



**Report of the Promotion and
Market Development Committee on
the meeting held on 26 September 2017**

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1. The Promotion and Market Development Committee, chaired by Ms Vera Espíndola Rafael of Mexico, met in Yamoussoukro, Côte d'Ivoire, on 26 September 2017 for its 14th meeting.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document [PM-53/17 Rev. 1](#).

Item 2: Report of the meeting of 15 March 2017

3. The Committee approved the report of the last meeting held on 15 March 2017 contained in document [PM-52/17](#).

Item 3: Five-Year Action Plan for the ICO

4. The Executive Director reported that during the past coffee year, the Working Group on the Strategic Review, chaired by Mr Aly Touré of Côte d'Ivoire, had met several times in order to transform the recommendations of the Strategic Review into a Five-Year Action Plan (document [WP-Council 280/17](#)). The plan provided practical guidance to the work of the ICO and contained a series of 'Priority actions to stimulate promotion programmes through public-private partnerships', including providing effective promotion of International Coffee Day, thereby reinforcing the ICO's status as the leading intergovernmental organization for coffee; encouraging actions related to the promotion and consumption of coffee; and strengthening partnerships with the private sector to host relevant coffee events. The Executive Director thanked all the Members of the Working Group for their hard work.

Item 4: Projects to promote consumption

5. The Chair reminded the Committee that one of its objectives was to promote coffee consumption to increase demand. She said consumption had been increasing mainly in traditional markets, but growth in producing countries could also be noticed.

6. The delegate of Mexico presented infographics on the Mexican consumption of soluble and roasted coffee and current trends in consumption, which was on the increase. The surge in local coffee shops was of major importance as 90% of the coffee sold to those shops was grown in Mexico. The presentation looked at the country's promotion of the health benefits of coffee, based on scientific studies, to address the myth that coffee could be harmful. The aim of the campaign was to educate people that drinking coffee in moderation was beneficial. The infographics were available in English and Spanish, and would be translated into French and Portuguese.

7. In a recent visit to Mexico, the Executive Director had witnessed first-hand the vigour of the coffee market, and congratulated Mexico on increasing its domestic consumption. This was a positive development championed by the ICO as a key factor in stabilizing the coffee market.

8. In response to questions about how this growth in consumption was impacting on the prices for farmers, the Mexican representative explained that her country was usually influenced by its neighbour, the United States of America, where coffee shops had become very popular. In Mexico City, for example, Starbucks and Juan Valdez shops competed for key spots in the city. The trend for coffee shops had also helped independent coffee shops to flourish and a Mexican chain called 'Cielito Querido Café' had opened several outlets in the city. Mexicans were very proud of all their products, including coffee, and she reminded the Committee that Mexico has no Coffee Board and therefore it was the industry itself that was behind coffee promotion and events. The National Plan for Mexican Coffee had also helped growers to get added value, by increasing domestic consumption through two key strategies: increasing exports by improving the quality of Robusta and soluble coffee; and the fact that Mexican consumers sought high quality Mexican coffee. Prices were competitive and many producers preferred to sell their coffee on the domestic market, as they could get greater returns by selling directly to roasters in the country. This was a strategy proven to benefit small-scale farmers, particularly at a time of an international coffee price crisis.

9. The Executive Director took the opportunity to remind Members that for many years the ICO had been emphasizing the importance of increasing domestic consumption in producing countries. A good example of it was the Step-by-Step Guide to Promote Coffee Consumption, which was very comprehensive and still valid, and it was also an excellent starting point to any campaign to increase domestic consumption.

10. The Committee was reminded that the positive effects of coffee to maintain good health had been validated through studies conducted by the World Health Organization (WHO). It was important to inform farmers that what they grew was a very important product and that drinking coffee was good for one's health.

Item 5: International Coffee Day

11. The Executive Director gave a report on International Coffee Day (ICD) which was a very important ICO initiative that sought to encourage coffee lovers around the world as well as stakeholders to organize their own events to celebrate coffee, using social media and the dedicated ICD website. The third edition of the ICD was named 'Coffee for you and me',

building on the capacity of coffee to bring families and friends together, and the theme was chosen to emphasize the importance of coffee to both producers and consumers. He then introduced the campaign video, which was well received by Members of the Committee.

12. He also reported that dozens of promotions at coffee spots and other events were being held all over the world. Up until then, details of events taking place in more than 30 countries had been received and advertised on the ICD website, which was a sign of recognition that the ICD was growing. This year's event also included a photo competition with cash prizes, the winners of which would be announced later in the week, during the Council Session.

13. The Executive Director expressed the ICO's gratitude for the financial backing of the All Japan Coffee Association (AJCA) and the logistical support from SAGARPA (Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food) of Mexico which had made the event possible.

Item 6: Promotion and Market Development Committee Members and office holders

14. Members noted the need to consider the composition of the Committee as well as the election of a new Chair and Vice-Chair for coffee year 2017/18. The Executive Director informed Members that the details of the procedures were set out in document [WP-Council 285/17](#).

Item 7: Other business

15. There was no other business.

Item 8: Date of next meeting

16. The Committee noted that the next meeting of the Promotion and Market Development Committee would take place during the 121st Session of the Council to be held from 9 to 13 April 2018.