



**INTERNATIONAL  
COFFEE  
ORGANIZATION**

**ICC 129-3**

16 April 2021  
English only

**E**

International Coffee Council  
129<sup>th</sup> Session  
Virtual Session  
15 and 16 April 2021  
London, United Kingdom

**Statement by the Executive Director of  
the International Coffee Organization,  
made at the opening ceremony of the  
129<sup>th</sup> Session of the Council**

Mr John Muldowney, Chair of the International Coffee Council,

H.E. Iván Romero-Martinez, Vice-Chair of the Council

Excellencies, distinguished delegates, colleagues, observers, ladies and gentlemen,

Welcome to the 129<sup>th</sup> Session of the International Coffee Council, which is again being held online for reasons of which we are all aware.

Today marks 441 days since the World Health Organization declared the novel coronavirus outbreak a public health emergency of international concern, the WHO's highest level of alarm. These intervening months have been very difficult for all of us. I myself have not been spared its impact and was hospitalized for several weeks at the beginning of the year; so I know, by personal experience, the havoc coronavirus can wreak. In addition, ICO Members in Central America were particularly hard hit by two destructive hurricanes at the end of last year. I send my deepest condolences to all those who have lost loved ones and friends to this devastating disease and to these tragic climactic disasters.

In London, the headquarters of the ICO, we see encouraging signs that the worst effects of the pandemic may be behind us. An important demonstration is that on Monday, the government permitted the reopening of that beloved British institution, the pub. I hope that those who drink their pints of beer will follow with a refreshing cup of coffee.

However, we must not be complacent, the WHO announced earlier this week that the world has seen seven consecutive weeks of increasing cases and four weeks of increasing deaths, despite the application of almost 800 million doses of vaccine. Clearly, we are not out of the woods yet.

Let us now turn to the state of the world of coffee.

With respect to the work of the ICO, we have strictly followed the guidelines of our host government. Since March 23<sup>rd</sup> of last year, 388 days ago, the official guidance has been to work from home, if at all possible. This instruction is expected to persist until June 12<sup>th</sup>, at least, but we are starting to make cautious preparations to return to our premises at 222 Gray's Inn Road. Meanwhile, as a standard practice, we have been consulting and liaising with the other London-based international organizations.

Where is the coffee sector and where is the ICO today? What about the price of green coffee? Is it increasing and back to pre-crisis levels? How is the pandemic affecting production, trading, consumption and earnings? If prices improve, will we face increased volatility and uncertainties? How do these trends affect the ICO?

The ICO is still considered as a reference and benchmark for data on coffee by industry, trade, international organizations and academia. Moreover, media outlets, both those specialized in coffee as well as more generalist institutions, including the Financial Times, Bloomberg, the Wall Street Journal and the BBC, refer to the ICO on a daily basis. Likewise, international organizations, such as the World Bank, the United Nations and its affiliated organizations, among many others, in addition to academics and research centres, continue to work closely with the ICO.

Nonetheless, we need to reflect deep and hard on the compatibility between the high expectations you have for the Organization and the resources you are willing to allocate.

For example, the ICO is recognized by the coffee industry as a reliable and key forum for discussion. The most important demonstration of this recognition is the Coffee Public-Private Task Force, which is no longer a helpless baby, but has grown and become a vigorous toddler. The Task Force is an exceptional opportunity, but we must remind ourselves that without outside assistance, we would have not gotten this far. Only thanks to financial contributions from two ICO Members (Germany and Switzerland) and the private sector, as well as the pro bono work of key organizations, have we been able to

afford a professional coordinator, manage technical workstreams and recruit short-term experts to study the feasibility of proposed solutions. Without external funding we would have to stop this key part of the future of the ICO and of the world coffee sector.

Another example is our relationship with the Food and Agriculture Organization of the United Nations. We are negotiating a new and important draft memorandum of understanding with the FAO, with the possibility of engaging with the UN Food Summit and Forum. How can we strengthen this relationship if we do not even have the resources to travel to Rome to sign the agreement when it is reached?

Look also at our support for the ICO's annual theme, which this year centers in youth and coffee. Earlier this week, you received our latest press release, showing that the ICO joined the Youth20, the engagement group of the G20, the highest international forum, to showcase coffee as a key sector to bring to attract the attention of the world's leading countries to the importance of coffee for rural populations, agriculture, industry and the service sector. How can we continue to support this activity with the resources available?

In October of last year, when you approved the budget for coffee year 2020/21, I warned that this was an emergency budget and was not sustainable. Just over half way through the financial year, the consequences are starkly clear to all of us who work in the Organization. We simply cannot continue to operate as we are doing right now. We have passion and commitment, but our energy is draining fast and we are left to wonder if we can navigate the turbulent flows of the river and reach the other side, a safer one. Without more resources, we can only do a slow dog paddle when we need to swim swiftly and effectively to help build a sustainable, inclusive, resilient and prosperous coffee sector.

