's capacity to export specialty coffees' (document [PJ-59/13](#)). The Committee had also recommended the approval of a concept note submitted by Cameroon under the MOU with the ABC (document [PJ-60/13](#)).

28. The Council noted that a third proposal 'Valorization of the Ethiopian coffee origins for marketing improvement' (document [PJ-46/13 Rev. 1](#)) would be revised and resubmitted to the Projects Committee in March 2014.

29. The Council took note of this information and on the recommendation of the Projects Committee, approved the proposals entitled 'International research and development services for durable genetic control of the coffee leaf rust disease in Arabica coffee' and 'Best practice management of coffee berry borer (CBB) and coffee leaf rust (CLR) to improve Panama's capacity to export specialty coffees' and further approved a concept note submitted by Cameroon under the MOU with the ABC (document [PJ-60/13](#)).

Item 11: Food safety

30. The Council noted that document PM-29/13 contained a report on information on national quality standards for coffee received from Members, and document [ICC-111-7](#) contained a report on the implications of Regulation (EU) No. 1169/2011, which had been prepared in liaison with the EU Directorate General for Health and Consumers (DG Sanco).

Item 12: Cooperation with other agencies

4C Association

31. The Executive Director of the 4C Association, Ms Melanie Rutten-Sülz made a presentation on cooperation between the Association and the ICO, noting the need for effective public-private collaboration, and inviting collaborative dialogue between the 4C as a vehicle to interlink with the private sector and the ICO which could facilitate the participation of governments on addressing critical issues. The Council took note of this presentation, a copy of which is available on the ICO website at <http://www.ico.org/documents/cy2012-13/presentations/icc-4c.pdf>.

Arthur Dobbs Institute

32. The Council noted that the Arthur Dobbs Institute had held two workshops on the topic of ‘Pollinators, production, pest and disease suppression for coffee production’ during the 111th Session of the Council (see document [ED-2160/13](#)).

IDH sustainable trade initiative

33. The Council noted that the ICO was cooperating with the IDH on the development of its project preparation facilities.

Interagency visit to Nicaragua

34. The Council noted that, as reported in document [ED-2166/13](#), the Head of Operations, and senior representatives of the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and the Brazilian Agricultural Research Agency (EMBRAPA) had participated in an interagency technical mission to Nicaragua in June 2013, with the aim of analysing coffee production in Nicaragua, taking into account trends in the world coffee market and the potential impact of climate change.

ISEAL Alliance

35. The Council noted that the Chief Economist had participated as a panellist in a workshop on ‘Growing coffee without endosulfan’ hosted by the ISEAL alliance which took place in London on 11 June 2013.

Item 13: World Coffee Conference

36. Article 30 of the 2007 Agreement provides that the Council shall appoint the Chairman of the World Coffee Conference, and decide on the form, title, subject matter and timing of the Conference, in consultation with the Private Sector Consultative Board.

37. The representative of Italy made a statement introducing document [ICC-111-9](#) containing a communication from Italy expressing its interest in hosting the Conference. A copy of his statement was circulated as document [ICC-111-27](#). The Council took note of this information and further noted that the Conference had not yet taken place in the African region, and Côte d’Ivoire, Kenya (see document [ICC-111-20](#)) and Ethiopia (see document [ICC-111-10](#)) were also interested in hosting the next World Conference. Consultations would take place during the forthcoming meeting of the InterAfrican Coffee Organisation (IACO), following which a proposal would be put forward for a venue in Africa.

38. In discussions on this item, it was suggested that, to assist Members in reaching a decision, it would be useful to have information about the vision of the different proponents for the Conference, including plans for implementation and the availability of resources, which should be outlined in brief submissions. The Council agreed that the Executive Director should request Members interested in hosting the Conference to submit their proposals in writing by 31 December 2013, so that this information could be circulated to Members for consideration in March 2014, when countries would have the opportunity to make presentations to the Council. A decision would need to be taken in March 2014 given the time needed to prepare for the Conference.

Item 14: National coffee policies

39. The Council took note of statements on national coffee policies and programmes by the following countries, copies of which were circulated as documents and/or are available on the technical presentations section of the ICO website (<http://dev.ico.org/presentations1213.asp>): Bolivia, Brazil, Cameroon, Central African Republic ([ICC-111-21](#)), Côte d'Ivoire, India (ICC-111-26), Mexico, Uganda ([ICC-111-28](#)) and Vietnam ([ICC-111-29](#)) (see also statements made by countries under Agenda Item 1, listed in paragraph 2). The Council further noted the point that it was important to research and establish standards for Arabica Naturals, as a growing number of high-scoring coffees were naturally processed.

