



**Report of the Projects Committee
on the meeting held on 14 March 2017**

Item 1:	Adoption of the Agenda.....	2
Item 2:	Election of the Chairperson and Vice-Chairperson for coffee year 2016/17	2
Item 3:	Report of the meeting held on 19 September 2016.....	2
Item 4:	Coffee development projects	2
Item 5:	Other business	4
Item 6:	Date of next meeting	4

1. The Projects Committee held its 13th meeting in London, on 14 March 2017.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft agenda contained in document [PJ-109/17 Rev. 1](#).

Item 2: Election of the Chairperson and Vice-Chairperson for coffee year 2016/17

3. The Committee appointed Mrs Ina Grohmann of Germany as Chairperson and H.E. Mr Iván Romero-Martínez of Honduras as Vice-Chairperson for coffee year 2016/17.

Item 3: Report of the meeting held on 19 September 2016

4. Members of the Committee approved the report of the 12th meeting held on 19 September 2016 contained in document [PJ-108/16](#).

Item 4: Coffee Development projects

Item 4.1: Projects under consideration by donors

5. The Chief Economist introduced document [PJ-110/17](#) containing a summary of the status of projects sponsored by the ICO, including projects already concluded and projects under consideration by donors. The Committee took note of the report.

Item 4.2: Projects already approved

6. The Chief Economist gave an update on two ongoing projects as detailed in Annex I and II of document [PJ-111/17](#).

Promoting a sustainable coffee sector in Burundi

7. This project (Annex I) is a typical example of private-public collaboration. In 2012, Sucafina S.A., a coffee trading company, proposed to the then Executive Director, Mr Robério Oliveira Silva, a different way of approaching sustainability in the coffee sector so as to increase the yield and improve living conditions of those working in the sector and also ensure that enough coffee is available for exports. The concept has been developed with the help of the ICO and now that US\$1.6 million has been secured to finance the project, it is being implemented. The project has already reached out to many farmers and the Project Executing Agency, Kahawatu continues to undertake its fundraising activity. This experience is being replicated in neighbouring countries (Rwanda and Uganda).

8. In the discussions, it was noted that this kind of partnership with the private sector is the way forward and the Secretariat should continue to look for other opportunities.

Qualitative and quantitative rehabilitation of coffee with the aim of improving living conditions of coffee farmers afflicted and displaced by war in the Democratic Republic of Congo

9. The project is still on track in terms of coffee quality-improvement through micro-washing stations and the bringing together of coffee growers into specialized coffee cooperatives. The project is being implemented by VECO, a Belgian NGO. A consultant appointed by the Common Fund for Commodities (CFC) has visited the project areas in the Democratic Republic of the Congo. A supervision mission of the ICO has been postponed to later on in the year.

10. The Committee took note of these reports.

11. The Chief Economist provided an update of a project designed following the new format of the CFC. The project entitled 'Empowering women and youth to participate in the coffee value chain through partnerships with a coffee roasting company and eco-tourism in Uganda' aims at improving the standard of living of women and youth growing coffee through improved and sustainable production, value addition and marketing systems. The Secretariat provided technical assistance in designing the project that was approved by the Consultative Committee of the CFC in January 2016. However, the CFC is looking for a development impact partner before organizing the launching of project activities.

12. The representative of the Common Fund explained the approach of Impact Development Bonds as a new strategy to strengthen project impact on the living conditions of rural communities.

13. The Committee took note of these reports and explanations.

Item 4.3. Recently concluded project

14. The Committee was debriefed on the recently concluded project entitled 'Sustainable Credit Guarantee Scheme to promote scaling up of enhanced processing practices in Ethiopia and Rwanda'. An Executive Summary of the report is contained in document [PJ-112/17](#). The aim of this project was to promote better access to credit and banking services by smallholder coffee farmers in Ethiopia and Rwanda guaranteed by collateral provided by the CFC. The project closing workshop took place in Rwanda in November 2016. The project has had a

significant impact on coffee processing and quality in both countries. The credit guarantee scheme was more successful in Ethiopia than in Rwanda. The World Bank has used the example of the two countries as case studies in their report on Risk and Finance in the Coffee sector. In the discussion, delegates requested that project results should be made available to other member countries. It was suggested that the Secretariat should organize workshops to disseminate project results.

15. The Committee took note of this report

Item 4.4: Africa Coffee Facility

16. The Chief Economist gave an update on the Africa Coffee Facility, an instrument designed to finance coffee development project activities in Africa through the African Development Bank Group (AfDB). The Secretary-General of the Inter-African Coffee Organisation, after recognizing the technical support of the ICO towards this process, provided the latest developments of the Facility, which is now being called the Africa Coffee Fund.

17. A meeting was scheduled to take place on 21 March 2017 in Geneva between the President of the African Development Bank and senior managers of the leading European coffee traders and roasters. The meeting is being coordinated by Sucafina S.A., a Swiss-based trader.

18. The Committee took note of this update.

19. During the discussion it was suggested that similar initiatives should take place for Latin America and Asia, using the experience of the Africa Coffee Facility. Such process would require assessing the coffee sector challenges in these regions and the results would be presented in September 2017. Following this initial phase the Secretariat will, with the support of the participating countries, start designing the Facility for other Member countries.

Item 5: Other business

20. There was no other business.

Item 6: Date of the next meeting

21. The Committee noted that the next meeting of the Projects Committee would take place in Abidjan, Côte d'Ivoire at the time of the 120th Council Session from 25 to 29 September 2017.