



**Decisions and Resolutions adopted
at the 115th Session of the
International Coffee Council**

28 September – 2 October 2015

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1. The International Coffee Council, chaired by Mr Conradin Rasi of Switzerland, met in Milan, Italy, from 28 September to 2 October 2015. The Chairman thanked the Italian Government for hosting the Organization, and he welcomed the Organization's newest Members: the Russian Federation and Japan represented by H.E. Ambassador Mr Alexander Yakovenko and Mr Kennichiro Matsubayashi, respectively. He also welcomed the Vice-Minister of Agriculture of Costa Rica, the Deputy Minister of Agriculture and Irrigation of Yemen and the State Minister for Trade of Ethiopia together with the Ambassadors of Angola, Brazil, Cameroon, Colombia, El Salvador, Honduras and the High Commissioner of Papua New Guinea.

2. Finally, the Chairman gave a special mention to delegates attending the meetings for the first time and representatives of non-member, or former member countries, namely the Democratic Republic of Congo, Nigeria and the Republic of Korea.

Item 1: Adoption of the Agenda and schedule of meetings

3. The Council adopted the draft Agenda contained in document [ICC-115-0 Rev. 3](#) and took note of the schedule of meetings.

Item 2: Admission of observers

4. The Secretary introduced document [ICC-115-3](#) containing details of the observers approved by the Council in September 2014 for admission to Sessions in 2014/15 who advised that they wished to attend the 115th Session of the Council. There were no new requests for observer status for this Session. The Council decided that, per normal practice, items on finance would not be open to observers.

5. Document [ICC-115-3](#) also contains a list of observers who have been admitted to previous Sessions. It was suggested that these observers be admitted to sessions in 2015/16. The Council approved the document.

Item 3: Votes and Credentials

Item 3.1: Votes for coffee year 2014/15

6. The Council took note of the situation of outstanding payments affecting voting rights as at 25 and 30 September 2015 respectively contained in documents [ICC-115-1](#) and [ICC-115-1 Rev. 1](#).

Item 3.2: Initial distribution of votes for coffee year 2015/16

7. Paragraph (6) of Article 12 of the ICA 2007 provides that the distribution of votes shall be determined by the Council at the beginning of each coffee year. Under the provisions of Articles 12, the votes of exporting Members and of importing Members are based on their

exports and imports respectively in the preceding four calendar years. Document [ED-2202/15 Rev. 1](#) contains the statistical basis for the proposed distribution of votes for exporting and importing Members. The Council took note of this information and approved the initial distribution of votes for 2015/16 contained in document [ICC-115-2](#).

Item 3.3: Credentials

8. The Secretary informed the Council that the credentials received from Members had been examined and generally found to be in good and due form. However, the Secretary noted that Zimbabwe had not submitted its credentials for the Session and requested that it did so at its earliest convenience. The Council approved the verbal report on credentials.¹

Item 4: International Coffee Agreement (ICA) 2007

Item 4.1: Membership of the ICA 2007

9. The Executive Director reported that significant progress had been made since the March Council Session in terms of membership of the ICA 2007 which now totals 48 Members. On 24 April, the Russian Federation became the 7th importing Member of the ICO. The Council took note of a statement on this matter given by H.E. Mr Alexander Yakovenko.²

10. On 22 July, Colombia completed membership procedures of the ICO, having been applying the Agreement provisionally up until that point.

11. On 23 July, Japan re-joined the Organization after a six-year break and became the 8th importing Member. The Council took note of a statement on this matter given by Mr Kenichiro Matsubayashi, Director of the Economic Security Division within the Ministry of Foreign Affairs for Japan.³ Members welcomed the new Members to the Organization and thanked the Executive Director for all his efforts in this respect.

12. With regards to non-members, the Executive Director reported that, in a letter dated 17 September which he had received from H.E. Mr Julio Muñoz-Deacon of Peru, he had been informed that the plenary session of the Peruvian Congress had approved membership of the ICA 2007. With this step, Peru needed only to have the Agreement signed by the President. The Executive Director expressed his hope that this would happen at an early stage so that Peru could be counted amongst the Members of the Organization. The Secretariat had also replied to queries regarding membership from Nepal, Montenegro and the Republic of Korea, the latter of which the Executive Director would be visiting in November 2015.

¹ The report was subsequently circulated, together with the List of Delegations, as document [ICC-115-14](#).

² This statement was subsequently circulated as document [ICC-115-9](#).

³ This statement was subsequently circulated as document [ICC-115-10](#).

13. The Executive Director said that the deadline for the deposit of instruments of ratification, acceptance, approval or accession would expire on 30 September 2015. He introduced document [WP-Council 255/15](#) containing a draft Resolution proposing establishing 30 September 2016 as the new deadline for the deposit of instruments.

