



ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
ORGANISATION INTERNATIONALE DU CAFÉ

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**Programme of activities for the
Organization – 2011/12**

Background

1. This document contains the draft programme of activities for the Organization for coffee year 2011/12 under the 2007 Agreement.
2. An estimate of the costs of specific activities in 2011/12 is given in Annex I. These costs have been incorporated in the Administrative Budget for the financial year 2011/12 (see document FA-7/11 Rev. 1). Annex II reflects the costs of proposed activities if one of the alternative Budget scenarios is followed. The costs of activities highlighted in grey may need to be revised in the light of discussions on the Budget in September 2011.

Action

The Council is requested to consider this document.

PROGRAMME OF ACTIVITIES FOR THE ORGANIZATION – 2011/12

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
	Forum for the development of policies and solutions to strengthen the global coffee sector	
Executive Director/ Secretariat	1. To facilitate consultations on coffee-related issues through regular Council sessions, meetings of ICO advisory bodies and committees, and other relevant meetings and activities, including missions and briefings	Planned activities in 2011/12: • Supporting ICO meetings including the Council, and ICO bodies and committees as appropriate • Organization of the CFCSF in consultation with the Chairman and Steering Committee (see Activity 14) • Missions to Member countries • Presentations and participation in national and world coffee events • Press briefings during Council sessions and interviews with national and international media to brief them about the ICO and coffee issues Expected outputs: • Reports, documents and presentations on coffee-related matters • Discussion and decisions by the Council on coffee-related issues and recommendations by ICO bodies and committees • CFCSF held and results disseminated on website • Information about national coffee policies • Dissemination of information about policies and activities on website • Missions, briefings and interviews • Annual Review Resources: Regular/travel budget Indicators: • Number of meetings, presentations, missions, briefings, interviews, reports and decisions • Usage of ICO website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics/ Secretariat/ Information	2. To identify priority issues, emerging concerns and opportunities arising from international and domestic trends, including technological developments, that may affect the coffee economy, and to advise on responses to these issues	Planned activities in 2011/12: - Monitoring the impact of the economic crisis on the world coffee sector - Continued follow-up of recommendations of the World Coffee Conference (WCC) 2010 - See Activity 7 Expected outputs: - Reports and documents - Recommendations of WCC 2010 incorporated in updates of the strategic action plan, programme of activities and other policy documents Resources: Regular Indicators: - Use of ICO website - Reports and relevant studies
Economics	3. To investigate and promote means for achieving equilibrium between supply and demand, as well as fair prices for both producers and consumers	Planned activities in 2011/12: - Identify sources and methods of finance for agricultural commodities, especially in the coffee sector, to improve producers' ability to finance their coffee activities, including managing their stocks in origin countries (see also activities related to the CFCSF) - Evaluation of ongoing programmes (CQP, coffee and health initiatives, programmes funded by the Promotion Fund and project activities) Expected outputs: - Reports on market trends - Progress reports and presentations - Recommendations incorporated in updates of the strategic action plan and other policy documents - Annual Review Resources: to be determined Indicators: - Number of recommendations, progress reports and presentations

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Executive Director/ Economics/ Secretariat	4. To enhance cooperation and communication on coffee policies and actions, including project activities, with appropriate intergovernmental, international, regional and other organizations, as well as with the private sector	Planned activities in 2011/12: • To explore cooperation on coffee matters and activities with FAO, UNEP, ITC, international development banks and other organizations • Participation by ICO representatives in meetings and activities of other organizations including IACO, CFC, African Development Bank Group, Codex Alimentarius and the annual meeting of ICBs • Encouragement of participation by appropriate intergovernmental, international, regional and other organizations in ICO meetings and events • Dissemination of policy papers and reports to other organizations • Dissemination of information about food safety legislation • See also Activities 1 and 14 Expected outputs: • Interventions and submissions to international meetings • Development of activities in collaboration with other organizations, including UNEP and FAO • Updated information on food safety issues affecting the coffee sector • Missions to relevant organizations Resources: £2,000 [£0] Indicators: • Number of events participated in • Memoranda of Understanding • Publications and reports • Number of joint activities
Executive Director/ Secretariat	5. To encourage non-member countries to become Members of the Organization	Planned activities in 2011/12: • Programme of contacts with representatives of non-members to brief them about benefits of and procedures for membership • Preparation and dissemination of documents and information on membership Expected outputs: • Reports and documents on membership • Contacts, missions and briefings • Progress on expanding membership of the ICA 2007 Resources: Travel budget Indicators: • Number of new Members of the 2007 Agreement

