



**Report of the 16th meeting of the
Promotion and Market Development
Committee held on 19 September 2018**

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1. The Promotion and Market Development Committee, chaired by Mr Mitsuhiro Takayanagi, held its 16th meeting at the International Maritime Organization in London, United Kingdom, on 19 September 2018.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document [PM-57/18 Rev. 1](#).

Item 2: Report on the meeting of 11 April 2018

3. The Committee approved the report of the last meeting held on 11 April 2018 contained in document [PM-56/18](#).

Item 3: Promoting consumption

Item 3.1: International Coffee Day

4. The Head of Operations reported on preparations for this year's International Coffee Day campaign, the focus of which was celebrating Women in Coffee. The theme was chosen as the ICO's thematic focus because of the growing importance of women in coffee throughout the coffee value chain, and to help to empower women to achieve gender equality and increase productivity, supply and sustainable consumption. Many of these topics had been explored in detail in the Thematic Workshop: Women in Coffee held on Monday, 17 September 2018, and it was encouraging to note that the International Maritime Organization would be focusing on empowering women in the maritime industry for next year's World Maritime Day.

5. To support the campaign, the ICO Secretariat had produced a number of support materials, including an animation video, photo competition, posters and postcards, and an accompanying social media campaign. The winners of the photo competition would be announced in Council later that week, and delegates were encouraged to vote for their favourite picture at the International Coffee Day stand in the delegates lounge.

6. The video for the campaign was well received by delegates, and both Members and observers were encouraged to help support this special day – by holding an event, pledging support through social media using the hashtags #internationalcoffeeday/#womenincoffee, as well as more concrete actions at a national policy level. In addition to a webinar on gender equity in the coffee sector in collaboration with Global Coffee Platform and representatives of the International Women's Coffee Alliance and the Partnership for Gender Equity, the ICO was also holding an event in conjunction with the Embassy of Brazil on 1 October to bring together governments, the private sector and consumers and to formally launch the ICO's

study 'Gender equality in the coffee sector'. Finally, the Head of Operations formally thanked the All Japan Coffee Association for their continued support of the ICO with the resources to make the International Coffee Day campaign possible.

Item 3.2 Colombian Coffee: Differentiation, Differentiation, Differentiation

7. The Committee received a presentation from Mr Juan Esteban Orduz, President and CEO of the Colombian Coffee Federation, Inc., on his country's efforts to support the growth of Colombian coffee through differentiation.

8. For Colombia, coffee was embedded in the culture and livelihood of the nation. Coffee had first come to Colombia in 1732, and initially coffee growing was encouraged by the Church as a way for the people to absolve their sins. These early days of planting coffee, nearly three hundred years ago, were now manifested in 900,000 hectares of land in Colombia dedicated to growing coffee. The coffee farmers had the vision to form the Federation, established in 1927, to support the leverage and expansion of the sector, leading to the creation of extension services still going strong today. Differentiation was and had always been the focus of the Federation – and its main pillars were quality and productivity – to stand out from the competition.

9. The establishment of the Federation's first warehouse followed in 1929, with its first office in New York opening in 1930 to reach out to the large American market. To promote the visibility of Colombian Coffee, the Federation sponsored an expedition to Antarctica with a Colombian brand of coffee, and in 1938 founded the National Coffee Research Centre (Cenicafé) to promote the scientific research into and sustainability of the coffee sector. Looking at ways in which to make the sector financially stable, the Federation set up the National Coffee Fund, a percentage of each export being allocated to support the building/maintenance of roads, schools, hospitals, promotion and advertising.

10. To address the challenge of low coffee prices in the 1950s, and again to support the differentiation of Colombian coffee, the 'Juan Valdez' brand was introduced in 1960, as a quality label for consumers, however, also providing a price guarantee for farmers who grew the coffee using the 'Juan Valdez' name. The 'Juan Valdez' brand was then extended to include the '100% Colombian coffee' logo. Following the end of the quota system and another drop in coffee prices, the Federation had turned again to differentiation and this time recognised the need to provide added value, including specialty coffee, by launching of 'Juan Valdez' coffee shops and promoting regional coffees. The Coffee Information System (SICA) provided the Federation with information regarding every single coffee farm in the country in order to know who owned the farms, how much coffee to grow and how to invest in a particular region.

11. In terms of future steps, consumers were increasingly buying into values and the Federation responded to this demand in terms of investment in sustainability. These efforts in 2018 alone had led to the Federation being awarded one of the Rainforest Alliance Sustainable Standard-Setters Award, the Coffee Quality Institute Leadership Medal of Merit and the Speciality Coffee Sustainability Award. The next ambitious step was to be the first 100% sustainable coffee origin in the world. Due to time Mr Orduz was unable to play a video to Members, but both his presentation and video would be posted on the ICO website.

Item 3.3 Dissemination Workshop on Coffee and Health: April 2018, Mexico

12. The Committee noted the report of the Dissemination Workshop on Coffee and Health held during the 121st Session of the International Coffee Council in Mexico City, in order to share with Members the latest developments relating to coffee consumption and health. The panellists had included: Dr Astrid Nehlig, Research Director from the French National Medical Research Institute, France; Mr Bill Murray, President and CEO, National Coffee Association, United States; and Professor Rui Daniel S. Prediger, Experimental Laboratory of Neurodegenerative Diseases, Department of Pharmacology, Federal University of Santa Catarina, Brazil.

13. The topics covered included the health effects of coffee, how best to communicate the health messages around coffee and the impact of coffee on mental health. Document [PM-58/18](#) gave a summary of the presentations and discussions at the workshop. Members were invited to consider the report as well as what practical steps the Promotion and Market Development Committee could take to support ICO Member countries to communicate the positive messages about coffee and, in so doing, help to increase coffee consumption.

Item 4: Leveraging technology to connect producers and roasters

14. The Committee also received a presentation from Dr Raphael Studer, co-founder of Algrano – an online platform designed to make it easier for coffee roasters and growers to know each other, interact and buy/sell green coffee. Today traceability was important for all parties, the roasters wanted to know where their coffee came from but the growers also wanted to know where their coffee was going to.

15. Dr Studer explained that originally starting with a team of three, Algrano was now a staff of 15 and as an organization had been kick-started in Brazil and Chile. Having initially been awarded a technical innovation award by SCAE, Algrano was now working in partnership with Fairtrade, which promoted Algrano as their preferred selling platform, now with over two thousand buyers across 13 countries. Most recently, Algrano had entered into a partnership with El Salvador Coffee Council.

16. Dr Studer explained that the Internet provided a tremendous opportunity to help producers to promote their brands. The platform provided an efficient and streamlined knowledge transfer from buying markets and full two-way transparency on prices, so both the roaster and grower understood the costs in the chain. The platform also provided a means for producers and roasters to market the story behind their coffee. This added value differentiation was key to increasing the willingness to pay a premium for the coffees involved, not just on the part of the roasters but also the consumers.

Item 5: Other business

17. There was no other business.

18. The Chair thanked all presenters and Members of the Committee for their contributions.

Item 6: Date of next meeting

19. The Committee noted that the next meeting of the Promotion and Market Development Committee will take place in Nairobi, Kenya, during the 124th Session of the Council.