14. The Council took note of this information and approved the report on membership contained in document [ICC-115-4](#) as well as the draft Resolution which became [Resolution 456](#), a copy of which is attached to these Decisions.

Item 4.2: Article 48 of the ICA 2007

15. The Secretary reminded Members that paragraph 2 of Article 48 of the Agreement provides for the possibility of the International Coffee Agreement 2007 to be reviewed after five years. As the ICA 2007 entered into force on 2 February 2011, the 5th anniversary would fall on 2 February 2016. As there were no comments from the floor on this matter, the Council decided that the Secretariat should circulate a request to Members to submit any comments they may have by February 2016. This would allow the Secretariat enough time to collate such comments and, if appropriate, report to the Council at the next Session.

Item 5: Coffee market situation

16. The Executive Director gave an update on the world coffee market. In terms of coffee production, the world total was estimated at 141.7 million bags, 3.5% less than the previous year. Production of both Arabicas and Robustas had fallen by 3.3% and 3.7% respectively. Despite the drop in production, total exports had remained relatively steady, though not quite up to their record levels of the two previous years, and this had contributed to a build-up of stocks in importing countries. World consumption was also increasing, up to 149.2 million bags in calendar year 2014, which suggested a clear deficit between production and consumption. Regarding Brazil, the second estimate of production in the 2015/16 crop year by Conab was 44.3 million bags, 2.4% less than the previous year and the lowest production figure in four years. This was due to the ongoing effect of the drought in early 2014, which was having a prolonged effect on production. Nevertheless, Brazil had managed to export a record volume of 36.9 million bags in crop year 2014/15, and record domestic consumption of 20.3 million bags.

17. The Executive Director also reported that coffee prices had been falling consistently over the last year, which was a very concerning trend, and that price volatility had also been high. Furthermore, the exchange rate of the US dollar against the currencies of several major exporting countries had appreciated significantly, particularly against the Brazilian real and Colombian peso. This had created an incentive for exporters to release coffee to the international market, as coffee sold in US dollars provided a greater return when converted

into local currency. This had mitigated the effect of the decreasing price in local currency to some extent. To conclude, 2014/15 would be a deficit year in the coffee market, with production expected to be tight in 2015/16. However, the stocks accumulated over the two previous seasons would help supply the market. Looking ahead, uncertainty over climatic events could result in higher market volatility and increased speculation in the coffee market.

18. The Council took note of this report.

Item 6: Studies and reports

19. Since the Council Session in March 2015, the Secretariat had produced three new studies:

- The impact of the price of oil and the US dollar exchange rate on coffee prices ([ICC-115-6](#))
- Coffee in China ([ICC-115-7](#))
- Coffee in the Russian Federation ([ICC-115-8](#))

20. It had also revised and updated the following report:

- Sustainability of the Coffee Sector in Africa ([ICC-114-5 Rev.1](#))

21. The Chief Economist presented [ICC-115-6](#), a comparative analysis between the price of coffee and the price of oil products on the one hand, and the relationship between coffee prices and the US dollar exchange rate in relation to the national currencies of selected coffee exporting countries, on the other. Oil plays an important role in agriculture as it provides fuel for transport and agricultural machinery, plastic materials, nitrogen fertilisers and pesticides.

22. The study indicates a strong positive correlation between the price index of oil and the price of coffee over the period from January 2002 to December 2014. The exchange rates of certain currencies of exporting countries, in particular the Brazilian real, have become good indicators of the price of coffee. Moreover, a fall in the value of the dollar against the euro results in an increase in the price of coffee and vice-versa.

23. The Chief Economist also presented the revised version of document ICC-114-5 which analyses the dynamics of the coffee sector in Africa and the huge challenges to its sustainability.

24. The Economist reported on the two studies looking at the coffee sector in specific countries. The coffee sector in China is a particularly interesting example, as China both consumes and produces coffee. Consumption in China had increased from 200,000 bags in the 1990s to an estimated 1.9 million bags currently. In terms of per capita consumption, however, this was just 83 grams per person. The market was composed mostly of Robusta, imported from countries such as Vietnam and Indonesia, and used for instant coffee and

ready-to-drink coffee beverages. Coffee production had also been increasing over the last 20 years, to just under 2 million bags. Production was almost entirely Arabica, and was mostly exported to countries like Germany where it is processed, blended and re-exported. Much of this recent growth could be attributed to investment from the private sector. In terms of the global coffee economy, China was still a relatively minor participant, but was growing rapidly and could soon become very influential.

