



**INTERNATIONAL
COFFEE
ORGANIZATION**

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**Draft Memorandum of Understanding
between the International Coffee
Organization, the 4C Association and
IDH The Sustainable Trade Initiative**

Background

1. This document contains a copy of a draft Memorandum of Understanding (MOU) between the International Coffee Organization (ICO), the 4C Association and IDH The Sustainable Trade Initiative to establish a multilateral partnership for public-private collaboration in the coffee sector working towards a sustainable, thriving coffee community.
2. This draft Memorandum of Understanding has been developed in accordance with priority actions under the Action Plan for the International Coffee Organization (document [ICC-105-19 Rev. 3](#)) such as Action (4): To enhance cooperation and communication on coffee policies and actions with appropriate intergovernmental, international, regional and other organizations, as well as with the private sector and Action (21): 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.

Action

The Council is invited to consider this document at the current Council Session and if appropriate, to approve it at the next Session in March 2015.



**DRAFT MEMORANDUM OF UNDERSTANDING BETWEEN
THE INTERNATIONAL COFFEE ORGANIZATION,
THE 4C ASSOCIATION
AND IDH THE SUSTAINABLE TRADE INITIATIVE**

The International Coffee Organization,

The 4C Association,

and

IDH The Sustainable Trade Initiative

(hereinafter referred to as the 'Parties');

Recognizing the International Coffee Organization (ICO) as the main intergovernmental body responsible for addressing the challenges facing the world coffee sector through international cooperation;

Recognizing the role of the 4C Association (4CA) as multi-stakeholder membership platform uniting the coffee community and offering an entry level standard, promoting and collaborating with other sustainability standards and addressing systemic sustainability issues in a pre-competitive manner in order to improve the economic, social and environmental conditions of those who make their living from coffee;

Recognizing the role of IDH the Sustainable Trade Initiative (IDH) in coordinating and leveraging private sustainability investments with public development funds to accelerate and up-scale sustainable trade by building impact oriented coalitions of front running companies and other stakeholders that will deliver impact on poverty reduction, safeguarding the environment and fair & transparent trade;

Confirming the commitment of the three Parties to promote sustainable development as a means of achieving social and economic progress in coffee producing countries while protecting natural resources;

Recognizing that wide public-private cooperation has the greatest potential to promote economic growth, reduce inequalities and improve living standards in coffee producing countries;

Recalling the mandate of the ICO to alleviate poverty, promote rural development, encourage diversification, develop a sustainable coffee economy;

Acknowledging that systemic sustainability issues such as Climate Change, access to finance for producers, productivity amongst others require new forms of farmer centric public-private cooperation at pre-competitive level in coffee producing countries and globally to encourage a greater empowerment of the large number of men and women who work in the coffee sector and to provide more incentives to attract youth participation for the long-term sustainability of the world coffee market;

Continuing the active participation of the parties, that started with the Vision 2020 dialogues conceived by 4C Association, to develop a common understanding of and formalise a structure for collaboration towards a sustainable, thriving coffee community between themselves and with other precompetitive initiatives and key stakeholders with the aim of cost efficiently scaling existing initiatives and filling gaps towards collective impact in the coffee sector;

Appreciating the opportunity and significant role that the Parties can play in facilitating public-private collaboration, co-responsibility and active contributions to increase resilience in coffee producing countries and assure long-term viability of coffee as needed in the world market;

Taking into account the respective mandates, objectives and programmes of the ICO, the 4CA and IDH,

HEREBY agree:

ARTICLE 1

PURPOSE

To establish an alliance for public-private collaboration in the coffee sector working towards a sustainable, thriving coffee community.

ARTICLE 2 IMPLEMENTATION

1. The Parties shall – within the scope of their activities – continue their active participation in the multi stakeholder Vision 2020 dialogues as mentioned above, aiming to further shape and make use of this opportunity for collective impact in the coffee sector. In order to further elaborate and develop a strategic framework for collaboration and action, the Parties, in close cooperation with key stakeholders (in particular the other participants in the existing Vision 2020 Task Force), shall seek advice, input and commitment from key public and private coffee stakeholders on a national and international level.
2. In the context of this development, the Parties shall – within the scope of their activities and at their own discretion – continue to map out and share current activities in their respective fields of work, identify collaboration potential and gaps, and increase efficiencies of delivery through practical coordination.
3. Within the context of Vision 2020 dialogues, the Parties shall endeavour to offer effective facilitation of public-private dialogue by key coffee stakeholders in coffee producing countries, leading to the identification of priority needs of coffee farming communities and the development of public private strategies including funding sources and action plans, upon request of the interested country and/ or key coffee stakeholder groups in this country and in line with mobilized resources for this facilitation.
4. Within the context of Vision 2020 dialogues and based on identified priorities and strategies at national levels, and as deemed useful, the Parties shall within their scope of activities facilitate a dialogue between key public and private coffee stakeholders at global level and donor/funding agencies aiming at aligned understanding and financial support for the implementation of agreed priority agendas and strategies at national and local level.
5. The specific objectives, commitments and contributions in the framework of the collaboration under the aegis of this Memorandum of Understanding, including the monitoring and evaluation arrangements, shall be further elaborated and agreed upon between ICO, 4CA and IDH.
6. Within their capabilities and in accordance with their regulations, the Parties agree to evaluate possibilities to dedicate staff time (in-kind) and/or other resources such as meeting facilities for the Vision 2020 dialogues. Further details will be worked out and agreed between the Parties in writing.

7. Within their capabilities and in accordance with their regulations, the Parties shall endeavour to establish mechanisms to support coffee stakeholders with the mobilization of resources from public and private side to finance the locally agreed and prioritized activities to be carried out in coffee producing countries for the benefit of the coffee farming communities.

ARTICLE 3 COORDINATION

Continuing the active participation of the Parties in the ongoing Vision 2020 Task Force and beyond, the Parties or their respective representatives intend to meet at least six times a year in person or virtually, to discuss matters of mutual interest.

ARTICLE 4 FINAL CONSIDERATIONS

1. This Memorandum of Understanding does not imply any commitment to the transfer of financial resources between the Parties.

2. Intellectual property rights, in particular copyright, of material such as information, software and design, made available by ICO, 4CA and IDH to be used to carry out the activities under this Memorandum of Understanding shall remain with the Party it originated from.

3. This Memorandum of Understanding shall enter into force 26 September 2014 and shall remain in force for a period of three (3) years and may be renewed for equal periods of three (3) years upon written request of any of the Parties six (6) months before its expiration.

4. This Memorandum of Understanding may be terminated fully or in part by written notification from any of the Parties. Termination shall be effective ninety (90) days after the date of notification.

5. This Memorandum of Understanding may be modified by mutual consent agreed to in writing by duly authorized representatives of the Parties.

6. Any dispute regarding the interpretation or application of this Memorandum of Understanding shall be resolved exclusively through consultations and negotiations. In the event that a dispute cannot be solved amicably through consultations and negotiations, the Memorandum of Understanding shall terminate on a date agreed to between the Parties. The Parties hereby specifically agree not to engage in legal proceedings in court.

For the
International Coffee Organization

For the
4C Association

For the
IDH Sustainable Trade Initiative