

**Report of the Promotion and
Market Development Committee
on the meeting held on 5 March 2014**

1. The Promotion and Market Development Committee met in London, United Kingdom on 5 March 2014 for the 7th time under the 2007 Agreement.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document [PM-32/13 Rev. 1](#).

Item 2: Election of Chairperson and Vice-Chairperson for 2013/14

3. The Committee re-appointed Mr Andrea Illy of the EU-Italy as Chairperson and appointed Mr Belisario Domínguez Méndez of Mexico as Vice-Chairperson for 2013/14.

**Item 3: Promotion and market development under the
International Coffee Agreement (ICA) 2007**

4. The Chairperson said that the next two years would be very important for the implementation of the ICO Plan on Promotion and Market Development (document ICC-109-13). Considerable preparatory work had been done with the engagement of partners and stakeholders in a multi-stakeholder network, drawing on the idea of 'coffee, good life' as well as the positive benefits of coffee such as health, pleasure and sustainability. Perceptions about coffee and health had changed from ten years ago when 60% of people believed coffee was bad for the health. This trend had been reversed thanks to scientific research and information disseminated through the Coffee and Health website. The pleasure factor had also increased with better quality coffee, and the rate of annual

growth in consumption had increased in the last decade from 1.6% to 2.5%. The ICO would continue to implement the Plan without funds, with the aim of increasing consumption through disseminating shared messages about good coffee.

5. The Chairperson made a presentation on Expo 2015 which would be held in Milan over a period of six months and would be the largest coffee event ever held. A copy of this presentation is available on the ICO website ([presentation Expo 2015](#)). The theme of Expo 2015 would be 'Feeding the planet, Energy for life', with the main exhibition developed in clusters dedicated to different products including coffee. Around 20 million visitors were expected to attend and over 140 countries would participate. The ICO was one of the partners for the Coffee Cluster and the event would be an important part of the Organization's strategy to promote coffee consumption.

6. The Executive Director reported that in August 2013, he had invited stakeholders to join the ICO Multi-Stakeholder Network which aimed to stimulate global coffee consumption by disseminating knowledge about the values and positive attributes of coffee. Volunteers from eight countries had agreed to participate. As there was limited funding, an online campaign would be conducted in parallel with the ICO's new communications strategy. The ICO would contact volunteer promotion agents for targeted promotional campaigns on topics of relevance to the coffee sector including climate change, market prices, quality, etc. The agents could be invited to write opinion pieces for the ICO blog, participate in interviews with coffee sector publications, and make presentations at ICO events in their countries. An update on progress would be given at the next meeting.

7. The Committee noted that the Private Sector Consultative Board (PSCB) had discussed coffee and health at its meeting on 5 March 2014. Consumer groups were concerned about the effects of caffeine, particularly in energy drinks, and the risks to individuals. The representative of the European Coffee Federation (ECF) had made a presentation on this topic, a copy of which was available on the ICO website ([presentation ECF](#)).

8. The Chairperson invited the Committee to consider the composition of a Steering Group on Promotion for 2013/14 and 2014/15. Four exporting Members and two importing Members would need to be appointed. The Committee noted that the private coffee sector association of Indonesia was interested in participating in the Group and further nominations could be made during the 112th Council Session.

Item 4: Communications

9. The Head of Operations reported on proposals for developing communication activities and resources, as provided for in the Programme of Activities for 2013/14

(document [ICC-111-30](#)). The ICO had recently engaged a communications expert, Mr Vicente Partida, to assist with this. In the short-term, the aim was to engage existing and new audiences on social media. The ICO would also develop its relationships with the media, both traditional and online, and work with members of the Multi-Stakeholder Network to assist with targeted ICO messaging. In the medium-term, a new Communications Strategy would be developed, and the ICO website would be completely redesigned and brought in-house with a view to reducing costs. The CoffeeClub would be merged with the ICO website in the Blog/News section, and a news section would feature core ICO activities such as projects and statistics as well as relevant information on quality, health and sustainability. Other medium-term objectives included moving to Google Apps to improve internal and external communications and upgrading internet infrastructure. In the long-term it was proposed to engage the key audiences of the ICO, journalists, and bloggers in ICO programmes and information to become the international research and extension hub of the coffee sector worldwide. The strategy would increase public understanding of issues affecting the coffee sector, enhance efficiency of collection and dissemination of statistical information, increase usability and visits to the ICO website and social media sites, encourage greater efficacy and organization in communications between staff and Members, and reduce IT and communications costs.