25. Turning to the study on Coffee in the Russian Federation, it was noted that Russia was a relatively established coffee market, consuming 4.1 million bags per year. This made it the 8th largest coffee consumer worldwide, although its per capita level of 1.7kg was relatively low. Russia was traditionally a tea-drinking country, and like many tea-drinking markets, it showed a preference for instant coffee. However, the specialty and out-of-home markets were driving growth in Arabica consumption. While the Russian market had more than doubled since 2000, growth had since slowed to around 2 to 2.5% per year, and future growth would be somewhat dependent on economic growth, with the greatest opportunities in niche markets like specialty coffee and single-serve pods.

26. The Council took note of these studies.

Item 7: Global Coffee Forum / International Coffee Day

27. The Executive Director reported to the Council on the activities of the first Global Coffee Forum which took place on 30 September and 1 October. The Forum offered an interesting and distinguished array of speakers from various disciplines across both the public and private sectors. The programme was split into sessions on the market, pleasure, health and sustainability. The Forum culminated with the official launch of International Coffee Day at Expo Milan 2015.

28. There was a general consensus amongst the Global Coffee Forum speakers that the coffee sector would continue to grow, due in part to increased demand in emerging markets and the allaying of health concerns. Nevertheless, there are many very real challenges facing the coffee industry, not least the significant threat of climate change. The ICO is looking forward to participating in the 21st Session Conference of the Parties in Paris as an observer in December 2015 and by March 2016 it is hoped that the ICO's position on climate change will have been defined.

29. A further common view that emerged was that the coffee sector needs sustainability not just in environmental and social terms, but also in economic terms in order to ensure coffee farmers are fairly compensated and can look forward to an economically viable future. Lessons learnt from the Global Coffee Forum included the importance of women and young people in the coffee sector.

30. The Executive Director expressed his gratitude to the organisers of this event and most especially to *Il Comitato Italiano del Caffè*, Mr Mario Cerutti and Mr Andrea Illy.

31. The 1st of October saw the official launch of the first International Coffee Day (ICD) which should be viewed as a great success. Twenty-eight associations from across the world had worked with the ICO, including several with whom the ICO had not previously had a formal relationship. The Executive Director noted that the Secretariat was pleased with the reach and prominence that ICD had achieved in its inaugural year, and that the plan was to expand the initiative yet further next year. In order to achieve this, the Executive Director said that the Secretariat would look to the continued support of the Members and the coffee associations.

32. The Council took note of this report.

Item 8: World Coffee Conference

33. H.E. Yakob Yala, State Minister of Trade for Ethiopia, addressed the Council to express his congratulations to the Italian Government and his pleasure at the ICO going to Addis Ababa in March 2016 for the 4th World Coffee Conference and the ICO meetings. Mr Hussein Agraw of the Ethiopian Coffee Exporters' Association then made a presentation on the arrangements to date. The 4th World Coffee Conference will begin on the evening of Sunday 6 March 2016 and continue until Tuesday 8 March. Mr Agraw's presentation included details on the theme, schedule, venue, registration, sponsorship, website, accommodation, field visits and the next steps, all of which can be found in document [WP-Council 258/15](#). The Council noted the details contained therein.

Item 9: Programme of Activities

34. The interim Head of Operations introduced document [ICC-115-5](#), the interim report on the Programme of Activities for coffee year 2014/15. The document reports on the Organization's activities from the beginning of the coffee year up until 1 June 2015. It provides an internal assessment on the progress made with implementing each activity.

35. He highlighted the work of the three interns that the Secretariat was pleased to have worked with: Kyle Gooch (for six months), Farida Nurbhai and Jacqueline Rasch (for six weeks).

36. He confirmed that a full report covering the entire coffee year would be circulated prior to the next Council Session in March together with the Annual Review.

37. The interim Head of Operations suggested that a fundamental review be carried out of the interim report and the final report in terms of both content and structure. This review

could be undertaken by the new Head of Operations when he or she is appointed so that ideas on possible reforms could be presented in 2015/16 and the suggestions could be implemented for the interim report on coffee year 2015/16. Members took note of this suggestion and agreed.

38. Following the suggestion of one Member to revive the country profiles that were produced in the 1990s, the Executive Director agreed to undertake further work on this matter.

Item 10: Strategic review of the ICO

39. The Executive Director reported that since the last meeting he had had the opportunity to discuss the issue of the Strategic Review with both representatives of producing and consuming countries. A Resolution, which can be found in document [WP-Council 257/15](#), had been drafted proposing the constitution of a Working Group, open to all Members. The Working Group would hold its first meeting in October and in this meeting the Chairman and Vice-Chairman would be nominated. It would then be decided if an independent consultant should be hired. If so, the maximum budget would be \$25,000 which would come from the ICO's regular budget. However, one Member commented that it may not be necessary to hire an external consultant. The Executive Director was asked to review the use of consultants in the past. The results of the review could be presented in the March 2016 Council Session. The Executive Director was requested to ensure that all regions were fairly represented in the Working Group. Members approved the Resolution contained in document [WP-Council 257/15](#), which became [Resolution 457](#), a copy of which is attached to these Decisions.

