

Coffee development projects: Addressing new challenges



International Coffee Organization

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Introduction

- Heavy dependence
- Labour intensive crop
- Since early 1990s: Greater exposure to market forces with a serious deterioration in the living conditions



Funding coffee development projects

- ICO started working on projects in 1995
- CFC as primary financing facility
- Proposals → Virtual Screening Subcommittee → Projects Committee
- 38 projects – US\$104 million



Changing CFC Policy

- Originally purely grant-based development funding
- Last ICO project approved by CFC was in September 2011
- New CFC guidelines:
 - ❖ **Proposals from any institution: the ICO has lost the monopoly over the submission of coffee-related projects to the CFC**
 - ❖ End of CFC grants



Adapting to new challenges

- Paradigm shift in Projects
- Need to address the following issues:
 - ❖ Profitability: Projects should generate a financial return
 - ❖ Enhanced role of ICO in project design
 - ❖ Fund-raising activities: ICO will explore alternative sources of funding, e.g. 4th Consultative Forum
 - ❖ ICO should develop its role as Project Executing Agency



Next steps

- ICO to revise project submission and project assessment criteria [PJ-17/11, Rev. 4]
- Pipeline: Members need to consider the projects approved by the Council, but unlikely to secure funding. Establishment of a Task Force
- Revise Terms of Reference of Virtual Screening Subcommittee



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