Item 15: Financial and administrative matters

Item 15.1: Finance and Administration Committee

40. The Chairperson of the Finance and Administration Committee, Ms Ina Grohmann of EU-Germany, said that the Committee had met on 11 September 2013. It had taken note of a report on the financial situation as at 31 July 2013 (see document FA-71/13). In the case of the premises, the Committee had noted that a lease had been signed with a company for the use of the second floor, which would provide greater financial stability and more efficient use of the premises at the ICO headquarters. In the case of registered auditors, the Committee had agreed to recommend that the current auditors, Smith & Williamson, should be re-appointed for a further year, and had requested the Secretariat to contact other importing Members with a view to filling the vacant seat on the Committee. Finally, the Committee had reviewed the situation of outstanding contributions, and had expressed its appreciation of the efforts by Members to pay their contributions and had highlighted the importance of paying contributions on time to ensure the proper functioning of the Organization. The Council took note of this information and, on the recommendation of the Committee, decided that the Executive Director should appoint Smith & Williamson as auditors for the financial year 2013/14.

Item 15.2: Draft Administrative Budget for the financial year 2013/14

41. The Chairperson of the Finance and Administration Committee said that the Committee had decided to recommend to the Council that it should approve the draft Administrative Budget for 2013/14 contained in document FA-57/13 Rev. 1. Based on overall expenditure of £3,012,000 and estimated revenue from external sources of £160,000, the contribution per vote would be £1,471, the same as in 2012/13. The Committee had been informed of cost saving measures which had been introduced and had expressed its appreciation to the Executive Director and his staff for these efforts. The Council took note of this information and of document FA-58/13 Rev. 1 containing a cost analysis and decided to approve the draft Administrative Budget for 2013/14 contained in document FA-57/13 Rev. 1².

Item 16: Office holders and committees

Item 16.1: Chairperson and Vice-Chairperson of the Council

42. In accordance with the procedures provided for in Article 10 of the 2007 Agreement, the Council elected the following office holders for the Council for 2013/14:

Chairperson: Mr Jawaid Akhtar (India)

Vice-Chairperson: Mr Conradin Rasi (Switzerland)

43. The Council further noted that exporting Members had discussed criteria for the appointment of Chairpersons, including geographical representation and rotation among regions, and that Chairpersons should first be appointed as Vice-Chairperson prior to taking up the post of Chairperson the following year. This issue would be further discussed during the next coffee year.

Item 16.2: Composition of Committees

44. The Council noted that the term of office for members of the Private Sector Consultative Board (PSCB) expired on 30 September 2013. The Executive Director had circulated document ED-2152/13 and its revision to all Members, requesting them to inform him of representatives and alternates for the next two coffee years. The Council designated the members of the PSCB for the next two coffee years as listed in document [WP-Council 238/13](#).

² Subsequently distributed as document ICC-111-32.

45. The Council further decided that the composition of Committees in 2013/14 should be as follows:

Promotion and Market Development Committee

Exporting Members: Brazil, Cameroon, Colombia, Guatemala, India, Indonesia, Mexico and Tanzania

Importing Members: European Union, Switzerland and the USA

Projects Committee

Exporting Members: Brazil, Colombia, Ecuador, Honduras, Indonesia, Kenya, Uganda and Vietnam

Importing Members: European Union, Switzerland and the USA

Finance and Administration Committee

Exporting Members: Brazil, Colombia, Côte d'Ivoire, India, Mexico and Vietnam

Importing Members: European Union, Switzerland, the USA (fourth Member to be confirmed)

Statistics Committee

Exporting Members: Angola, Brazil, Colombia, Ghana, Honduras, India, Indonesia and Nicaragua

Importing Members: European Union, Switzerland and the USA

Item 17: Other business

Belo Horizonte Declaration

46. The Council considered a draft Declaration contained in document WP-Council 240/13 and its revision. Following consultations, the Council agreed to adopt the Declaration, which was subsequently circulated as document [ICC-111-31](#), and expressed its appreciation to all those who had been involved in drafting the Declaration.

Critical situation in East and Central Africa caused by black coffee twig borer

47. The Council considered document WP-Council 241/13 containing a draft Resolution submitted by Uganda on the critical situation in East and Central Africa caused by black coffee twig borer. The Council decided to approve the draft Resolution, the final version of which was circulated as [Resolution 453](#), a copy of which is attached to these Decisions.

