



**INTERNATIONAL
COFFEE
ORGANIZATION**

ICC 114-11

20 April 2015
English only

E

**Memorandum of Understanding between the
ICO and Oxfam**

Background

This document contains the final version of the Memorandum of Understanding (MoU) for a global partnership between the International Coffee Organization and Oxfam for the first International Coffee Day to take place on 1 October 2015. The International Coffee Council gave the Working Group on International Coffee Day the authority to revise the original draft received from Oxfam and subsequently approve it.

The Working Group was composed of Bolivia, Brazil, India, Papua New Guinea and Uganda as exporting Members and Switzerland and the USA as importing Members.

MEMORANDUM OF UNDERSTANDING (MoU)

This Memorandum of Understanding (MoU) is between:

the International Coffee Organization (ICO) hereinafter referred to as 'ICO'

and

the Stichting Oxfam International, hereinafter referred to as 'Oxfam'

Background

ICO is the main intergovernmental organization for coffee, bringing together exporting and importing Governments to tackle the challenges facing the world coffee sector through international cooperation. Its Member Governments represent 94% of world coffee production and over 75% of world consumption. The ICO was set up in London in 1963 under the auspices of the United Nations because of the great economic importance of coffee. It administers the International Coffee Agreement (ICA), an important instrument for development cooperation.

The ICO's mission is to strengthen the global coffee sector and promote its sustainable expansion in a market-based environment for the betterment of all participants in the coffee sector by:

- Promoting international cooperation on coffee matters.
- Providing a forum for consultations on coffee matters among governments, and with the private sector.
- Encouraging Members to develop a sustainable coffee sector in economic, social and environmental terms.
- Providing a forum for consultations seeking understanding with regard to the structural conditions in international markets and long-term trends in production and consumption that balance supply and demand, and result in prices fair both to consumers and to producers.
- Facilitating the expansion and transparency of international trade in all types and forms of coffee, and promoting the elimination of trade barriers.
- Collecting, disseminating and publishing economic, technical and scientific information, statistics and studies, as well as the results of research and development in coffee matters.

- Promoting the development of consumption and markets for all types and forms of coffee, including in coffee producing countries.
- Developing, evaluating and seeking finance for projects that benefit Members and the world coffee economy.
- Promoting coffee quality with a view to enhancing consumer satisfaction and benefits to producers.
- Encouraging Members to develop appropriate food safety procedures in the coffee sector.
- Promoting training and information programmes designed to assist the transfer to Members of technology relevant to coffee.
- Encouraging Members to develop and implement strategies to enhance the capacity of local communities and small-scale farmers to benefit from coffee production, which can contribute to poverty alleviation.
- Facilitating the availability of information on financial tools and services that can assist coffee producers, including access to credit and approaches to managing risk.

Oxfam was formed in 1995 and is an International Confederation of 17 organizations and 2 observer members¹ networked together in more than 90 countries as part of a global movement for change, to build a future free from the injustice of poverty. Each organisation forming Oxfam is an Oxfam Affiliate, hereinafter referred to collectively as “Oxfam” and shares common principles and values of Oxfam. It also contributes to the definition and the implementation of the overall Oxfam strategy.

Oxfam works directly with communities and seeks to influence the powerful to ensure that poor people can improve their lives and livelihoods and have a say in decisions that affect them. Oxfam works with thousands of local partner organisations through programmes in the following areas: a) long term initiatives to eradicate poverty and combat injustice; b) immediate life-saving assistance to people affected by natural disasters or conflict, and help their resilience for future disasters; c) campaigning, raising public awareness of the causes of poverty and encouraging ordinary people to take action for a fairer world; d) advocacy, pressing decision-makers to change policies and practices that reinforce poverty and injustice; e) policy research, speaking with authority based on analysis of real experience of partners in developing countries.

¹ *Oxfam America, Oxfam Australia, Oxfam-in-Belgium, Oxfam Canada, Oxfam France, Oxfam Germany, Oxfam Great Britain, Oxfam Hong Kong, Oxfam Intermon (Spain), Oxfam India, Oxfam Ireland, Oxfam Italy, Oxfam Japan, Oxfam Mexico, Oxfam New Zealand, Oxfam Novib (Netherlands), Oxfam Québec. Oxfam South Africa and Ibis (Denmark) are observer organisations. A future new observer Oxfam Affiliate in the lifetime of this agreement might be Oxfam Brazil.*

Oxfam has great expertise in projects in rural areas and in particular in projects related to the production of commodities, including coffee. It is one of the leading civil society organizations that contributes to global agreements. Moreover, Oxfam has long experience in marketing coffee through its Fair Trade initiative.

Coffee is one of the world's most widely traded commodities, and it is produced in over 60 countries. It provides a livelihood for over 125 million people around the world and is particularly important for smallholder farmers who produce most of the world's coffee. Among consumers, coffee is a universally popular drink, with over 600 billion cups consumed each year.

Oxfam is known for its history of working with coffee companies and producers. Coffee provides an economic livelihood to 25 million farmers and Oxfam has delivered real impact through the Fair Trade movement and via projects affecting individual coffee producers like Berhanu and Aster.