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
	Market transparency	
Economics/ Statistics	6. To provide detailed statistical coverage of the coffee value chain, including data related to production, consumption, trade, stocks, differentiated coffees, value distribution and evaluation of efficiency	Planned activities in 2011/12: - Collection of additional information on coffee with special characteristics, value of shipments and HS codes in the new Certificate of Origin once it is implemented by exporting Members - Contacts with trade associations, certification agencies and other bodies for supply of data - Upgrading of statistical software as required - See also Activity 7 Expected outputs: - Expanded statistical information on the coffee value chain - Increased information on markets for coffees with special characteristics included in regular ICO publications and special reports - Installation of improved statistical software Resources: £2,000 Indicators: - Economic studies (see Activity 7) - Usage of ICO website
Economics/ Information	7. To prepare reports and studies on the market situation and trends and developments in the coffee sector, especially with regard to structural conditions in international markets, and long-term and new trends in production and consumption that balance supply and demand	Planned activities in 2011/12: - Preparation of monthly reports on the coffee market situation - Preparation of five studies on specific aspects of the world coffee sector: - Three studies on coffee drinking patterns in leading consuming countries - Relationships between prices of coffee on physical and futures markets - Re-exports of coffee - Preparation of additional fact sheets with information on topical issues including the effects of climate change on coffee production - Enhancement of ICO website Expected outputs: - Increased transparency of the world coffee sector - Reports on the market situation and studies - Coffee sector profiles for all Member countries regularly updated - Fact-sheets on topical issues Resources: £17,000 [£4,000] Indicators: - Monthly market reports - Number of studies - Number of fact-sheets - Usage of ICO website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics	8. To take into account actions related to Article 24 (Removal of obstacles to trade and consumption) in implementing the ICA 2007, including preparing periodical surveys on the effects of tariffs, non-tariff barriers and indirect taxes on coffee consumption and trade	Planned activities in 2011/12: - Preparation of report on obstacles to trade and consumption Expected outputs: - Report on obstacles to trade and consumption presented to the Council Resources: Regular Indicators: - Number of reports
Operations	9. To submit to the Council periodic reports on compliance with Article 27 (Mixtures and substitutes) of the ICA 2007	Planned activities in 2011/12: - Preparation of report on mixtures and substitutes Expected outputs: - Report presented to the Council in September 2012 Resources: Regular Indicators: - Report
Statistics	10. To review and revise, as appropriate, statistical matters related to the ICA 2007, including the Rules on Statistics, the system of indicator prices and conversion factors for types of coffee	Planned activities in 2011/12: - Implementation of decision by the Council on conversion factors and changes to the ICO statistical database, as appropriate - Implement amendments to the current rules on indicator prices Expected outputs: - Revised conversion factors for forms of coffee - Improved indicator prices Resources: Regular Indicators: - Reports and statistics using new conversion factors - Monthly prices document - Daily posting of indicator prices on the website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Operations/ Statistics	11. To promote private-public partnerships to enhance the transparency and reliability of coffee statistics	Planned activities in 2011/12: • Organization of statistical workshops on compliance with Statistical Rules in African and other exporting countries • Investigation of alternative sources of statistics with a view to improving Members' compliance with Statistical Rules and broadening coverage of the coffee market Expected outputs: • Improved statistical coverage of the world coffee market • Improved compliance with ICO Statistical Rules Resources: £2,500 [£2,000] Indicators: • Statistical reports • Compliance with ICO Statistical Rules
	Development and dissemination of knowledge	
Economics	12. To enhance the viability and execution of projects that benefit Members and the world coffee economy by defining coffee development strategies, monitoring project proposals submitted to relevant donors and supervising their implementation	Planned activities in 2011/12: • Implementation of the revised coffee development strategy • Submission of project proposals to donors • Supervision of projects under implementation, through regular reports, evaluations and contributions to project workshops (see also Activity 15) Expected outputs: • Consideration of project proposals by donors • Reports on implementation of projects to the Council • Reports on project mid-term evaluations Resources: Regular Indicators: • Number of project proposals approved by the Council and other donors • Number of projects implemented and concluded • Number of project reports circulated

