



INTERNATIONAL COFFEE ORGANIZATION
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
ORGANISATION INTERNATIONALE DU CAFÉ

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PRESS RELEASE

International Coffee Organization holds second Consultative Forum on Coffee Sector Finance

London (6 March, 2012) – The International Coffee Organization (ICO) held the second Consultative Forum on Coffee Sector Finance today as part of its semi-annual meetings. The topic selected for consideration was the role that producer associations, governments and other entities (e.g. the private sector, non-profit organizations or public-private partnerships) play or could play in making risk management and financing tools more accessible and more workable for small- and medium-sized growers. (See document ED-2129/12 for a statement of the problem drawn up by the Core Group on the Consultative Forum).

In his opening remarks, ICO Executive Director Robério Oliveira Silva stated “This is an extremely important issue since, despite the existence of viable risk management tools, small- and medium-scale producers often find it difficult to gain access to these instruments.”

Second Consultative Forum on Coffee Sector Finance

The Chairperson, Amy Karpel of the USA, launched proceedings with an outline of the problems and issues that needed to be addressed, including the need to incentivize farmers to participate in existing programmes.

Presentations were made by six invited speakers:

- **Jawaid Akhtar**, Chairman of the Coffee Board of India, provided an Indian perspective on the role of different entities in making risk management and financing tools accessible.
- **Ernesto Fernández Arias**, Undersecretary of Agriculture for Mexico, described how a government programme aids in the managing of risks and provides transparency in price, production quantity and supply.

- **Xinia Chaves**, Vice Minister of Agriculture and Livestock for Costa Rica, described how collaboration by the various coffee sector participants in Costa Rica is based on an institutional framework.
- **Edilson Alcântara**, Director of the Coffee Department in the Ministry of Agriculture, Livestock and Food Supply of Brazil, examined the various instruments for risk mitigation and underlined the need for Brazilian coffee farmers to adapt to change;
- **Matt Horsburgh**, Head of Trading at the Twin Trading Company, outlined his company's approach to building capacity for smallholder cooperatives to manage risks.
- **Marc Sadler**, Team Leader in the Agricultural Finance and Risk Management Unit (ARMT) of the World Bank's Agriculture and Rural Development Department, described how ARMT focuses on assisting clients in identifying and managing agricultural risks.

Presentations made at the Forum are now available to download from:
http://www.ico.org/forum2_e.asp.

The International Coffee Agreement 2007 established the Consultative Forum on Coffee Sector Finance to facilitate consultations on topics related to finance and risk management in the coffee sector with a particular emphasis on the needs of small- and medium-sized producers and is designed to include representatives from Members, intergovernmental organizations, financial institutions, the private sector, non-governmental organizations, interested non-member countries and others with relevant expertise.

About the ICO: *The International Coffee Organization (ICO) is an intergovernmental organization created under the auspices of the United Nations to serve the international coffee community. Established in 1963, the ICO is unique in bringing producing and consuming countries together to exchange views on coffee matters and market conditions, and address coffee policies. In the last four calendar years, the value of world coffee exports averaged over US\$14.5 billion. Among the services provided by the ICO are: up-to-date information and statistics; innovative projects to benefit the world coffee economy; coffee market reports and economic studies; a coffee quality improvement programme; consultations on coffee sector finance; developing consumption through market development activities; and conferences and seminars.*

For more information please contact:

Robério Oliveira Silva
Executive Director

Tel.: + 44 (0) 20 7612 0600
Fax: + 44 (0) 20 7612 0630

Email: info@ico.org
Website: www.ico.org