In one year's time, you will be choosing my successor. I can assure that I will not stop fighting for this Organization, and for the coffee sector, until the last day of my term. I have survived a nasty coronavirus infection, with three weeks in intensive care between life and death, but have returned with renewed energy and desire to take the ICO to the other side of the raging river.

This brings me to my greatest concern, the well being of the ICO's staff. I always like to say that the staff is the greatest asset of any organization. The ICO, as all similar institutions, is a knowledge-based Organization. We need experts and we need to keep them. You all want a strong ICO: every penny you contribute to the Organization is used to provide you with services of the highest possible standard, brought to you by outstanding and highly committed individuals.

As an international organization we recruited the best and diversified young talents, but their perception of instability, reduced upward mobility, increased workload and a lack of commitment by Members have led them to quit, to move to a safer job environment with employers that are more reliable and fairer than the ICO.

In the speech just given by the Vice Chair of the Council, mention was made of the enforced departure of the longest serving staff member in the Organization. She worked closely with me and is sorely missed, but the issues faced by the Organization go beyond any particular individual. In the past twelve months, five staff members have resigned. I have talked with them to find out the reasons for their departure. I was moved by how some of them called the ICO their “dream job”, but that the uncertainty surrounding the Organization had led them to take the difficult decision to leave. Interestingly, all of them have been successful in finding new jobs, despite the pandemic.

In addition to lost knowledge and investment, those that remain are now forced to spend weekends and nights to cover the job of those whose posts were abolished or who resigned out of fear for their professional future.

As we start a new cycle of recruitment, what can we offer? Uncertainty? Instability? Demands to cover alone tasks that before carried out by two or even three staff? This is not feasible. Within the Operations Division, we used to have three professionals in the Economics section, three in Statistics and three in Secretariat and Communication. Now we have three people for all three areas. How can they be expected to deliver the same level of services and even more?

Now, we must recruit a whole new statistics team, an economist and a secretariat officer. What can we say to potential candidates? We do not know if we will have the resources to pay your salary in a year’s time. If you come from abroad, you will have to pay your own ticket. Shall we tell them that, if they join any other international organization or even another commodity body, such as the ICCO or the ISO, you will be treated decently, but we cannot do the same and you must carry out tasks that before were performed by three individuals? The Executive Director and senior managers must take care of their own secretarial services, wasting their precious professional time. Is this a wise allocation of resources?

Even organizing this Council session has been an enormous challenge. We have the same job, but only half the staff that existed three years ago. It has been a really difficult task. Members that are directly engaged in the organization of the Council and related meetings can see this clearly. We have had to work days, nights and weekends to hold it!

My responsibility as Executive Director is to share my views frankly with you. The staff and I will continue to carry out our duties faithfully. I would like to take this opportunity to thank ICO staff for their hard work, creativity and enthusiasm amidst the departure of many of their dedicated colleagues due to the financial constraints faced by the Organization. Nevertheless, I would be failing in my duties if I pretended to you that all is well and that this situation is sustainable. It is not. I leave you to draw the necessary conclusions.

Dear John, excellencies, ladies and gentlemen,

Let us now return to the output of the Organization. Later this morning, I will show how we are successfully engaging with the private sector, the development and NGO community, the G20. Your wish to bring the private sector to the table is a reality: coffee industry leaders now sit together with you, the representatives of governments, and are working hand-in-hand to find common vision, solutions, resources.

In a few months, coffee will be served to the G20, to show world leaders that all stakeholders in the coffee value chain need attention, support and solidarity, so that everybody can prosper from cultivating, trading, transforming and serving coffee. This is again a huge and innovative opportunity.

We have not forgotten the need to attract new members to the Organization. The government of the United Kingdom, our hosts, is now a Member of the ICO. With your help, we hope to convince the USA to return to the Organization. Before the pandemic struck, we were in advanced negotiations to bring South Korea and Nigeria into the ICO family. Meanwhile, we have not forgotten China, the country with the world's largest population and a promising market for coffee. We will renew our efforts in all these potential new members.

However, we are in desperate need of more resources. Show your commitment. Show that working together in the ICO is a unique opportunity. Engaging the private sector and development partners is an absolute necessity to support farmers and the coffee sector.

Fulfil your obligations to provide reliable and timely statistical information, engage with the Task Force, participate actively in the Working Group on the Future of the International Coffee Agreement, the committees and pay your contributions on time. Take full advantage of your organization and of its tangible and intangible benefits, do this for your country, producers, workers and consumers.

Chair and Vice-Chair of the International Coffee Council,

Excellencies, distinguished delegates, colleagues, ladies and gentlemen,

I am sure that a sense of responsibility and belonging will prevail and that we will reach a successful conclusion of this 129<sup>th</sup> Session of the International Coffee Council.

Thank you.