Item 11: Report by the Chairmen of the ICO bodies

Item 11.1: Private Sector Consultative Board

40. The PSCB met for its 41st meeting on Friday 2 October 2015 chaired by the Executive Director, in the absence of the Chairman of the Board due to illness.⁴

41. The Board had heard a presentation from Ms Kimberley Easson, who had given an update on the Coffee Quality Institute (CQI) Partnership for Gender Equity, which was moving into its second stage following the successful completion of Stage 1. The Executive Director urged Members to read the Executive Summary of the first stage which was available on the CQI website.

42. An update was also received from Mr Vítor Várzea on the work of the Coffee Rust Research Centre (CIFC), based in Portugal. This centre contains a unique collection of coffee germplasm in the world, and is an essential institution contributing to the development of

⁴ The report of this meeting was subsequently circulated as [PSCB-146/15](#).

rust-resistant varieties. The funding from the Portuguese Government, which used to finance the Centre had ended, with the result that alternative sources of finance for its work would have to be found. The Executive Director agreed to provide contacts for the CIFC and help the Centre with its search for finance.

43. The European Coffee Federation updated the Board on food safety aspects, including the European Food Safety Authority (EFSA) Opinion on Caffeine, the EFSA Opinion on Acrylamide, and the need to continue to make information available on previous work, specifically on Ochratoxin A. The Secretariat committed to keeping this information available.

44. Finally, the Board offered its thanks to Mr Holger Preibisch of the German Coffee Association for proposing the idea of an International Coffee Day, which had been successfully celebrated the day before. The Board also thanked the Speciality Coffee Association of Europe for its active promotion of the day and the many associations around the world who were involved in the initiative.

45. The Council took note of this report.

Item 11.2: Promotion and Market Development Committee

46. The Promotion and Market Development Committee met for its 10th meeting on Friday 2 October 2015, chaired by Mr Andrea Illy of EU-Italy.⁵ In the absence of the Chairman, the interim Head of Operations gave a report to the Council. He reported that the Committee had heard about two interesting initiatives from Mexico and Kenya. The Mexican delegate presented a book entitled 'The coffee book: origin and destination' with the aim of promoting Mexican coffee culture. A brief video on coffee in Mexico was also screened. A number of copies of the book were made available to Members.

47. The Kenyan delegate gave a presentation on the Mark of Origin which has been developed as an indicator of quality Kenyan coffee. It will also serve as a Geographical Indicator (GI) for use by the industry both in Kenya and internationally. The Kenyan delegation presented the Executive Director and the Chairman with coffee from two companies which are already using the Mark of Origin on their packaging.

48. The Chairman had given a presentation on the initiatives and results of recent activities including participation in Expo 2015, the organisation of the first Global Coffee Forum and the launch of the 1st International Coffee Day. He made three recommendations regarding future initiatives:

⁵ *The report of this meeting was subsequently circulated as [PM-46/15](#).*

- (a) That the ICO should continue the efforts of the Promotion and Market Development Committee with renewed objectives, capitalising on the positive impact obtained through the Coffee Cluster at Expo, the Global Coffee Forum and the 1st International Coffee Day campaign.
- (b) That it is important to concentrate the promotion and communication efforts on a few initiatives which should be as inclusive as possible in order not to disperse energies and funds, and to enhance the single, powerful message of the virtuous circle.
- (c) That the ICO should continue to promote differentiation and foster ‘a second revolution of coffee’: the first one brought coffee from commodity to speciality, the second will help it develop from speciality to excellence.⁶

49. The Council took note of this information.

50. It was noted that the ICO meetings are scheduled to take place in London at the end of September 2016 and that consequently this would provide the focus of the ICO’s activities for ICD.

51. With regard to the Coffee Legacy (distributed as document [WP-Council 263/15](#)), the Committee recommended that the Council approve this document. The Council took note.

Item 11.3: Statistics Committee

52. The Statistics Committee met for its ninth meeting on Tuesday 29 September, chaired by Ms Marcela Urueña of Colombia.⁷ The Chairperson reported that the Committee had had a wide-ranging discussion on coffee statistics, with a particular focus on compliance. The Secretariat had introduced an updated compliance report, which showed that out of 40 exporting Members in the current Membership of the ICO, 10 (representing 50.5% of total exports) generally complied fully with the requirements; another 10 exporting Members had good compliance; and a further 3 countries had partial compliance. However, 13 exporting Members failed entirely to comply with their statistical obligations.

