



SCTA

SCHWEIZERISCHE KAFFEEHÄNDLER VEREINIGUNG
ASSOCIATION SUISSE DES NÉGOCIANTS EN CAFÉ
ASSOCIAZIONE SVIZZERA DEI NEGOZIANI IN CAFFÈ
SWISS COFFEE TRADE ASSOCIATION

Coffee – Global Adaptation Plan Update at the ICO Meeting, Sep 18 2018 Michael von Luehrte SCTA Secretary General & TF leader

What is the C-GAP Initiative?



- **Key industry players (Roasters/Industry/ NGOs, International Institutions) identified the key challenge of climate change & future supply in 2016**
- **SCTA was chartered to lead the taskforce efforts**
- **Pre-competitive activities – open to all players in the coffee market**
- **No competition to existing programs and initiatives**
- **GOAL – attract more outside investments into the future sustainability of coffee production**

Introducing the long-term challenge for the coffee market

Meeting future demand for coffee could require doubling production by 2050

We will need to produce an additional **4 – 14** million tons of coffee by 2050 to meet future demand



Meeting this demand will require a renewed focus on productivity of coffee farms –**DOUBLING** our current production levels.



If we cannot **DOUBLE** production on existing coffee farms, we could see coffee expanding into new areas – potentially natural forests.



other food crops will compete with coffee areas

There is enormous global financial risk of not responding to climate change for all players along the supply chain

VISION & MISSION

Our Vision: Thriving coffee communities resilient to climate change producing a high-quality, long-term supply of coffee.

Our Mission: Using a rigorous and systematic approach to data collection, analysis and modeling and an uncompromising drive for collaboration we catalyze investment to support climate adaptation work for maximum impact.

Our Scope:

- Focus on adaptation, not mitigation
- Focus on all producing communities

STRATEGIC APPROACH

TO ENABLE THE INDUSTRY TO BETTER...

PREDICT

Understand how to **predict hot spots and prioritize engagement**. Using a **data driven predictive** model we enable the industry to better manage supply chain risks.

REACT

Enable recovery and maintenance (via agronomic practices) to priority clusters via coordinated finance.

PREVENT

Finance innovation in areas such as agronomical practices, cultivars or new production areas to protect against further damage from climate change.

WE WILL...

USE BIG DATA TO MAP RISK

Via a massive network of data providers we collect and analyze climate, agronomical and market data to create models that map 'climate change risk severity clusters' in the coffee lands.

UNLOCK FUNDING

We are an honest broker of funding and financing to aid and embolden effective current initiatives in responding to the climate crisis. We promote pooling of resources for cost efficiency & maximum benefit.

CONNECT & SCALE

We act as an enabler to connect financing with relevant operational initiatives. We share our work and partner with other organizations to ensure maximum efficiency of our work.

3 year development plan

Phase 1 - launch & proof of concept

- Transition from interim to permanent governance
- Country profiling in 1 or 2 countries
- Defining criteria to prioritize investments
- Pilot match-making service through existing funds (e.g. IDH, CI, UNIDO, RABO, etc.)
- Feasibility study + fundraising for Decision Support System

Phase 2 - from pilots to scale

- Global DSS system rolled-out
- Match-making service + funding database rolled-out
- Action plan to develop + 1st strike fundraising for 'Special Purpose Vehicle' (SPV)

Phase 3 - Establish GAP SPV

- Extension of CGAP match-making service with dedicated SPV
- Long-term business model established
- Cont'd fundraising for SPV

CEO COMMITMENT as a prerequisite to success

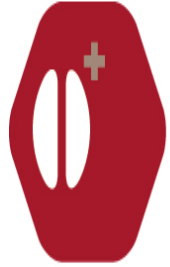
What does it mean to be a 'participant' of C-GAP?

Key components:

- Recognise the need to address climate change in coffee towards economic, social and environmental impact
- Agree on key topics that should be addressed together and commitment to shared action and investment agendas
 - Contribute data
 - Share learnings
 - Common monitoring indicators
- Invest (amount or percentage of profits) in their own supply chains (bankable projects) and in the common (enabling environment / learning) topics
- Co-fund the C-GAP secretariat

Next Steps – C-GAP

- **Oct 11/12 – communicate Go/No Go Decision at the SCTA Forum and Dinner in Geneva – agree on next steps**
 - Provide initial funding to the C-GAP organization/define legal set-up under SCTA/staffing
 - Define future funding model and platform
 - Initiate data modeling process
 - Define potential pilot projects
- **Create a platform for bankable projects!**



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Questions

and

Answers

