

WP Council 310/20

10 September 2020 English only



International Coffee Council 127th Session <u>Virtual Session</u> 10 and 11 September 2020 London, United Kingdom Communiqué 2020

Pursuing economic sustainability for an inclusive and resilient global coffee sector

Background

- 1. During the 2nd Coffee Public Private Task Force meeting held on 3 September a Draft Roadmap and Communiqué was discussed and endorsed with some amendments. The revised Draft Roadmap and Communiqué contained in this document was distributed to all private and public sector Task Force Sherpas on 5 September for further consideration and final approval by the CEO & Global Leaders Forum (CGLF) as well as the International Coffee Council (ICC).
- 2. Any further required improvements to the Roadmap and Communiqué by the CGLF and ICC will be consolidated by the ICO Secretariat and put forward to the Coffee Public-Private Task Force for final consideration after consultation with ICO Members through the Chair of the International Coffee Council and the Signatories of the London Declaration.

Action

The Council is requested <u>to consider</u> and, if appropriate, <u>to approve</u> the joint draft Communiqué



CEO and Global Leaders Forum

2nd meeting (virtual) 9 September 2020

International Coffee Council (ICC)

127th meeting (virtual) 10-11 September 2020

Communiqué 2020

PURSUING ECONOMIC SUSTAINABILITY FOR AN INCLUSIVE AND RESILIENT GLOBAL COFFEE SECTOR

OPERATIONALIZATION OF THE LONDON DECLARATION (LD) ON PRICE LEVELS, PRICE VOLATILITY AND LONG-TERM SUSTAINABILITY OF THE COFFEE SECTOR AND RESOLUTION 465 ON COFFEE PRICE LEVELS OF THE INTERNATIONAL COFFEE COUNCIL

We the Signatories of the London Declaration met at the 2nd CEO and Global Leaders Forum, held virtually on September 9^{th} , and we the Members of the International Coffee Organization, both exporting and importing countries as defined in the International Coffee Agreement (2007), met during the 127th Session of the International Coffee Council, held virtually on September 10-11th 2020.

We reiterate our commitment and aspirations expressed in the London Declaration and Resolution 465 to jointly identify and address the root causes of economic as well as social and environmental issues that persist in the coffee sector, including impact of price levels and volatility, through the coordination and alignment of efforts and funding, effective public-private dialogue, and mobilization of partners and resources to implement commonly agreed solutions. These solutions are aimed to achieve sustainable, inclusive and resilient global coffee value chains, ensuring the livelihoods of smallholder coffee farmers and their families, as well as prosperity for all the stakeholders of the coffee value chain, while meeting the expectations of coffee consumers worldwide.

We recognise the significant efforts and investments already undertaken by exporting countries, importing countries and the private sector, and their partners in the civil society and in the development community, towards a more sustainable coffee sector, supported by multistakeholder initiatives like the Global Coffee Platform (GCP), Sustainable Coffee Challenge (SCC) and others. Only by an effective public-private dialogue, the mobilization of actors and resources to implement commonly agreed solutions around a shared long-term vision, strategy and road map can we successfully steer the sector towards a sustainable and prosperous future for all.

We are deeply saddened by the tragic loss of life and economic hardship around the world caused by covid-19. The pandemic has increased volatility in the coffee market and exacerbated the already challenging situation for producers as coffee prices have remained up to 30% below the average of the past ten years for the most part of this coffee year. Supply has been affected by disruptions of logistics systems and international trade as well as labour shortages due to local lockdowns and other safety measures. The global recession, as well as shifts in consumption

patterns, may further impact the coffee sector. Therefore, business-as-usual poses a major risk to the industry and for the livelihoods of millions of coffee producers and their families. Additional concerted actions must be rapidly taken to protect lives and incomes of those along the coffee value chain, to safeguard previous investments made in the sustainability of the sector and foster a swift, greener and inclusive recovery.