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics	13. To screen project proposals submitted with the support of Members, using consistent mechanisms and involving experts from Members, so as to select proposals that are suitable for potential donors	Planned activities in 2011/12: - Screening of project proposals for submission to the Council Expected outputs: - New project proposals submitted for approval by the Council Resources: Regular Indicators: - Number of proposals screened, revised by the proponents and submitted to the Council for approval
Executive Director/ Economics	14. To seek finance for projects and other activities, such as training courses, that benefit Members and the world coffee economy	Planned activities in 2011/12: - Use of the CFCSF to identify sources of support for projects, studies and other activities, as well as to promote the exchange of information and possible coordination of activities among the development assistance agencies of Members - See also Activity 4 - Undertake contacts with potential donors - Identify funding for replication of successful projects Expected outputs: - Identification of additional sources of support for projects - Funding secured for projects - Dissemination of Forum outcomes on website Resources: Regular Indicators: - Meetings of the CFCSF - Number of projects approved - Number of new donor agencies involved - Usage of ICO website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics	15. To strengthen country ownership of projects and encourage the capacity-building of local communities and small-scale farmers	Planned activities in 2011/12: • Coordination with Governments, PEAs and collaborating agencies on project implementation and follow-up • Continuing inclusion of capacity-building of local communities and small-scale farmers in all coffee development projects (see Activity 12) Expected outputs: • Expansion of project activities in beneficiary countries after successful project conclusion • Replication of best practices of concluded projects to increased numbers of coffee growers Resources: Regular Indicators: • Number of projects approved • Number of projects with expanded activities in beneficiary countries • Number of activities generated by project after completion
Economics	16. To encourage greater technology transfer and technical cooperation, particularly among producing countries, so as to enhance remuneration to producers	Planned activities in 2011/12: • Encouragement of exchanges of information among Member countries on results obtained from successful implemented projects Expected outputs: • Display of results obtained, and ways to reach them, during the final workshops of each project, and on websites of the ICO and local institutions Resources: Regular/Projects budget Indicators: • Number of projects up-scaled by direct beneficiary countries • Number of projects replicated in other countries • Usage of websites of the ICO and local institutions
Economics/ Information	17. To promote scientific research and development throughout the coffee chain, including alternative uses for low-quality coffee and by-products of coffee processing, and enhancing existing coffee varieties	Planned activities in 2011/12: • Publication of project reports • Regular updating of the ICO webpage on projects • Prospecting potential sources of funding for basic research Expected outputs: • Dissemination of information on ICO project activities Resources: £2,000 Indicators: • Number of reports published • Usage of ICO website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics	18. To develop the role of the ICO as Project Executing Agency in appropriate cases	Planned activities in 2011/12: - The role of the ICO as a Project Executing Agency (PEA) for coffee development projects will be considered on a case by case basis as appropriate Expected outputs: - Strengthened capacity of the ICO to coordinate project implementation and feasibility studies Resources: Regular Indicators: - Number of projects or feasibility studies with ICO as PEA
Secretariat	19. To organize seminars, round-tables and workshops on coffee-related matters, including project results, and disseminate information presented at these events	Planned activities in 2011/12: - Holding a seminar or workshop on a topic to be agreed by Members (possible topics: climate change, germplasm, carbon and water footprint of coffee, coffee finance) Expected outputs: - Terms of reference for the seminar prepared and agreed by Members - Conclusions of seminar presented by the Chairman to the Council - Seminar presentations and reports disseminated on website - Input into development of future coffee policies on seminar topic Resources: £10,000 Indicators: - Attendance at seminar - Usage of ICO website

