

PM 56/18

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Report of the 15th meeting of the Promotion and Market Development Committee held on 11 April 2018

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1. The Executive Director opened the 15th meeting of the Promotion and Market Development Committee in Mexico City on 11 April 2018.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document PM-55/18 Rev. 1.

Item 2: Ratification of the appointment of the Chair and appointment of the Vice-Chair for 2017/18

3. The Committee appointed Mr Mitsuhiro Takayanagi of Japan as Chair, and H.E. Dr Durga Bahadur Subedi of Nepal as Vice-Chair. The Chair thanked Members of the Committee for his election for the coffee year and took over chairing the meeting.

Item 3: Report on the meeting of 26 September 2017

4. The Committee approved the report of the last meeting held on 26 September 2017 contained in document PM-54/17.

Item 4: Promoting consumption

Item 4.1 Domestic consumption in Central America

- 5. Mr René León-Gómez, Secretary of PROMECAFE, presented an update on how the organization was using funding from the Special Fund to increase domestic consumption of high-quality coffee in the region (Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama and Peru). This was in view of the background of big challenges facing the sector including low prices versus high costs, climate change, pests and diseases.
- 6. Resolution 459 (September 2016) of the International Coffee Council had approved the distribution of resources of the Special Fund among Members of the exporting countries under a special distribution mechanism. This included a transfer of US\$458,566.00 to the Inter-American Institute for Cooperation on Agriculture (IICA), to which PROMECAFE is attached.
- 7. The project timeline was three years (2017-19) with the following goals:
 - Strengthening capacity-building of stakeholders across the coffee value chain.
 - Development of specific plans and projects by country and for region.
 - Establish alliances for joint work with stakeholders in the chain.
 - Increase internal consumption per capita of coffee in the region.

- Currently an average of 1.32 kg/year.
- Expected increase 30%.
- 8. A number of promotional/capacity-building activities were underway in 2018 including workshops, webinars and events. It was also suggested that a workshop on promoting domestic consumption could be held during the 122nd Session of the International Coffee Council in London from 17 to 21 September 2018.
- 9. The Committee took note of the presentation.

Item 4.2 2017 National Coffee Day and latest coffee consumption trends in Japan

- 10. Mr Keiichi Yokoyama, Chairman of the All Japan Coffee Association (AJCA), presented AJCA's public relations and coffee promotion activities, including International Coffee Day. AJCA had in fact celebrated a National Coffee Day since 1983 and was a key supporter of the ICO's International Coffee Day campaign since its inception in 2015.
- 11. In 2017, to support International Coffee Day, AJCA had led a campaign on 'Coffee and Health', promoting the positive aspects of drinking coffee on one's health. Along with promotional events, AJCA initiated a photo competition which had culminated in a photo award ceremony and coffee tasting events, leading to extensive coverage in the media. To support studies on coffee and health, AJCA also had funded research activities covering over 200 programmes since 1996.
- 12. In terms of the latest coffee consumption trends in Japan, consumption was at its highest and had grown consecutively over the last four years, overtaking green and black tea. With an ageing society in Japan and with fewer children, it was predicted that 35% of nationals in 2020 and 45% of nationals in 2050 would be over 60 years of age. AJCA was therefore assessing impact on consumption among the over 60s. Other trends included the expanding market in convenience store coffee, changes in coffee consumption rates and the number of cups consumed, with cups consumed by the over 60s increasing 1.5 times from 2002, and an increasing preference for black coffee.
- 13. Mr Yokoyama pledged that AJCA would continue to promote consumption and the positive effects of coffee, and at the same time asked the producing countries to supply tasty and quality coffee. Members responded very positively to Japan's promotional activities, giving inspiration and ideas to celebrate International Coffee Day in their home countries. Members from exporting countries also pledged support to maintain and build yet closer ties with Japan as an importing country.

14. The Executive Director formally thanked AJCA for its funding and promotional support for the International Coffee Day (ICD) campaign.

Item 5: Prioritizing the work of the Promotion and Market Development Committee

- 15. The Head of Operations, Mr Gerardo Patacconi, presented a detailed proposal for ICD 2018, with the proposed theme: 'Women in Coffee'. The theme was chosen in view of the growing importance of women in coffee, from bean to cup taking into account that empowering women to achieve gender equality would increase productivity, supply and sustainable consumption. Mr Patacconi explained that reducing the gender gap could increase productivity from 2.5% to 4%.
- 16. The campaign package, to be used also to support Member activity in each respective country, would consist of a number of promotional tools including a video/infographic, the dedicated ICD website, a social media campaign, a photo competition, events and media activity, as well as involvement of the coffee industry and retail sector and of generic and specialized media. The Committee gave its full support to the proposal.
- 17. Members also suggested ways the Committee could provide support for promoting consumption, such as through the use of e-platforms to bring together producers with consumers. In response to a comment about the importance of communication and engagement with Members in between sessions, the Executive Director announced that the ICO would assign an ICO staff member to act as Permanent Secretary for each Committee/Board. In this respect, Ms Sarah Eldred, ICO Secretariat and Communications Officer, would be acting as Permanent Secretary of the Promotion and Market Development Committee to facilitate its work during and between ICO Council sessions.

Item 6: Other business

18. There was no other business.

Item 7: Date of next meeting

- 19. The Committee noted that the next meeting of the Promotion and Market Development Committee would take place during the 122nd Session of the Council to be held from 17 to 21 September 2018 at the International Maritime Organization in London.
- 20. The Chair thanked all presenters and Members of the Committee for their contributions.