Mindful of this background, we established a unique Public-Private Task Force for the coffee sector, guided by the principles of co-responsibility of importing and exporting countries Members of the ICO and the private sector and the engagement of all coffee stakeholders and development partners, that needs to be impactful, inclusive and action-orientated. **We emphasize and particularly commend** that clear and tangible outputs have been agreed by our representatives in the Coffee Public-Private Task Force on an initial, common understanding of ways to pursue long-term sustainability for the coffee sector, while implementing effective short-term and pragmatic actions to achieve the desired targets and outputs and ensure coffee farmers livelihood and prosperity for all coffee stakeholders.

Furthermore, we have drawn up a **common vision for the coffee sector,** which will be further developed, that addresses the sector-wide challenges and underlying root causes in order to pursue the economic resilience and social sustainability of farmers, a balanced demand and supply market with diversity of origins and also ensuring environmental sustainability through sustainable production and conservation of natural resource ecosystems in coffee landscapes.

We have also developed a **specific Roadmap** that while, it being regrettably affected by the uncertainties originated by the covid-19 pandemic, outlines the overall timeline for target setting, reporting on progress achieved and next steps per thematic area. Timebound commitments are required to realize the shared vision, to tackle price levels and volatility and to pursue social and economic sustainability and resilience to shocks through sustainable production and expanded consumption.

We hereby jointly commit to

ADOPT the Vision statement of the sector dialogue and the 2020-2030 Roadmap, and the specific 2020-2021 work plan detailing the next steps in the implementation of our objectives drawn up by sector stakeholders in the Coffee Public-Private Task Force.

MOBILIZE AND EARMARK in-cash and in-kind resources, once specific quantified targets are developed, for:

- The coordination and continued functioning of the Coffee Public-Private Task Force.
- The implementation of the Roadmap.
- Ensuring the sustainable, inclusive and resilient growth of the coffee sector, enabling a living income for smallholder coffee farmers and their families, as well as increase the prosperity of all the stakeholders in the coffee value chain, while meeting the demands of consumers
- Research, development and transfer of knowledge technology and innovation through digitalization to enhance sustainability and efficiency of coffee production, processing, consumption and product end-of-life disposal.

- Enhancing access of small-scale coffee farmers to financial resources and capacity building opportunities.
- Activating all thematic work areas that are part of the Roadmap.

IMPLEMENT a set of initially identified concrete actions in coffee year 2020/21, with focus on:

- Working towards a Living Income (LI) by creating a consistent, effective, and costefficient methodology, establishment of benchmarks and identification and
 implementation of key interventions (e.g. pilot projects) in order to close the LI gap
 in ICO Member coffee-producing countries.
- Holding a public consultation of the Theory of Change (vision, problem statement) and the Technical Workstream Proposals on targets & commitments, including engagement of coffee farmers and their associations at the national, sub-regional and regional levels.

STRENGTHEN the operationalization of the London Declaration and ICC Resolution 465 by entrusting the Executive Director of the International Coffee Organization with providing continuing support for the structured sector-wide dialogue and a forum for ongoing public-private dialogue through the Coffee Public-Private Task Force and other complementary initiatives and solutions while mobilizing necessary resources and public support.

CONTINUE INDIVIDUALLY AND COLLECTIVELY, our efforts to make the coffee sector sustainable, inclusive and resilient in line with the United Nations 2030 Agenda for Sustainable Development and bring our concerns and aspirations to the attention of world leaders through for such as the G7, the G20, the United Nations, and other relevant national, regional and international initiatives.

ENGAGE all development partners, the United Nations and its specialized Agencies, as well as international and regional development and commercial financial institutions, in the implementation of our common Vision and the Road Map.

DEVELOP a Commitment Reporting System for the Coffee Public-Private Task Force, based on existing industry standards, to ensure accountability and transparency.

AND FINALLY, WE REITERATE our support for this unique public-private process and the Coffee Public-Private Task Force and WE WILL RECONVENE in September 2021, during the planned Fall Session of the International Coffee Council to review the results achieved and the realization of our commitments, as well as to adopt measures and allocate resources according to the agreed vision in order to promote the successful implementation of the Roadmap.

Signed for the CEO and Global Leaders Forum	Signed by the ICC

Signed by the supporting organizations