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
	Sustainable coffee sector	
Economics	20. To promote a sustainable coffee sector so as to contribute to the achievement of the Millennium Development Goals, in particular with respect to poverty eradication	Planned activities in 2011/12: • Identification, in collaboration with other development agencies, of key areas where coffee can play a major role in poverty eradication • Inclusion of issues related to the Millennium Development Goals in the preparation and implementation of projects • See also Activities 2, 4, 19 and 23 Expected outputs: • Increased standards of living of small coffee farmers, particularly in LDCs • Integration of the principles of sustainable development into country policies and programmes Resources: Regular Indicators: • Number of LDCs involved in project activities • Results of projects • Number of Member countries with a defined environmental policy for the coffee sector
Economics/ Information	21. To disseminate information about economic, environmental and social sustainability, sustainable techniques and practices, and the efficient use of environmental resources throughout the coffee supply chain, including performance indicators and appropriate organizational structures	Planned activities in 2011/12: • Collection and dissemination of information on sustainability and its implications for the world coffee sector • Presentations on sustainability issues to Members • See also Activities 2 and 23 • Participation in seminars/workshops on sustainable coffee economy • Developing a series of podcasts on topical issues Expected outputs: • Reports and presentations to the Council and disseminated on the website • Enhanced information and increased awareness about the challenges of adapting to a more sustainable coffee economy, sustainable issues and sustainable practices Resources: £2,000 [£0] Indicators: • Number of presentations • Number of workshops for the dissemination of project results • Number of reports • Usage of ICO website • Number of seminars/workshops participated in

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics/ Information	22. To disseminate information on the effects of climate change on the coffee sector, in the light of the United Nations Framework Convention on Climate Change	Planned activities in 2011/12: • Compilation and dissemination of information on climate change and its impact on the coffee sector • See also Activity 2 • Continue to monitor information and discussions on climate change and the coffee industry Expected outputs: • Provision of up-to-date information on the consequences of climate change for the sector, facilitating the process of adaptation to future challenges and mitigation of negative effects of climate change Resources: Regular Indicators: • Publication of reports and fact sheets • Presentations on the effects of climate change on coffee
Economics	23. To seek finance for, evaluate and give feedback on project proposals aimed at developing a sustainable coffee sector	Planned activities in 2011/12: • Examination, in conjunction with other development agencies, of the best options for promoting the sustainable management of coffee resources and processing • Exploration of synergies with international initiatives for the sustainable management of natural resources • See also Activities 4, 20 and 21 Expected outputs: • Inclusion of the principles of sustainable development in project activities Resources: Regular Indicators: • Number of new projects containing, where appropriate, social and environmental risk assessment • Number of relevant projects approved

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
Economics	24. To improve understanding of market structures, including methods of financing stocks and providing wider access to credit and risk management instruments in producer countries and appropriate for smallholders	Planned activities in 2011/12: • Inclusion, where appropriate, of risk management and credit access activities in new projects supported by the ICO • Implementation of the risk management project 'Coffee price risk management in Eastern and Southern Africa' approved by the CFC Expected outputs: • Expanded knowledge and use of finance and risk management instruments • Pilot project implemented Resources: CFC budget for coffee projects Indicators: • Number of projects successfully concluded and replicated • Proposals made by the CFCSF • Reports on project implementation
Operations	25. To develop an action plan to encourage increased consumption and market development under the ICA 2007	Planned activities in 2011/12: • Preparation of a strategy to increase consumption and market development for consideration by the Promotion and Market Development Committee and by the Council • Promotion and extension of the use of the ICO CoffeeClub Network by the world coffee sector Expected outputs: • Action plan to encourage increased consumption and market development under the ICA 2007 • New communities established on issues of interest to the coffee sector • Posting of ideas and strategies to promote coffee consumption Resources: Regular Indicators: • Action plan • Number of members and use of the Network

