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PRESS RELEASE

Investing in youth is investing in the future and prosperity of coffee

London, 1 October 2020 – To fight against the devastating global impact of covid-19, on this October 1st for International Coffee Day, the ICO is launching 'Coffee's Next Generation', an initiative aimed at helping and investing in some of the most vulnerable people in the coffee sector, the youth. This new initiative will enable young people to contribute to making the future of the coffee sector brighter, more sustainable and prosperous for all.

As time goes by, it is becoming increasingly clear that covid-19 is not a short-term phenomenon, but will exert a lasting influence on our lives. Months of lockdown measures have led to flow-on effects along the global coffee value chain from the coffee farmer to the barista. The ICO recently carried out a survey of coffee-exporting countries all over the world. Up to 70% of responding countries, representing 85% of total coffee exports, expect that income derived from coffee production as well as opportunities for other income-generating activities will decrease as a result of covid-19. Almost 50% of responding countries expect a negative impact on access to finance. Furthermore, farmers in many coffee-producing countries may face higher costs for fertilizers, pesticides and machinery, as their local currencies have devalued against the US dollar. The combined effect of reduced household incomes and higher cost of living is likely to widen the living income gap in these countries. History has shown us that it is the vulnerable that are hit worst by an economic crisis and young people are particularly disproportionally impacted.

"An increasing number of young people in coffee-farming households are moving away from 'the family business' to other locations and jobs that they see as more progressive and lucrative for their future. Furthermore, many of the jobs often held by young people across the coffee value chain have recently been lost. Today, on International Coffee Day, we take this occasion to promote and celebrate coffee as our most beloved beverage and highlight some of the challenges facing people all across the industry, especially the plight of the young and vulnerable," said José Sette, Executive Director of the International Coffee Organization.

To enable young women and men to build a prosperous and sustainable future, 'Coffee's Next Generation', a global initiative targeting talented and motivated young people and entrepreneurs in the coffee sector, intends to provide access to finance and knowledge, skills development, coaching and training as well as networking.

Investing in youth will generate both innovative and sustainable solutions for the coffee sector, contributing to building back a better, more equitable and prosperous coffee sector, enabling recovery from the crisis and building a stronger future, positively impacting coffee communities around the world. It will also mitigate the lack of engagement of youth in coffee farming and other areas of the value chain.

'Coffee's Next Generation' is intended to engage the whole coffee community and work together with youth organizations, industry leaders and associations, international organizations, development and financial partners and coffee consumers. This initiative invests in the youth and brings to life their innovative ideas and enthusiasm helping to support the recovery of the industry from the pandemic and contributing to making a more sustainable, inclusive and prosperous future for the whole coffee community.

We call on all coffee lovers and the whole coffee community to celebrate coffee, their beloved beverage and contribute to building the Coffee's Next Generation.

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Notes to editors:

Media contact: To organize a press interview on this topic, please contact Rena Gashumba, Communications and Secretariat Officer, International Coffee Organization, <u>gashumba@ico.org</u>

International Coffee Organization

The International Coffee Organization (ICO) is a multilateral organization supporting exporting and importing countries to improve the sustainability of the coffee sector. It provides a high-level forum for all public and private stakeholders in the sector; official statistics and expert analysis on coffee production, trade and consumption; and support for the development and funding of technical cooperation projects and public-private partnerships to enhance sustainability and inclusiveness with focus on the economic viability of coffee farmers.

International Coffee Day www.InternationalCoffeeDay.org