



**Statement by Mr Robério Oliveira Silva,
Executive Director, International Coffee Organization
4th World Coffee Conference
Opening Ceremony
Addis Ababa, Ethiopia, 7 March 2016**

His Excellency Mr Hailemariam Desalegn, Prime Minister of Ethiopia;

His Excellency Mr Erastus Mwencha, Deputy Chairperson of the African Union Commission;

His Excellency Mr Teferra Derebew, Minister of the Ministry of Agriculture and Natural Resources of Ethiopia;

His Excellency Mr Wondirad Mandefro, State Minister of the Ministry of Agriculture and Natural Resources of Ethiopia and Chairperson of the opening ceremony;

Her Excellency Mrs Chantal Hebberecht, Head of the European Delegation to Ethiopia;

His Excellency Mr Iván Romero-Martínez, Chairman of the International Coffee Council and Ambassador of Honduras to the United Kingdom;

Mr Fred Kawuma, Secretary General of the InterAfrican Coffee Organisation (IACO)

Mrs Geraldine Fraser-Moleketi, representing the President of the African Development Bank (AfDB)

Mr Hussein Agraw, President of the Board of the Ethiopian Coffee Exporters Association (ECEA)

Your Excellencies,
Representatives of the Diplomatic corps;
Distinguished delegates;
Ladies and Gentlemen,

Welcome to the World Coffee Conference!

On behalf of the International Coffee Organization and its Members, I would like to convey my warmest appreciation and gratitude to the Government of Ethiopia.

In particular, I would like to thank the Prime Minister of Ethiopia, Mr Hailemariam Desalegn, and the Ethiopian Minister of Agriculture and Natural Resources, Mr Teferra Derebew, for hosting both the 4th World Coffee Conference and the 116th Session of the International Coffee Council here in Addis Ababa.

I would also like to acknowledge my gratitude to the National Coordinating Committee for preparing this wonderful Conference.

I am delighted to see such a distinguished and diverse audience gathered here in what is truly a global celebration of coffee culture.

This is a historic moment as for the first time the World Coffee Conference is being held on African soil.

Today coffee is grown and enjoyed around the world, but Ethiopia is the cradle of Arabica coffee and has an ancient and rich coffee culture.

The 4th World Coffee Conference takes place at a critical moment. The global coffee sector encounters a number of challenges on the supply side, but, the strong demand provides the right environment and thus opportunities to overcome those challenges.

The current challenges faced by the coffee sector are many and range from low productivity and profitability to lack of opportunities for women and youth.

Coffee growers are affected by various constraints. Low farm productivity due to aging trees, low input use and poor infra-structure along the supply chain, are exacerbated by the lack of extension services and provision of technical assistance.

The profitability of coffee farming is also affected by volatile coffee prices.

Coffee growers have limited access to credit and risk management tools which hampers investments necessary for higher production and better quality.

Additionally, low level of organization reduces the bargaining power of small and medium-size farmers and makes access to these tools even more difficult.

In view of these factors, it is not surprising that today fewer and fewer young people are inclined to become coffee farmers.

When a young person chooses a future outside farming, the coffee sector loses an important driver of change and innovation.

In the near future, the impact of climate change on coffee production is likely to become increasingly visible.

More frequent climatic events – frost, drought or prolonged rainfall, and increased vulnerability to pest and diseases – will have negative effects on farm productivity and output, ultimately affecting the global coffee market.

While the challenges are numerous, there are also great opportunities.

Demand continues to be strong – coffee is a growing market. We have seen consumption soaring over the past two decades.

Today, over 150 million bags of coffee are consumed annually which is 50 million more than 20 years ago.

All indicators point to further growth in the future.

We estimate that by 2025 world coffee consumption could increase by another 35 million to reach 185 million bags.

This positive trend is driven by three factors:

- first, by the rising demand for coffee in producing countries;
- second, by strong growth in consumption in emerging markets; and
- finally, by dynamic and innovative traditional markets.

The international community got together in September 2015 to launch the Sustainable Development Agenda to guide global policy for the next 15 years.

The agenda contains a list of 17 Sustainable Development Goals (SDGs).

The ICO and our Vision 2020 partners have identified six goals for which the coffee sector is positioned to be a catalyst.

We believe that by establishing partnerships between the private and public sectors, the coffee community can significantly contribute to achieving the following SDGs: improving life on land, taking action on climate change, working towards gender equality, fostering economic growth, and eliminating hunger and poverty.

By taking action to address the coffee sector's challenges at the national level, Member States of the ICO are also advancing the cause of the international community to achieve the SDGs.

In view of the persistent challenges the sector faces, the Organization's objectives remain highly relevant.

The ICO provides up-to-date information on markets, conducts independent research and carries out technical projects to benefit the world coffee sector.

With initiatives like the Private Sector Consultative Board, the Consultative Forum on Coffee Sector Finance and the new cooperation with the Global Coffee Platform under Vision 2020, the ICO has been facilitating the collaboration between public and private sectors.

Besides supporting the supply side, broad public-private initiatives can also further stimulate coffee consumption.

In the spirit of promoting consumption, the ICO has teamed up with coffee associations around the world to create an official International Coffee Day, now celebrated annually on 1st October.

The ultimate goal of our joint efforts is a strong coffee sector which is viable in the long-term;

- a coffee sector which fairly remunerates the millions of growers worldwide;
- a coffee sector which makes a significant contribution towards achieving the Sustainable Development Goals;
- a coffee sector which alleviates poverty in rural areas of developing countries, fosters sustainable agricultural production, promotes gender equality and leads to sustained economic growth.

The first ever World Coffee Conference taking place on the African continent sends a strong signal.

We all agree that the time is ripe for a renaissance of coffee production in Africa.

We have a clear aspiration that African countries will become an even more crucial pillar of the global coffee sector in the future.

Over the next two days, the World Coffee Conference will give a unique opportunity to identify and discuss creative ways to take advantage of the momentum of the growing coffee sector and overcome its challenges.

I am convinced that this Conference will be a catalyst for concrete actions to achieve our common vision for the global coffee sector.

Thank you.