Mexico

48. The Council noted that as advised in document [ICC-111-22](#), Mr Rodolfo Trampe Taubert of Mexico, a former Chairperson of the Council and the PSCB, and the Vice-Chairperson of the Consultative Forum and Promotion and Market Development Committee, was retiring from his position as head of the Mexican coffee sector and expressed its appreciation for his guidance and support to the ICO.

Statistics

49. The Council noted the Belo Horizonte Declaration included a reference to the figure of US\$458 billion of gross added value for coffee, and requested the Secretariat to prepare a document clarifying how this figure had been calculated and the various elements in the value chain, for consideration at the next Session.

History of the ICO

50. The Council noted that the ICO had prepared a review of the first 50 years of the work of the ICO to commemorate the 50th anniversary, which outlined the background to setting up the ICO and activities undertaken under different International Coffee Agreements. The History of the ICO is available on the ICO website at <http://dev.ico.org/documents/cy2012-13/history-ico-50-years-e.pdf>

Item 18: Future meetings

51. The Council noted that its next Session would take place in London from 3 to 7 March 2014.

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**INTERNATIONAL
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ICC Resolution 452

9 September 2013
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International Coffee Council
111th Session
9 – 12 September 2013
Belo Horizonte, Brazil

Resolution number 452

APPROVED AT THE FIRST PLENARY MEETING,
9 SEPTEMBER 2013

**Extension of the time limit for
ratification, acceptance, approval or accession**

WHEREAS:

Paragraph (3) of Article 40 of the International Coffee Agreement 2007 stipulates that the Council may decide to grant extensions of time to signatory Governments that are unable to deposit their instruments by 30 September 2008;

Under the terms of paragraph 1 of Resolution 449 the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 is further extended to 30 September 2013;

Under the terms of paragraph 1 of Resolution 449, Governments eligible for membership in accordance with Article 43 of the Agreement may accede by depositing an instrument of accession with the Organization no later than 30 September 2013 or such other time as the Council may decide; and

A number of Governments have indicated that they require additional time to deposit the required instruments,

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. To extend the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 with the Depositary under the provisions of Article 40 of the Agreement and of Resolution 449 from 30 September 2013 to 30 September 2014.

2. To extend the period for the deposit of instruments of accession to the International Coffee Agreement 2007 with the Depositary under the provisions of Article 43 of the Agreement and of Resolution 449 from 30 September 2013 to 30 September 2014 or such other time as the Council may decide.

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**INTERNATIONAL
COFFEE
ORGANIZATION**

ICC Resolution 453

24 September 2013

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International Coffee Council

111th Session

9 – 12 September 2013

Belo Horizonte, Brazil

Resolution number 453

APPROVED AT THE SECOND PLENARY MEETING,

12 SEPTEMBER 2013

**Critical situation in East and Central Africa
caused by black coffee twig borer**

WHEREAS:

The Head of the Ugandan delegation has expressed concern regarding the outbreak of the black coffee twig borer (BCTB) which has reached epidemic levels in Uganda with the potential to spread within East and Central Africa, which could have a grave impact on the livelihoods of the coffee growers. We, the affected countries, hereby appeal to the Council to note this and take measures to support national and regional strategies to combat this infestation;

The current epidemic of black twig borer in coffee is affecting Burundi, the Central African Republic, the Democratic Republic of Congo, Kenya, Tanzania and Uganda. In Uganda, the incidence has been registered at 8.6%, causing a loss of 40% of the affected crop. It is the worst seen since this pest appeared in Africa in 1993, and has led Uganda to declare a phytosanitary emergency so as to trigger the necessary national measures to combat the black coffee twig borer;

Given the importance of coffee growing in the region, which has more than 2 million coffee growers and directly provides a livelihood for more than 8 million people in East and Central Africa, this epidemic is expected to have a profound impact on the societies and economies of the region; and

It is estimated that US\$42 million worth of Uganda's coffee (about 0.27 million bags of exportable coffee in Uganda) have already been lost as a result of the black coffee twig borer in coffee year 2012/13, and this will bring about a systematic reduction in the region's production as from coffee year 2013/14; Governments and the private coffee sector in the region, together are making joint efforts to address this,

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. That ICO Members show leadership in addressing this important issue and support for national actions in Uganda, as well as those in Burundi, the Central African Republic, the Democratic Republic of Congo, Kenya and Tanzania being undertaken to combat the black coffee twig borer in Africa.
2. To call on Members of the international community, through the relevant cooperation mechanisms, to offer assistance to the affected countries by, among other things, technical knowledge, exchange of information, best practices and management of the pest.
3. To ask the ICO Secretariat to support countries affected to address the crisis caused by the black coffee twig borer.