The ICO's International Coffee Council agreed in March 2014 to hold an official International Coffee Day (ICD) each year on 1 October. The first ICD will take place on 1 October 2015, at the time of the International Coffee Council Session and of the Global Coffee Forum which will take place in the context of Expo 2015, in Milan. On that day, coffee will be promoted worldwide, taking into consideration a wide set of characteristics such as sustainability, health benefits and culture.

In addition to the ICO and Oxfam's international outlook, both organizations share the common goal of developing a sustainable coffee sector in economic, social and environmental terms. Oxfam and the ICO – through the initiative of the ICO's Promotion and Market Development Committee – have promoted this collaboration on the ICD, with Oxfam as an international charity partner of this event.

ARTICLE 1

Purpose

The objective of the partnership is to promote worldwide the first ICD, on 1 October 2015, to millions of people around the concept of coffee sustainability, benefitting smallholder coffee farmers and the environment.

To achieve this, Oxfam will promote in collaboration with the ICO a range of public engagement activities as per Article 2, which will in turn promote the role of coffee production and consumption in poverty reduction.

ARTICLE 2

Partnership Activities

The present MoU integrates several activities with the goal of building participation in the first ICD promoted by the ICO. These activities are grouped as follows:

- Activity A – International Public Engagement and Virtual Fundraising
- Activity B – Local Public Engagement and Fundraising
- Activity C – Expo 2015 Site Events

Coffee consumption will be promoted through an act of solidarity and the public message of the campaign will be fully aligned with the ICO's objective to promote economic, environmental and social sustainability, as well as poverty reduction for smallholder coffee farmers.

The activities will be focused around the concept of a '*Caffè sospeso against poverty*', an Italian tradition of paying for a second cup of coffee to be given to a person in need. Oxfam's fundraising proposition for the ICD is '*A Caffè Sospeso Against Poverty*' where on the ICD, people around the world will show solidarity with smallholder coffee farmers by donating the value of an additional cup of coffee to Oxfam's work with such farmers.

Promotion will take place on the run up to and including the date of 1 October 2015 for International Coffee Day.

For all 2015 ICD fundraising related activities both Oxfam and the ICO will have the right to approve or decline additional partnerships with parties other than the ICO and Oxfam.

The following are types of activities that Oxfam and the ICO will promote on the occasion of the ICD.

Activity A – International Public Engagement and Virtual Fundraising

Oxfam will promote the ICD through a specially adapted version of its Digital Win platform (<https://act.oxfam.org/international>) where supporters can undertake an activity or make a

donation online. This platform will be specially branded for the ICD initiative and feature compelling content.

Oxfam will promote this platform through different channels, including social media and other digital presences.

Promotion will be carried out by Oxfam and the ICO through the following channels:

- Oxfam promotion including communications to supporters and audiences and in the media
- The ICO promotion including communications to Members and other interested parties including the media
- Potential paid promotion by Oxfam in the run up to, and on, the ICD.

The Oxfam virtual platform will operate as an exclusive partnership between Oxfam and the ICO. The platform, but not the ICD, will be Oxfam branded in terms of visual identity. However, the ICO logo will always be included and other partners can participate as supporters of the campaign with their logo appropriately integrated.

The Oxfam virtual platform will be linked to internet and mobile payment systems that will enable donations.

The ICO will actively approach its network to support the fundraising activity.

Activity B – Local Public Engagement and Fundraising Activities

In addition to the virtual platform, Oxfam will promote national fundraising partnerships such as:

- In-store fundraising such as cash collection boxes and literature inside coffee outlets
- On pack promotion featuring the concept of *a caffè sospeso against poverty*
- Community fundraising events such as coffee mornings.

Promotion of the above initiatives will be carried out by Oxfam with the ICO's support where possible. Promotion might involve Oxfam's celebrity ambassadors where agreed.

Local activities will be governed by agreements between Oxfam and/or ICO Members and selected partners, using this MoU as a framework.

Activity C – Expo 2015 Site Events

In the Expo 2015 a series of activities will take place in close collaboration with the Coffee Cluster in the exhibition area:

- Promotion of the ICD and the *caffè sospeso* concept
- Events in the exhibition area, before and on 1 October 2015
- Participation of Oxfam in the Global Coffee Forum.

ARTICLE 3

Roles and Responsibilities of the Partners

Oxfam and the ICO will promote Article 2, Activities A and B.

Oxfam Italy, the Italian affiliate of Oxfam, is the lead agency within the Oxfam Confederation coordinating the relationship with Expo S.p.A. and events of Article 2 Activity C that will take place in the exhibition site, by virtue of the Participation Agreement signed with Expo S.p.A.

The ICO, in its role as promoter of the ICD, will enable all channels to promote and spread the event. It should also support Oxfam's international fundraising campaign and support all 2015 ICD related fundraising initiatives that Oxfam will implement.