SECTION	STRATEGIC GOALS AND ACTIONS	2011/12 (PLANNED ACTIVITIES)
PSCB	26. To disseminate, in conjunction with the private sector, information about issues related to coffee and health	Planned activities in 2011/12: • Provision of operational and administrative support for the Positively Coffee Programme and the HCP-CEP Expected outputs: • Provision of scientifically vetted information about coffee and health issues which is also easily understandable to the layman • Information will be disseminated via newsletters, a dedicated website, and attendance at conferences and other public meetings • Regular reports to the PSCB Resources: Regular Indicators: • Participation in seminars, congresses, etc. • Number of newsletters • Usage of ICO and Positively Coffee websites • Number of active programmes undertaken by HCP-CEP
Operations/ Statistics	27. To encourage quality assurance measures, including the implementation of quality standards for exported coffee (as provided for in Resolution 420)	Planned activities in 2011/12: • Collection of data extracted from Certificates of Origin • Monitoring of grading results on the London and New York futures exchanges Expected outputs: • Periodic reports on the implementation of the CQP • Quality of coffee improved • Periodic reports on the gradings results for Arabica and Robusta coffees Resources: Regular Indicators: • Number of reports • Share of coffee exports in accordance with the terms of Resolution 420 in comparison with total exports of green coffee • Number of countries implementing the CQP

LIST OF ACRONYMS USED IN THIS DOCUMENT

CFC	Common Fund for Commodities
CFCSF	Consultative Forum on Coffee Sector Finance
CQP	Coffee Quality-Improvement Programme
FAO	Food and Agriculture Organization of the United Nations
HCP-CEP	Healthcare Professions – Coffee Education Programme
HS	Harmonised System
IACO	Inter-African Coffee Organisation
ICA	International Coffee Agreement
ICBs	International Commodity Bodies
ICO	International Coffee Organization
ITC	International Trade Centre
LDCs	Least Developed Countries
PEA	Project Executing Agency
PSCB	Private Sector Consultative Board
UNEP	United Nations Environment Programme
WCC	World Coffee Conference

ADMINISTRATIVE BUDGET 2011/12

ACTIVITIES FOR WHICH SPECIFIC FINANCIAL PROVISION IS MADE

Objective	Financial provision
1. Development of policies and solutions to strengthen the global coffee sector (Activity 4)	£2,000
2. Market transparency (Activities 6, 7 and 11)	£21,500
3. Development and dissemination of knowledge (Activities 17 and 19)	£12,000
4. Sustainable coffee sector (Activity 21)	£2,000
Total	£37,500

ADMINISTRATIVE BUDGET 2011/12

ALTERNATIVE BUDGET SCENARIOS*
ACTIVITIES FOR WHICH SPECIFIC FINANCIAL PROVISION IS MADE

Objective	Financial provision
1. Development of policies and solutions to strengthen the global coffee sector (Activity 4)	[£0]
2. Market transparency (Activities 6, 7 and 11)	[£8,000]
3. Development and dissemination of knowledge (Activities 17 and 19)	[£12,000]
4. Sustainable coffee sector (Activity 21)	[£0]
Total	[£20,000]

** This Annex reflects the proposed activities in the event that one of the alternative scenarios put forward in the Draft Administrative Budget for the financial year 2011/12 (see document FA-7/11 Rev. 1 – Annex IV and V) is followed.*