53. Since the last Statistics Committee the Secretariat had written to those exporting Members who were either non-compliant or had poor compliance. As a result, statistical data has been received from Cameroon, Central African Republic, Côte d’Ivoire, Gabon, Ghana, Indonesia and Paraguay. The delegate from Indonesia commented that they had been working hard to improve their compliance, and that this effort would continue in a commitment to improve their statistical systems.

⁶ These recommendations are available at the [ICO Website](#).

⁷ The report of this meeting was subsequently circulated as [SC-60/15](#).

54. Finally, the ICO Statistics Roundtable was discussed. No further meeting had been held but it was noted that this should be pursued further following the appointment of the new Head of Operations. Several Members commented on the accuracy of ICO statistics, particularly production numbers. It was noted that this was an important issue.

Item 11.4: Projects Committee

55. The Projects Committee met for its 10th meeting on Monday 28 September 2015, chaired by Ms Amy Diggs of the USA.⁸

56. The Chairperson reported that the Chief Economist had made a presentation on the challenges for ICO projects and outlined the role of the Secretariat in response to changes in the Common Fund for Commodities' (CFC) funding. One of the main changes, outlined by both the Chief Economist and the Managing Director of the CFC, was that projects could be submitted to the CFC without going through an International Commodity Body such as the ICO. Project submission is organized through a Call for Proposals issued by the CFC twice a year. Its 7th Open Call for Proposals, issued in August 2015, and circulated to Members as document [ED-2205/15](#), will close on 19 October 2015.

57. The ICO remains the focal point of expertise for coffee related projects as well as an ideal forum for forging public/private partnerships. To address the new challenges the Chief Economist outlined several strategies for the ICO to consider, including continuing to provide technical assistance in the preparation of project proposals; seeking alternative sources of funding for projects and strengthening the relationship with the CFC as the main funding agency for commodities. He also said that the ICO would play a leading role in designing project proposals on important topics (climate change, carbon sequestration, poverty reduction); would aim to strengthen its fundraising activities; and strengthen its role in disseminating project outcomes, notably through seminars in recipient countries and publications on project results.

58. The Chief Economist had reported that no new project proposals had been received from Members. The Committee was informed that the CFC had withdrawn its committed funds to the project entitled 'Revitalisation of the Coffee Industry in Yemen' due to unsuccessful consultations between the Ministry of Agriculture of Yemen and USAID regarding co-financing. The Committee was also informed that the sources of funding for seven projects in the pipeline had not yet been secured. The Executive Director had approached a number of potential donors but their reactions were still awaited.

⁸ *The report of this meeting was subsequently circulated as [PJ-93/15](#).*

59. Finally, the Chief Economist had reported on the initiative with the African Development Bank Group to support the African coffee sector. This included the setting up of an African Coffee Facility and the preparation of a study on economic empowerment of African women through equitable participation in agricultural value chains. The Secretary General of IACO informed the Committee that an African sustainable partnership workshop would take place in Angola in November 2015 with the participation of the African Development Bank Group.

60. The Council took note of this report.

Item 11.5: Core Group

61. The Core Group met for its 8th meeting on Tuesday 29 September, chaired by Mr Juan Esteban Orduz of Colombia.⁹ The main topic of discussion was the 6th Consultative Forum on Coffee Sector Finance. The Group decided that it would be held during the 117th Council Session in September 2016. The Chairman invited Members to send any ideas for the Forum to the Secretariat in order to facilitate the Forum's organisation and enable a full discussion to take place in March 2016. The Secretariat agreed to circulate any themes that are received to all Members of the Group. The Group also discussed the election of the Chairman and Vice-Chairman of the Group. Members congratulated Mr Orduz on all that he had achieved as Chairman of the Group and requested that he continue in the position. The Council agreed with this proposal.

Item 12: Food Safety

62. Members did not have any comments on this item.

Item 13: Coffee research

63. Ms Kimberly Easson of the CQI gave a verbal update on the CQI's Partnership for Gender Equity. She introduced the Executive Summary of Stage 1: the research findings and recommendations for action. The full report would be available on the CQI's website shortly.