ARTICLE 4

Responsibilities and Ways of Working

Oxfam will:

- Promote the ICD through its communication channels
- Take all necessary measures for the design, creation and implementation of the fundraising campaign in collaboration with the ICO
- Involve Oxfam Affiliates in the activities and events of the ICD and also in the ICO's communication activities
- Allocate the proceeds to its work supporting smallholders coffee farmers around the world and highlight examples of its work in coffee growing communities in *caffè sospeso* communications
- Produce quarterly reports showing how funds raised in the campaign have been allocated and spent, including geographical distribution and the amount spent on administration.

The ICO will:

- Collaborate with Oxfam in the design, creation and implementation of the campaign
- Promote the ICD at any relevant ICO events including the ICO/SCAE Coffee Education Events
- Promote the ICD on the ICO website, blog, social media and newsletter
- Contact coffee boards and national coffee associations of ICO Member countries and disseminate guidelines for marketing materials leading up to the ICD
- Organize interviews for radio, television, printed and online media to promote the ICD.

Oxfam and the ICO will identify a Project Leader in each organization for the implementation of the MoU.

Oxfam's Project Leader will prepare a detailed plan of action for the implementation of the partnership.

The Project Leaders of Oxfam and the ICO will form a working group, involving appropriate staff for the implementation of this partnership.

The plan of action will be shared with the ICO's Project Leader and with the working group.

Before being published, all 2015 ICD related fundraising campaign material will require sign off by the Project Leaders within Oxfam and the ICO.

ARTICLE 5

Ownership of the Fundraising Activities

Funds raised through the activities of Article 2 will be collected and allocated by Oxfam to strengthen smallholder coffee farmer programmes. The main aspects of the projects will be knowledge sharing, training (towards production, marketing, etc.), strengthening networking and advocacy capacities.

Oxfam's Project Leader will present a detailed plan of the allocation of the funds including targets and costs. This plan should be preliminarily signed off by the ICO Project Leader of this partnership.

Oxfam's administration costs for running the campaign and for managing the programme are conditional upon the funds that the ICO and Oxfam are able to generate in this joint campaign. However, Oxfam's administration costs will not exceed 25% of the net funds raised.

Oxfam will present monitoring and evaluation reports including financial analysis to the ICO's Promotion and Market Development Committee and Finance and Administration Committee. The first report will be presented 3 months after the start of the project (once fundraising activities begin), followed by quarterly reports until the funds are exhausted. This requirement will survive the duration of this MoU.

ARTICLE 6

Duration

This MoU covers activities related to the ICD 2015 and as such will last from the date of its signature to 31 December 2015.

ARTICLE 7

Termination

If either of the Parties ceases to carry on business or is unable to pay its debts as they fall due for payment or has a liquidator, receiver, administrator, trustee or similar officer appointed over all or any of its assets or undertaking (or equivalent in any jurisdiction), the other Party may serve notice to terminate this MoU with immediate effect.

If either Party commits any act which gives reasonable cause to the other Party to believe that continuing this MoU has adversely affected, will or may adversely affect its reputation, or that of any company, organization or government associated with it, the other Party will have the right to terminate this MoU immediately upon written notice.

If this MoU terminates, neither Oxfam nor ICO will be authorized to use each other's respective name and logo and will cease the use and distribution of all existing items bearing each other's respective names and/or logo immediately.

ARTICLE 8
Confidentiality and Data Protection

No Party will disclose to any third party any information which might reasonably be considered to be confidential information which it receives from the other Party. This includes the terms of this MoU. Where any confidential information is imparted to or comes to the knowledge of either Party, such information shall not be used by that Party for any reason other than the purposes of this MoU.

The obligations set out in the above paragraph shall not apply to information which is in the public domain or to information which either Party is required to disclose by court order, governmental agency or by the rules of any recognized stock exchange.

If either Party receives data relating to the other Party, such data shall at all times remain the property of the disclosing Party. The receiving Party will:

- a) Process such data only in accordance with the instructions of the disclosing Party and to the extent reasonably necessary for the performance of its obligations
- b) Not disclose personal or confidential data to any person except with the written consent of the disclosing Party
- c) Implement and maintain appropriate technical and organizational measures to protect those personal data against unauthorized or unlawful processing of personal data and against loss or destruction of, or damage to, personal data
- d) Take reasonable steps to ensure that any employee who has access to confidential data complies with this Article.

ARTICLE 9
Applicable Law and Jurisdiction and Dispute Resolution

This MoU is governed by English law and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the Courts of England and Wales for all purposes or any matter in connection therewith howsoever arising.

Any disputes arising from this MoU shall be resolved in the first instance in good faith by way of discussions between the Parties. If a resolution cannot be achieved within thirty (30)

days or such other period as agreed between the Parties, either Party can terminate the MoU immediately on submission of written notice to the other Party.

All disputes arising out of or in connection with the present MOU shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be the United Kingdom and the language shall be English.

For International Coffee Organization

Place and date: London, 13 April 2015



Signature: Robério Oliveira Silvia – Executive Director – International Coffee Organization

For Oxfam International

Place and date:



Signature: Winnie Byanyima – Executive Director – Oxfam International
