INTERNATIONAL COFFEE ORGANIZATION

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Strategic Review of the ICO – Draft Terms of Reference, Timetable and Table of Contents

Background

1. At its 115th Session in Milan, Italy, the International Coffee Council adopted Resolution 457 which calls for a Strategic Assessment of the activities undertaken by the International Coffee Organization. The Resolution established a Working Group, which was given the responsibility of coordinating the Strategic Assessment and of determining terms of reference for that Assessment. The Resolution cites the following references:

- Article 9(4) of the International Coffee Agreement (ICA) 2007.
- The Action Plan of the International Coffee Organization (ICC-105-19 Rev 3).
- The Belo Horizonte Declaration.

2. The Working Group has met four times as follows:

(a) The first meeting took place on 22 October. The Working Group discussed whether or not an external consultant should be appointed and, if so, at what stage. The Secretariat was asked to prepare a questionnaire to canvas the opinions of the Working Group (WG-2/15).

(b) The Working Group held its second meeting on 16 November. The responses to the questionnaire which had been submitted to the Secretariat prior to the meeting were discussed. However, any recommendations were deferred until more responses by Members had been received (WG-5/15).

(c) At the third meeting, which took place on 14 January 2016, the scope of the Strategic Review was discussed and it was agreed that the delegate from Papua New Guinea would liaise with the Secretariat to prepare a first draft of the 'Terms of Reference' for the following meeting of the Working Group (WG-7/16).

(d) At its latest meeting on 18 February 2016 the Working Group approved the draft Terms of Reference for the Strategic Review which are attached to this document as Annex I. The Working Group also agreed that the Strategic Review will be carried out by the Secretariat and supported by a consultant if desired. The final document containing the findings of the Strategic Review will be considered at the 118th Council Session in March 2017 (WG-10/16).

3. At its 4th Meeting on 18 February, the Working Group requested the Secretariat to prepare a Timetable with activities to be carried out by the Secretariat in order to fulfil the objectives included in the Terms of Reference. Annex II contains such a draft Timetable.

4. Annex III contains a draft Table of Contents for the report of the Strategic Review.

Action

The Council is requested to consider this document which comprises the Terms of Reference, a Timetable and a Table of Contents for the Strategic Review of the ICO and, if appropriate, to approve it.

ANNEX I

THE ASSESSMENT – DRAFT TERMS OF REFERENCE

1. The initial purpose of this exercise is to assess, in close consultation with Members of the Working Group, other Members of the Council and the ICO Secretariat, the strategic focus and priorities of the Organization and their implementation, in order to propose areas for improvement. Secondly the assessment will analyse document ICC-105-19 Rev 3 and, in light of the trends and challenges in the world coffee economy, the resources available and inputs from Members countries and the ICO Secretariat, will propose a clearer strategic focus for the Organization with a revised set of strategic priorities and respective planned actions. This Assessment will not involve discussion of provisions outlined in the International Coffee Agreement 2007, but will cover their execution.

2. Specifically the exercise will:

- Assess the strategic planning framework of the Organization, including performance indicators, and identify areas for improvement and propose ways of achieving it.
- Assess the progress achieved to date on the strategic goals and implementation of priority actions outlined in document ICC-105-19 Rev 3, since the coming into force of the ICA 2007.
- Examine the opportunities and challenges faced by the Organization in the execution of the strategic goals and priority actions outlined in document ICC-105-19 Rev 3, highlighting those areas where progress has been significant as well as those areas where progress has been poor.
- Identify the resources required for, or utilised in, the fulfilment of the strategic goals and priority actions and if necessary, any suggested changes to achieve the most efficient use of resources to fulfil those goals and actions.
- Assess and analyse the strengths and weaknesses of the Organization in delivering all aspects of the Action Plan.
- Evaluate and elaborate both the external and internal constraints faced by the Secretariat in the execution of the Action Plan.
- Provide an overview of the opportunities and challenges facing the global coffee industry over the next five years and suggest, if appropriate, additional actions that should be considered by the membership as priority actions.
- Assist the Working Group to produce a prioritisation of the strategic goals and actions, which takes into account the views expressed by Members of the Organization, the resources available, and any new opportunities and challenges that have been identified as being important.

DRAFT TIMETABLE FOR THE STRATEGIC REVIEW

March 2016	• Working Group to submit draft Terms of Reference to Council
April - May	• Secretariat to undertake initial review of third party views on challenges and opportunities for the coffee sector
June	• Working Group to coordinate structured consultations with Members, potentially bringing in expert advice and hosting a workshop
July - August	• Based on the results of the workshop, Secretariat to collate comments and recommendations on strategic framework and prepare initial draft of Strategic Review • Secretariat to conduct additional informal consultations with key stakeholders in the sector
September 2016	• Working Group to present initial draft of Strategic Review to Council • Workshop with Members in London during the 117th Sesson based on this initial draft
October - December	• Incorporate results of the September workshop • Final revisions and consultations with the Working Group
January - February	• Secretariat to put together final report on Strategic Review
March 2017	• Council to consider final report on Strategic Review

DRAFT TABLE OF CONTENTS

This is a very provisional table of contents for the report of the Strategic Review, which is intended to reflect the elements incorporated from the Terms of Reference. It is envisaged that the report will first lay out the rationale for conducting the Review at this time, and put this process into context by looking at the current global coffee sector and the various constraints faced by the Organization. The Review will incorporate an assessment of the progress achieved so far in the various strategic goals and an assessment of the strategic planning framework, but the dominant focus of the Review will be on the analysis of, and recommendations on, the ICO's strategic goals and the activities required to achieve these goals. However, it is acknowledged that this outline could change during the consultation and drafting process over the next twelve months.

1. Introduction
2. Background/Rationale
3. Context
    a. Overview of the opportunities and challenges facing the global coffee industry over the next five years
    b. Evaluation of external constraints faced by the ICO
    c. Elaboration of internal constraints faced by the Secretariat
4. Internal assessment of progress
    a. Progress achieved to date on the strategic goals and implementation of priority actions since the entry into force of the ICA 2007
    b. Examination of the opportunities and challenges faced by the Organization in the execution of its strategic goals and priority actions, highlighting those areas where progress has been significant, as well as those areas where progress has been poor
    c. Resources used in the fulfilment of the strategic goals and priority actions
    d. Assessment of the strategic planning framework of the Organization, potentially including key performance indicators
5. Strategic proposals/recommendations
    a. Prioritisation of the ICO's strategic goals and actions
    b. Resources required in the fulfilment of these strategic goals and priority actions
    c. Potential strengths and weaknesses of the Organization in achieving these goals and actions
6. Conclusions