64. At the Council Session in March 2015, the ICO circulated document [WP-Council 249/14 Rev. 1](#) on the impact of climate change on the coffee sector. Following the Executive Director's request at the last Session to receive any further comments from Members by 31 July 2015, comments were received from Brazil, Ghana and Indonesia. In September 2015, the Secretariat received an informal reply from the producers' group expressing the view that the ICO should wait for the outcome of the UNFCCC's Conference of the Parties to be held in Paris at the beginning of December 2015. The producers felt that the individual countries

⁹ The report of this meeting was subsequently circulated as [CG-26/15](#).

should decide on their targets and strategies for tackling climate change before the ICO, as an intergovernmental organisation, took a stance. A preliminary position would therefore be determined following the meetings in Paris. The Executive Director had also informally consulted the consumers who generally concurred with the producers' views. The Executive Director reported that the issue would be revisited at the next Council Session in March 2016 in Ethiopia. Members took note of this information.

Item 14: Cooperation with other agencies

65. The Executive Director reported that in May 2015 the ICO, in collaboration with the 4C Association and The Sustainable Trade Initiative (IDH), hosted two interactive webinars for update and input on 'Vision 2020 for a Sustainable Coffee Sector'. The two separate webinars received over 100 registrations from a diverse spectrum of coffee stakeholders. Following feedback received during these webinars, the ICO, 4C and IDH are now looking into the possibility of pilot projects in producing countries. The Executive Director invited any Member interested in conducting such a pilot project to inform the Secretariat.

66. As the day prior to the Executive Director's report on this item had been International Coffee Day and the official launch of the Oxfam campaign, Coffee4Change, he hoped that Members would already have seen some of the campaign publicity.

67. The final point under this item was that two coffee education events had taken place at the ICO's headquarters in collaboration with the Speciality Coffee Association of Europe (SCAE). The first was on the importance of water chemistry and filtration in coffee brewing. The second was on 'The business case for sustainability initiatives and vertical integration in green coffee supply chains'. Both sessions were open to members of the public and were well attended.

Item 15: Financial and administrative matters

Item 15.1: Finance and Administration Committee

68. The Vice-Chairperson of the Finance and Administration Committee, Ms Amy Diggs of the USA, gave a report to the Council on the 18th meeting of the Finance and Administration Committee held on 28 September.¹⁰ The Committee noted that revenue received from contributions was above what had been budgeted by £54,000, due to Japan, Madagascar and the Russian Federation joining the Organization. Substantial savings had been made in the areas of Personnel, Language services and Special contracts amounting to a total of £225,400. These factors resulted in an overall surplus of £259,000 above the expected Budget, which would help to build up the Reserve Fund to its level prior to the refurbishment of the premises.

¹⁰ The report of this meeting was subsequently circulated as [FA-113/15](#).

69. The Committee had heard about the Landlord's probable intention to redevelop 22 Berners Street in April 2017. In exchange for the ICO undertaking to vacate the premises, he had agreed to forego his right to dilapidations and had offered the Organization the possibility of continuing the lease on a very short-term basis. The property consultant engaged by the Executive Director to review the current commercial property market, had advised that a definitive search for new premises should be concluded by September 2016 for occupancy in March 2017.

70. The search for suitable premises had been broadened due to rental prices in the commercial property market in London continuing to rise, with limited availability in central London. The Executive Director had agreed at the Committee meeting to investigate with the International Cocoa Organization (ICCO) the possibility of acquiring its lease when the ICCO vacates its current premises in April 2017. The Secretariat will report on developments on this matter in March 2016.

71. The Committee recommended that the Draft Administrative Budget (document [FA-96/15 Rev. 1](#)) be approved by the Council following a revision to the original draft Budget with a 0% increase in contributions.

72. The Vice-Chairperson reported that the Secretariat had undertaken further research into the collection of contributions. It was noted that the late payment of contributions would cause serious liquidity implications for the Organization if the situation carried on. One proposal was to provide financial incentives or discounts for early payment of contributions but this would have a material negative impact on the Organization's Budget. The Executive Director repeated the suggestion made at the March 2015 Council Session that the spring session of the Council be moved from March to April, which might provide a substantial incentive for prompt payment of contributions. After considerable deliberation the Council agreed to review this matter further at its next Session.

73. The Committee requested that the Secretariat should invite competitive bids for the appointment of auditors and to present the results at its next meeting. This would relate to the audit for the year 2015/16.

74. A preliminary report by the consultant employed by the European Union on the ICO's Staff Regulations and Staff Rules was presented to Members. The current timetable for completion of the report was 31 December 2015, when funding would cease. It was agreed that the Executive Director would present a further report to the Committee in March 2016 by which time both he and the Secretariat staff would have had a chance to give their views. It was also likely that the consultant's preliminary report would need to be revised in the light of the recommendations made in the International Civil Service Commission's report on the

UN Staff Rules and Regulations, which had not yet been finalised. The European Union also agreed to ascertain whether any further funding might be available to finalise the report after the deadline of 31 December 2015.

