



Core Group on the Consultative Forum  
11<sup>th</sup> Meeting  
11 April 2018  
Mexico City, Mexico

**8<sup>th</sup> Consultative Forum  
on Coffee Sector Finance**

### **Background**

1. The attached document has been prepared to assist the Core Group in considering the preparations for the 8<sup>th</sup> Consultative Forum, including topic, date, format, dissemination of results, budget and sponsorship.
2. As stipulated in Article 31 of the International Coffee Agreement 2007, the objective of the Forum is to ‘facilitate consultations on topics related to finance and risk management in the coffee sector, with a particular emphasis on the needs of small- and medium-scale producers and local communities in coffee-producing areas’. The previous edition of the Forum, which was held as part of the 120<sup>th</sup> Session of the International Coffee Council brought together experts from the private and public sectors to exchange ideas on ‘Creating an Enabling Environment for High Productivity in Coffee Farming’.

### **Action**

The Core Group is invited to approve this document.

## **8<sup>TH</sup> CONSULTATIVE FORUM ON COFFEE SECTOR FINANCE**

### **I. DATE OF NEXT FORUM**

1. The ICO will host the 8<sup>th</sup> Consultative Forum on Coffee Sector Finance (the Forum) on 19 September 2018 during the 122<sup>nd</sup> Session of the International Coffee Council in London, United Kingdom.

### **II. TOPIC FOR DISCUSSION**

*“Harnessing technology and innovation for investments in the coffee sector”*

2. The use of digital technologies is spreading fast in the agricultural sector, breaking information barriers and increasing transparency and efficiency along the value chain. At the same time banks, public sector institutions and private investors develop innovative approaches such as green bonds and impact investments which could mobilise additional funds to benefit the coffee sector pursuing higher social, economic and environmental sustainability.

3. It is proposed that participants of the Forum will explore how digital technologies and new financing instruments could improve coffee growers’ access to finance and their livelihood, as well as increase investment in the coffee sector as a whole. The aim is to learn about innovative approaches currently being developed or implemented across agricultural commodity sectors and beyond. Participants will be invited to discuss the potential for adoption of these innovations in the coffee sector and identify technological and regulatory barriers that need to be overcome.

4. The participants will be asked to address and share information on gender-related issues related to the chosen core subject of the Forum.

### **III. FORMAT**

5. Similar to previous years, the format of the Forum would be a one-day conference with a mix of short presentations and panels as well as time allocated for discussion with the audience. It is proposed that the Forum will be held in the Auditorium of the International Maritime Organization (IMO), venue for the 122<sup>nd</sup> Session of the International Coffee Council.

6. It is suggested that the Forum is divided into two focus sessions.

*Session 1: Technological innovations*

7. The objective is to review the role of new technologies developed to increase the bankability of smallholders by breaking information asymmetries between actors in the value chain and financial institutions. Specific topics may include:

- Leveraging use of data and communication (sensors, mobile and big data applications).
- Block chain and smart contracts.

*Session 2: Innovative financial instruments*

8. The discussion will evolve around new financing instruments which could channel much-needed funds into the coffee sector supporting investments required to meet challenges such as climate change impact. Specific topics may include:

- Impact investment.
- Green and social bonds.

**IV. PRESENTERS AND PARTICIPANTS**

9. To encourage knowledge sharing and learning from other sectors it is suggested to invite up to eight speakers (four per session) from a variety of backgrounds:

- Start-ups, technology firms and universities developing/testing/implementing solutions for agricultural commodities (e.g. Bext360, Premise Data, Precision Agriculture for Development, etc.).
- Financial institutions and advisors involved in structuring new financial products including green/social bonds and impact investment (e.g. UBS Group, Rabobank, European Bank for Reconstruction and Development (EBRD), C-GAP).
- Coffee institutions spearheading the dissemination of new technologies and innovative approaches (e.g. Coffee Board of India).

10. As in previous years, it is suggested that the Forum is open to participation from the public. The event should be promoted via the ICO mailing list, website and social media.

**V. MATERIALS AND INFORMATION**

11. It is suggested that the Secretariat prepares a background paper to be circulated among Members/participants ahead of the Forum. The paper would provide participants with background information on the topics to be discussed and would be presented at the beginning of the Forum.

**VI. DISSEMINATION OF RESULTS**

12. The following arrangements are suggested for dissemination of the Forum results:

- Presentations, reports and press releases are translated and posted in all four languages on the home-page and the Forum section of the ICO website.
- Audio/video recordings of speakers are posted on the ICO website. Live-streaming should be considered.
- ICO press releases are issued to national and international media and Members.
- Journalists covering coffee and the Forum's main issues are invited to attend the Forum free of charge and are briefed about the outcomes at a press briefing.
- Presentations, reports and press releases are distributed electronically to Members, PSCB and non-member countries with a request to disseminate the results of the Forum as widely as possible to representatives of the coffee sector and policy-makers in their countries. Members are also encouraged to issue press releases to publicize the results of the Forum and generate interest in it in their countries.
- Relevant international organizations will be invited and solicited to post materials on their website (e.g. Common Fund for Commodities (CFC), Food and Agriculture Organization of the United Nations (FAO), International Fund for Agricultural Development (IFAD), International Trade Centre (ITC), World Bank, USAID), United Nations Industrial Development Organization (UNIDO), etc.
- Social network sites are used to disseminate the results, including Facebook, Twitter, LinkedIn, and Instagram.

**VII. BUDGET AND SPONSORSHIP**

13. While the proposed venue can be used free of charge, travel costs for some of the presenters may have to be covered. Additional costs could derive from refreshments provided during breaks, a light lunch and reception.

14. Article 31 of the 2007 Agreement provides that unless the Council decides otherwise, the Forum shall be self-financing. Hence, sponsorship by financial institutions and other (private sector) organizations will be considered. In addition, a registration fee will be charged. ICO Members will be entitled to three free spaces.