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Promotion and Market Development Committee 8th meeting 24 September 2014 London, United Kingdom

International Coffee Day

Proposal received from Oxfam

Background

Further to the meeting of the Promotion and Market Development Committee and the Private Sector Consultative Board on 24 September 2014, Oxfam has submitted the attached draft Agreement for the consideration of the Council.

ICO – OXFAM Agreement input

A caffè sospeso against poverty

NOTE

This information is input for ICO towards establishing an endorsement of ICO's board, on OXFAM as its official charity partner for the International Coffee Day Initiative.

This information has not yet been signed off by OXFAM.

INPUT AGREEMENT

Objective

The International Coffee Council in March 2014 agreed to hold an official ICD each year on 1 October. The 1st ICD will take place on 1 October 2015, at the time of the International Coffee Council Session and Global Coffee Forum which will take place in the context of EXPO 2015, in Milan. On that day, coffee will be promoted and valorised worldwide, taking into consideration a wide set of characteristics such as sustainability, health benefits, culture, etc. ICD will include a global fundraising initiative based on the concept of a 'caffè sospeso', in which Oxfam is the official charity partner.

The objective for the partnership is:

- Involvement of millions of people around the world buying an Oxfam caffè sospeso and touch the lives of others
- Enthusiasm and solidarity towards the initiative, resulting in sharing the action with others, virtually and in person;
 media engagement; involvement of other partners and celebrities besides Oxfam's and ICO's supporters and networks
- The donations allow Oxfam to positively impact the lives of thousands of people and the sospeso buyers enjoy
 the moment of connection that an act of kindness brings while engaging with ICD (ICO and Oxfam). Targets to
 follow.
- Public engagement initiatives are undertaken, providing positive impact towards ICO's Vision 2020 on creating a sustainable coffee sector. Initiatives to explored further with Oxfam and ICO.

Why Oxfam?

Oxfam is well known for its history of working with coffee companies and producers. Coffee provides an economic livelihood to 25m people and Oxfam has delivered real impact through the <u>fair trade</u> movement, the <u>Make Trade Fair</u> campaign and via projects affecting individual coffee producers like <u>Berhanu and Aster</u>.

Around the globe, Oxfam works to mobilize the power of people against poverty. Oxfam works to find practical innovative ways for women and men to lift themselves out of poverty and thrive. Oxfam save lives when crisis strikes. And Oxfam campaigns so that women and men in poverty can improve their own economic condition and exercise the rights that will allow them to shape their own future. The coffee sector is no exception and Oxfam has played a dynamic positive role in coffee-growing communities.

Oxfam can credibly make this concept work not just because of its work with coffee producers around the world but because Oxfam is the power of people against poverty actively working to improve the lives of millions.

From an organizational perspective:

Oxfam operates in over 90 countries and has 17 headquarters in many of the larger coffee consuming markets.

Concept

The concept is built on the 'caffè sospeso' – an Italian tradition of paying for a second cup of coffee to be given to a person in need. On International Coffee Day 2015 people around the world will be asked to buy a 'caffè sospeso against poverty' – either donating the cost of a second cup of coffee in a coffee shop, or by making a donation virtually. The money raised will help fund Oxfam's work around the world.

The 'sospeso' concept reinforces the idea of sharing a coffee as a gesture of solidarity, connection, anonymous giving, and humanity. It builds on the role of coffee in our lives, reminding us of the personal stories, the small and momentous moments, the new friends we have made — all over a cup of coffee.



How will 'a caffè sospeso against poverty' work?

We want our audience to buy an Oxfam caffè sospeso in the days leading up to, and on, International Coffee Day 2015.

The "caffè sospeso" is not simply an Italian tradition, but a philosophy of life: a supportive gesture of solidarity, a human approach, a vehicle to share happiness, the willingness of friends to offer coffee, and ultimately a simple way to share and connect with each other, even someone you do not know.

The mechanism is simple: A caffè sospeso is a cup of coffee paid for in advance as an anonymous act of charity. The tradition began in the cafes in Naples where someone would order a sospeso, paying the price for two coffees but receiving only one. A poor person asking for a sospeso would be served the free coffee, thanks to the anonymous coffee drinker who had left the 'sospeso' gift.

Through the week leading up to International Coffee Day 2015, people around the world will buy a sospeso coffee. The full value of the second coffee will be donated to Oxfam's life-changing work. Donations will take the form of the cost of an extra coffee in a coffee shop, a virtual coffee online, or as a top-up to the cost of packaged coffee bought at the checkout of a retail partner.

Who is the audience?

The target audience is the global coffee-drinking public which includes Oxfam's supporter base, customers of retail partners, ICO's audience and the 20m visitors to <u>EXPO 2015</u>.

It is a broad audience. Worldwide coffee-drinkers consume 500 billion cups of coffee a year. Half of adult Americans drink coffee daily. For millions it's a part of their culture and personal history and many have enjoyed a moment of connection over a cup of coffee with friends and family.

Transparency and Accountability

Funds raised will be allocated by Oxfam towards smallholder farmer's organizations (including coffee producers), with a specific focus on women. The main aspects of the projects will be on knowledge sharing and training (towards production, marketing, etc).

The detailed plan and design of the initiative will set out principles towards the allocation of funds, including set targets.

Oxfam will present two monitoring and evaluation reports including financial analysis to ICO marketing and promotion committee. The first one will be presented 6 months after the start of the project, followed by a second report after 12 months.

Co-marketing

The target audience is the global coffee-drinking public which includes Oxfam's supporter base, customers of retail partners, ICO's audience and the 20m visitors to EXPO 2015.

Promotion of the caffè sospeso against poverty will be done via Oxfam's supporters, ICO network (including different actors within the coffee supply chain), celebrities and other partners interested to join the initiative.

Oxfam will promote a multi-stakeholder approach specifically reaching out to stakeholders with a large network of (coffee drinking) end consumers. They will support the initiative by promoting the caffe suspess through their customers networks. Oxfam will develop a set of principles towards co-branding, for stakeholders who would require co-branding initiatives.