



# AFRICA COFFEE FACILITY

**Dr. O. Denis Seudieu**  
**Chief Economist - ICO**

# OBJECTIVES OF THE FACILITY



- Improve the livelihoods of small-scale coffee farmers
- Increase the contribution of coffee to economies of producing countries
- Strengthen the role and participation of women and youth in the coffee value chain
- Ensure the sustainability of the African Coffee industry in the light of the challenges of climate change
- Enhance the competitiveness of African coffee
- Increase value addition generated by the African coffee sector



# ACTIVITIES

- 1) Building a sustainable coffee supply (USD120 million)
- 2) Improving demand, market linkages and investments (US\$7.5 million)
- 3) Climate change adaptation and environmentally responsible practices (US\$18 million)
- 4) Knowledge management and dissemination (US\$4.5 million)



# Indicators of achievements

## I. Improve livelihoods of smallholder coffee farmers

- Increased productivity from a current average of 350kg/ha to 700 kg/ha in 5 years; and to 1000kg/ha by year 10;
- Increased net income of coffee farmers by 50% in 5 years;
- Improved standards of living of coffee farmers



# Indicators of achievements

## II. Increased contribution of coffee to the economies of producing countries

- ☐ Increased coffee exports value from the current annual average of US\$1.9 billion to US\$3.5 billion in 5 years

## III. The role and participation of women and youth in the coffee value chain strengthened

- ☐ Reduced average age of coffee farmers from over 60 to 40-45;
- ☐ Increased number of youth and women participating in the coffee value chain



## Indicators of achievements

### IV. Sustainability of Africa's coffee industry achieved in the light of the challenges of climate change

- Increased usage of drought, pest and disease tolerant planting materials
- Adoption of appropriate agroforestry system

### **V. Increased value addition generated by Africa's coffee sector**

- Increased volume of roasted and soluble coffee from a current average level of 3.4% to 7% of total exports

# CURRENT STATUS OF THE FACILITY



- ❑ Stakeholders workshop in Abidjan (28-29 April 2016)
- ❑ Formal resubmission to the Bank of a revised Concept Note (informed by the outcomes of the coffee design workshop) through the office of the President;  
(by the Secretary General of the Inter-African Coffee Organisation -31 August 2016);

# NEXT STEPS



- ❑ The Bank's Agriculture and Agro-industry Department (OSAN) will prepare/adapt to Bank format working closely with other concerned Bank organizational units and take the lead in processing the Concept Note for approval by the Bank's Standing Committee on Partnerships (SCP);
- ❑ Once the Concept Note is approved by the SCP, this will be followed by its consideration by the Bank's senior management committee (SMCC); and,
- ❑ Following approval of the Concept Note by the SMCC, the Bank's Agriculture and Agro-industry Department, working closely with the Financial Services (OFSD) and Private Sector Departments(OPSD) will prepare and jointly process a full proposal on the Africa Coffee Financing Facility for consideration by the Board of Directors.
- ❑ **A full report on the Facility will be presented during the General Assembly of IACO from 28 November to 2 December 2016 in Yaoundé, Cameroon**



# Other Regional Coffee Facilities



- Mexico & Central America Coffee Facility;
  - Asian Coffee Facility;
  - South America Coffee Facility
- 



# DRAFTING CONCEPT NOTE

STEP 1: Prepare a report on coffee sector challenges and opportunities (references to doc ICC-114-5)

STEP 2: Identify key areas for intervention to promote sustainable coffee sector

STEP 3: Identify main stakeholders in the region (traders, roasters, etc...)

STEP 4: Identify main regional development banks and their interventions in Agricultural sector

(At the 5<sup>th</sup> Consultative Forum on Coffee Sector Finance-March 2015)



# DRAFTING CONCEPT NOTE

- STEP 5: Draft a concept note based on main activities to promote sustainable coffee sector;
- **STEP 6:** Organize stakeholders workshop to discuss activities;
- **STEP 7:** Submit the concept note to regional development banks



*[www.ico.org](http://www.ico.org)*