Coffee development projects: Addressing new challenges

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Introduction

➢ Heavy dependence

➢ Labour intensive crop

➢ Since early 1990s: Greater exposure to market forces with a serious deterioration in the living conditions
Funding coffee development projects

- ICO started working on projects in 1995
- CFC as primary financing facility
- Proposals → Virtual Screening Subcommittee → Projects Committee
- 38 projects – US$104 million
Changing CFC Policy

- Originally purely grant-based development funding
- Last ICO project approved by CFC was in September 2011
- New CFC guidelines:
  - Proposals from any institution: the ICO has lost the monopoly over the submission of coffee-related projects to the CFC
  - End of CFC grants
Adapting to new challenges

- Paradigm shift in Projects
- Need to address the following issues:
  - Profitability: Projects should generate a financial return
  - Enhanced role of ICO in project design
  - Fund-raising activities: ICO will explore alternative sources of funding, e.g. 4th Consultative Forum
  - ICO should develop its role as Project Executing Agency
Next steps

- ICO to revise project submission and project assessment criteria [PJ-17/11, Rev. 4]
- Pipeline: Members need to consider the projects approved by the Council, but unlikely to secure funding. Establishment of a Task Force
- Revise Terms of Reference of Virtual Screening Subcommittee