75. Finally, the Vice-Chairperson reported that the Executive Director had received more than 80 applications for the post of Head of Operations, which he was reviewing. He intended to conduct interviews in October with a view to making an appointment by the end of the year. He hoped that the successful candidate would be able to join the Organization by March 2016.

Item 15.2: Draft Administrative Budget for the Financial Year 2015/16

76. The Council approved the Draft Administrative Budget for the financial year 2015/16 contained in document [FA-96/15 Rev. 1](#).¹¹

Item 15.3: Premises

77. The Council took note of the information provided by the Vice-Chairperson of the Finance and Administration Committee on this matter.

Item 15.4: Review of Staff Rules and Staff Regulations

78. The interim Head of Operations confirmed that the Secretariat would report to the Finance and Administration Committee in March 2016, once the Executive Director and the Secretariat staff had had a chance to comment on the report.

Item 16: Special Fund

79. The spokesperson for the producers reported that the group had made progress on this complicated issue but that it needed more time before it could make a decision. The matter was therefore deferred until the next Council Session in March 2016.

Item 17: Office holders and committees

Item 17.1: Chairperson and Vice-Chairperson of the Council

80. In accordance with the procedures provided for in Article 10 of the 2007 Agreement, the Council elected the following office holders for the Council for 2015/16:

Chairman: H.E. Mr Iván Romero-Martínez (Honduras)

Vice-Chairperson: Ms Tanya Menchi (USA)

¹¹ It was subsequently circulated as [ICC-115-12](#).

Item 17.2: Chairperson and Vice-Chairperson of the Forum for 2015/16

81. The Council appointed the following office holders for the Consultative Forum on Coffee Sector Finance for 2015/16:

Chairman: Mr Juan Esteban Orduz (Colombia)

Vice-Chairman: Mr Ödön Pálfa Sagues (EU-Spain)

Item 17.3: Core Group

82. As the Secretariat had not received any nominations for the advisors to the Core Group, the Chairman invited Members to send any proposals for these positions to the Secretariat prior to the March 2016 Session so that they could be appointed at this time.

Item 17.4: Composition of Committees

83. The Council approved the changes proposed in document [WP-Council 262/15](#): to increase the number of exporting countries in the Core Group from four to six; and to increase the number of importing countries on the Finance and Administration Committee from four to five.

84. The Council also approved the list of nominations as at 30 September 2015 (document [WP-Council 259/15](#)) for the Private Sector Consultative Board for 2015/16 and 2016/17.

85. The Council decided that the composition of the Committees in 2015/16 should be the following:

Committee	Producing Members	Consuming Members
Promotion and Market Development	Bolivia, Colombia, Côte d'Ivoire, El Salvador, India, Indonesia, Kenya, Mexico	EU, Switzerland, USA
Projects	Bolivia, Cameroon, Colombia, Costa Rica, Guatemala, India, Indonesia, Tanzania	EU, Switzerland, USA
Finance and Administration	Bolivia, Colombia, India, Indonesia, Mexico, Uganda	EU, Japan, Russian Federation, Switzerland, USA
Statistics	Bolivia, Colombia, El Salvador, Gabon, Ghana, India, Indonesia, Nicaragua	EU, Switzerland, USA
Core Group	Bolivia, Colombia, Costa Rica, Côte d'Ivoire, Ethiopia, Uganda	EU, Russian Federation, Switzerland, USA

Item 18: National coffee policies

86. H.E. Ambassador Werner Matías Romero of El Salvador introduced a video prepared for the Council Session by the Salvadorian Coffee Council emphasising both the importance and relevance of coffee in El Salvador, and the efforts which the Government had undertaken in this area. Ms Marcela Urueña of Colombia presented the results of the domestic consumption programme known as 'Toma café'. Both these presentations are available on the ICO website.¹²

87. The Council took note of these presentations.

Item 19: Other Business

88. One Member informed the Council that the International Agency for Research on Cancer (IARC) would be undertaking a review of coffee to determine its carcinogenicity in May 2016. The Chairman thanked the delegate for having brought this to the Council's attention. After some discussion, it was decided that the Secretariat should prepare a report on IARC's findings and the implications these may have, once the information is publicly available. The Secretariat should review the speeches made at the Global Coffee Forum on coffee and health and, if appropriate, contact the relevant experts for their opinion.

89. With regard to a question about the availability of the speeches and presentations on the Global Coffee Forum, the interim Head of Operations said that the organisers had informed him that most would be available in due course.

90. One Member raised a question concerning the Executive Director's mandate which is due to expire in September 2016. The interim Head of Operations outlined to the Council various documents relating to the procedures and practise of renewing the Executive Director's mandate.

