



International Coffee Council
116th Session
9 – 11 March 2016
Addis Ababa, Ethiopia

**Strategic Review of the ICO –
Terms of Reference, Timetable,
Table of Contents, and Main Roles
and Responsibilities**

Background

1. At its 115th Session in Milan, Italy, the International Coffee Council adopted [Resolution 457](#) which calls for a Strategic Assessment of the activities undertaken by the International Coffee Organization. The Resolution established a Working Group, which was given the responsibility of coordinating the Strategic Assessment and of determining terms of reference for that Assessment. The Resolution cites the following references:

- Article 9(4) of the International Coffee Agreement (ICA) 2007.
- The Action Plan of the International Coffee Organization ([ICC-105-19 Rev 3](#)).
- The Belo Horizonte Declaration.

2. The Working Group has met five times as follows:

- (a) The first meeting took place on 22 October. The Working Group discussed whether or not an external consultant should be appointed and, if so, at what stage. The Secretariat was asked to prepare a questionnaire to canvas the opinions of the Working Group (WG-2/15).
- (b) The Working Group held its second meeting on 16 November. The responses to the questionnaire which had been submitted to the Secretariat prior to the meeting were discussed. However, any recommendations were deferred until more responses by Members had been received (WG-5/15).

- (c) At its third meeting, which took place on 14 January 2016, the scope of the Strategic Review was discussed and it was agreed that the delegate from Papua New Guinea would liaise with the Secretariat to prepare a first draft of the 'Terms of Reference' for the following meeting of the Working Group (WG-7/16).
- (d) At its fourth meeting on 18 February 2016 the Working Group approved the draft Terms of Reference (WG-10/16). The Terms of Reference are attached to this document as Annex I. The Working Group also agreed that the Strategic Review will be carried out by the Secretariat and supported by a consultant if desired. The Working Group also requested the Secretariat to prepare a Timetable with activities to be carried out by the Secretariat in order to fulfil the objectives included in the Terms of Reference. Annex II contains an Annotated Timetable and Annex III contains a draft Table of Contents for the report of the Strategic Review.
- (e) At its fifth meeting on 10 March 2016, the Working Group requested that the Secretariat prepare a revised version of this document addressing comments made by Members during its Meeting. To that end, Annex IV contains a summary of the roles and responsibilities of the relevant stakeholders. The final document containing the findings of the Strategic Review will be considered at the 117th Council Session in September 2016.

3. The Working Group has asked the Secretariat to carry out the Strategic Review in-house. As a result, the Secretariat will divert resources (staff working time and Operations budget) to this task. For the period March to September 2016, the Head of Operations and the Senior Economist will dedicate up to 60% and 90%, respectively, of their working time to conduct the Strategic Review as per the Terms of Reference. Other members of staff will be involved on an ad-hoc basis as necessary. The funds required to hire a consultant to support the Secretariat in carrying out the Strategic Review will be taken from the Programme of Activities 2015/16 Budget.

Action

The Council is requested to review this document and, if appropriate, to approve it.

THE ASSESSMENT – TERMS OF REFERENCE

1. The initial purpose of this exercise is to assess, in close consultation with Members of the Working Group, other Members of the Council and the ICO Secretariat, the strategic focus and priorities of the Organization and their implementation, in order to propose areas for improvement. Secondly the assessment will analyse document [ICC-105-19 Rev. 3](#) and, in light of the trends and challenges in the world coffee economy, the resources available and inputs from Members countries and the ICO Secretariat, will propose a clearer strategic focus for the Organization with a revised set of strategic priorities and respective planned actions. This Assessment will not involve discussion of provisions outlined in the International Coffee Agreement 2007, but will cover their execution.

2. Specifically the exercise will:

- Assess the strategic planning framework of the Organization, including performance indicators, and identify areas for improvement and propose ways of achieving it.
- Assess the progress achieved to date on the strategic goals and implementation of priority actions outlined in document [ICC-105-19 Rev. 3](#), since the coming into force of the ICA 2007.
- Examine the opportunities and challenges faced by the Organization in the execution of the strategic goals and priority actions outlined in document [ICC-105-19 Rev. 3](#), highlighting those areas where progress has been significant as well as those areas where progress has been poor.
- Identify the resources required for, or utilised in, the fulfilment of the strategic goals and priority actions and if necessary, any suggested changes to achieve the most efficient use of resources to fulfil those goals and actions.
- Assess and analyse the strengths and weaknesses of the Organization in delivering all aspects of the Action Plan.
- Evaluate and elaborate both the external and internal constraints faced by the Secretariat in the execution of the Action Plan.
- Provide an overview of the opportunities and challenges facing the global coffee industry over the next five years and suggest, if appropriate, additional actions that should be considered by the membership as priority actions.
- Assist the Working Group to produce a prioritisation of the strategic goals and actions, which takes into account the views expressed by Members of the Organization, the resources available, and any new opportunities and challenges that have been identified as being important.