10. In discussions on this item, the point was made that the appointment of a Communications Officer would be positive for promotion and market development activities. In response to questions, the Head of Operations said the communications strategy was based on the ICO Action Plan and Development Strategy for Coffee, as well as the annual Programme of activities. The Committee took note of this information and further noted that the ICO was considering a proposal to assist it in undertaking a strategic review of the Organization with a view to developing a draft strategy for the next ten years which would be presented to Members in September 2014.

Item 5: Proposals for the Special Fund

11. The Committee noted that in September 2013, exporting Members had decided to establish an intersessional mechanism to develop proposals for the use of Special Fund resources. Representatives of three Members (Brazil, Côte d'Ivoire and Indonesia) had met intersessionally to develop ideas which had been discussed by exporting Members during the 112th Session of the Council. Exporting Members had agreed that there should be a fair and equitable division of resources between the three coffee producing regions (Africa, Asia and Latin America), and had decided to establish a Core Group which would be responsible for managing Special Fund resources. The Group would be composed of at least one representative from each producing region and would be open to all exporting countries, and each region would nominate one coordinator for the Group. The Funds

would be allocated after approval via this mechanism and by the coordinator of each region. As it would involve a decentralized mechanism for submission and approval of projects to be implemented by exporting countries with Special Fund resources, there would be no need for matching resources from consuming countries. Given the nature of the Special Fund, the projects would not need to be submitted to ICO committees. The Special Fund resources would be used in exporting countries in keeping with priorities to be decided on by each region. Projects might involve promotion of consumption in producing countries, but not necessarily, as it would be up to each region to determine their priorities. Finally, the Committee noted that this item could now be deleted from its agenda.

**Item 6: Implementation of the
Coffee Quality-Improvement Programme (CQP)**

12. The Head of Operations introduced document [PM-34/14](#) containing a report on the CQP for calendar years 2005 to 2013. Since Resolution 420 came into effect, 32 exporting countries had provided full or partial information on the quality of their coffee through Certificates of Origin. Under the current membership of the ICA 2007, 29 out of the 39 exporting Members had fully or partially implemented the Resolution in their countries and 25 out of 39 had generally provided information on quality regularly since June 2004. The volume of green coffee exported by the countries currently providing information on coffee amounted to 63.3 million bags in 2013 which represented 64.3% of the world exports of green coffee by exporting countries in the period. Members who were interested in finding out why individual countries had stopped providing data could contact the Head of Operations for more information. With respect to a suggestion by the PSCB that it might be necessary to look at the CQP and analyse why there had been no real improvement in quality, the ICO had consulted the Speciality Coffee Association of Europe (SCAE) about this. The SCAE would discuss with its members how the CQP could be more effectively implemented and report back to the ICO on the outcome of the discussions. The Head of Operations also introduced document [PM-33/14](#) containing a report on gradings for Arabica and Robusta coffees for calendar years 2005 to 2013. In this period a level of just over 81% pass on the original analysis was recorded by ICE gradings for Arabica coffee. On its analysis of cup, grade and colour the levels achieved were 90%, 78% and 94%, respectively.

13. The Head of Operations also reported that in September 2013, the Council had noted the need to research and establish standards for Natural Arabicas. The ICO had subsequently contacted the Coffee Quality Institute (CQI), which had confirmed that the standards for Q Arabica Naturals were still at the development stage. The CQI had sent the Organization information about Q Robusta Naturals, copies of which were available in the

ICO Library. Finally the Head of Operations reported that further to information on national quality standards received from Members which was circulated in September 2013 ([PM-29/13](#)), two more replies had been received (from the Czech Republic and Poland), and an updated report would be circulated at a future meeting.

Item 7: Other business

14. There was no other business to discuss.

Item 8: Date of next meeting

15. The Committee noted that the next meeting would take place in London, United Kingdom at the time of the 113th Council Session from 22 to 26 September 2014.