91. The Chairman informed the Council that Members could find on the ICO website document [ICC-115-11](#), a report by the Agency for Robusta Coffee of Africa and Madagascar (ACRAM) on the exchange trip undertaken by some of ACRAM's women coffee producers to Cameroon. The Council took note.

Farewells

92. The Chairman expressed on behalf of the Council his gratitude to Mr Manfred Brandt who had already left his position as Head of the EU delegation to the ICO to head up the EU's

¹² The [Coffee sector of El Salvador](#) and [Toma Café](#).

delegation to Niger. He also thanked Mr Brendan Lynch who had been the head of the USA delegation to the ICO. Finally, he thanked H.E. Mr Werner Matías Romero of El Salvador who was leaving to head up his country's delegation to Israel.

Item 20: Future meetings

93. The Council noted document [WP-Council 261/15](#) containing the proposed dates for meetings in 2015/16 and 2016/17.

94. The next Council Session will take place in Addis Ababa, Ethiopia from Wednesday 9 to Friday 11 March 2016 following the World Coffee Conference which will begin on Sunday 6 and continue until Tuesday 8 March.



**INTERNATIONAL
COFFEE
ORGANIZATION**

ICC Resolution 456

28 September 2015

Original: English

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International Coffee Council
115th Session
28 September – 2 October 2015
Milan, Italy

Resolution number 456

APPROVED AT THE SECOND PLENARY MEETING,
28 SEPTEMBER 2015

**Extension of the time limit for
ratification, acceptance, approval or accession**

WHEREAS:

Paragraph (3) of Article 40 of the International Coffee Agreement 2007 stipulates that the Council may decide to grant extensions of time to signatory Governments that are unable to deposit their instruments by 30 September 2008;

Under the terms of paragraph 1 of Resolution 454 the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 is further extended to 30 September 2015;

Under the terms of paragraph 1 of Resolution 454, Governments eligible for membership in accordance with Article 43 of the Agreement may accede by depositing an instrument of accession with the Organization no later than 30 September 2015 or such other time as the Council may decide; and

A number of Governments have indicated that they require additional time to deposit the required instruments,

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

To extend the period for the deposit of instruments of ratification, acceptance or approval of the International Coffee Agreement 2007 with the Depositary under the provisions of Article 40 of the Agreement and of Resolution 454 from 30 September 2015 to 30 September 2016.

To extend the period for the deposit of instruments of accession to the International Coffee Agreement 2007 with the Depositary under the provisions of Article 43 of the Agreement and of Resolution 454 from 30 September 2015 to 30 September 2016 or such other time as the Council may decide.



International Coffee Council
115th Session
28 September – 2 October 2015
Milan, Italy

Resolution number 457

APPROVED AT THE SECOND PLENARY MEETING,
28 SEPTEMBER 2015

Strategic Review of the ICO

WHEREAS:

Considering Article 9(4) of the International Coffee Agreement;

Considering the Action Plan for the International Coffee Organization in its latest partial review, which took place in March 2014; and

Considering the 'Belo Horizonte Declaration',

THE INTERNATIONAL COFFEE COUNCIL

RESOLVES:

1. To establish a working group to coordinate a strategic assessment of the International Coffee Organization, with the goal of sharpening the strategic focus and defining better the priorities of the Organization and its Members, in order to provide adequate guidance to the Secretariat.
2. In strict collaboration with the International Coffee Organization's Secretariat, the working group should undertake the following actions:
 - (a) Hold the first meeting of the working group during October 2015 when a Chairman and a Vice-Chairman for the group will be elected. The working group can meet virtually or in person and all interested Member States can be part of the working group.

- (b) If the working group deems it necessary to hire a specialized consultant to help with the strategic assessment, draw up terms of reference to be used as a basis for employing, through an open tendering process, a professional who will provide an assessment, with recommendations, of the strategic planning framework of the International Coffee Organization. The terms of reference should be finalized prior to the end of 2015.
 - (c) Monitor the open and transparent bidding process to recruit the above mentioned consultant, to be conducted by the Secretariat. The consultant's fee should not exceed US\$25,000 from the regular Budget within the Programme of Activities of the International Coffee Organization. The tendering process should take place no later than January 2016.
 - (d) The working group will review all proposals submitted to the Secretariat during the tendering process and recommend a proposal for the Council to adopt during the March 2016 meetings.
 - (e) Following the March 2016 meetings, the working group will monitor the Secretariat's employment of the above mentioned consultant.
 - (f) Together with the Secretariat, monitor the activities developed by the consultant and, in particular, facilitate contact between the consultant and the Member States, the private sector and other stakeholders in the world coffee sector.
 - (g) Analyse the consultant's recommendations and assessment report, while providing additional comments and recommendations from Members.
3. The final report will be presented to the Council in September 2016.