ANNOTATED TIMETABLE

Activity	March	April	May	June	July	August	September
1. Literature review and evaluation of global context, opportunities & challenges, and external and internal constraints	S						
2. Consultations with Members and Third Parties	S, M, TP, C						
3. Analyse results of consultations		S, C					
4. Workshop with the Working Group to review the analysis of the consultation process and evaluation of context and produce recommendations					S, WG, C		
5. Evaluation of recommendations from workshop						S, C	
6. Draft report of Strategic Review and submit to Working Group						S, C	
7. Review of draft by Working Group and incorporation of final comments; submission to Council							WG, S

Legend: WG: Working Group; S: Secretariat; TP: Third Parties; M: Members; C: Consultant

DRAFT TABLE OF CONTENTS

This is a very provisional table of contents for the report of the Strategic Review, which is intended to reflect the elements incorporated from the Terms of Reference. It is envisaged that the report will first lay out the rationale for conducting the Review at this time, and put this process into context by looking at the current global coffee sector and the various constraints faced by the Organization. The Review will incorporate an assessment of the progress achieved so far in the various strategic goals and an assessment of the strategic planning framework, but the dominant focus of the Review will be on the analysis of, and recommendations on, the ICO's strategic goals and the activities required to achieve these goals. However, it is acknowledged that this outline could change during the consultation and drafting process over the next twelve months.

1. Introduction
2. Background/Rationale
3. Context
 - a. Overview of the opportunities and challenges facing the global coffee industry over the next five years
 - b. Evaluation of external constraints faced by the ICO
 - c. Elaboration of internal constraints faced by the Secretariat
4. Internal assessment of progress
 - a. Progress achieved to date on the strategic goals and implementation of priority actions since the entry into force of the ICA 2007
 - b. Examination of the opportunities and challenges faced by the Organization in the execution of its strategic goals and priority actions, highlighting those areas where progress has been significant, as well as those areas where progress has been poor
 - c. Resources used in the fulfilment of the strategic goals and priority actions
 - d. Assessment of the strategic planning framework of the Organization, potentially including key performance indicators
5. Strategic proposals/recommendations
 - a. Prioritisation of the ICO's strategic goals and actions
 - b. Resources required in the fulfilment of these strategic goals and priority actions
 - c. Potential strengths and weaknesses of the Organization in achieving these goals and actions
6. Conclusions

MAIN ROLES AND RESPONSIBILITIES

The roles and responsibilities of the various stakeholders in the Strategic Review process are based on the Terms of Reference as formulated by the Working Group. The strategic review will consist of an evaluation of the global context and a consultation process with Members, the results of which will be discussed with the Working Group in a workshop. The outcome of this workshop will then feed into the draft report of the Strategic Review which contains recommendations. After incorporating comments from the Working Group on this draft report, it will be presented to the Council in September 2016.

Working Group

The Working Group will provide guidance to the Secretariat in the execution of the strategic review process. The Working Group may invite relevant coffee experts to contribute to the process by advising on specific issues, particularly the assessment of external constraints and developments in the coffee sector. The Working Group will also be responsible for considering the draft report of the Strategic Review and submitting it to the Council for its approval in September 2016.

Secretariat

The Secretariat will carry out the strategic review on behalf of the Working Group, and will keep the Working Group informed of progress at regular intervals, either as part of regular meetings or through written reports. As part of this process, the Secretariat will consult with Members and third parties, analyse the results of these consultations, and together with the consultant draft the final recommendations. The Secretariat will also organise a workshop with the Working Group in order to evaluate the results of the consultations and formulate recommendations for the final report.

Members

The 48 ICO Members will be consulted by the Secretariat either in person or through videoconference, to seek their specific thoughts on the Strategic Review according to the Terms of Reference.

Third parties

The consultations with the Members will be complemented with discussions with third party stakeholders such as international institutions (e.g. World Bank, UN), private sector (through the PSCB and partners such as the Global Coffee Platform), and participants at previous Consultative Forums on Coffee Sector Finance (e.g. African Development Bank, Asian Development Bank, Inter-American Development Bank).

Consultant

The Secretariat will employ the services of qualified consultant in order to facilitate the consultation process and to help form conclusions based on this process. This work will include the organization of a workshop with the Working Group.

The consultant will help develop a methodology for the consultation with Members in order to elicit their views, and to derive conclusions from Members' responses. The results of this work will then be used as the input to the workshop with the Working Group, which will be organised by the consultant. The output of this workshop will be a consensus on the issues facing the ICO and recommendations on how best to address them.

The consultant will be selected through an open and transparent tender process. The Secretariat will draft Terms of Reference in order to establish the scope of work, timeline, budget, responsibilities and final output expected from the consultant. The Working Group will be informed at every step of this process.