



**INTERNATIONAL
COFFEE
ORGANIZATION**

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International Coffee Council

121st Session

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Mexico City, Mexico

Draft Resolution

SUBMITTED BY THE

FINANCE AND ADMINISTRATION COMMITTEE

DRAFT RESOLUTION

**ALLOCATION OF £13,500, FROM THE PROGRAMME OF ACTIVITIES
FOR COFFEE YEAR 2017/18 TO PART-FUND THE IMPLEMENTATION OF THE STUDY
ON ECONOMIC AND POLICY ANALYSIS FOR IMPROVING
SMALLHOLDER COFFEE PRODUCERS' INCOMES**

WHEREAS:

Bearing in mind the views expressed at the 1st World Coffee Producers Forum held in the city of Medellin, Colombia, in July 2017 on the sustainability of coffee production, particularly in economic terms;

Considering the need to address the critical situation facing coffee prices and identifying options that may bring about changes in the current difficult circumstances;

Noting the information submitted by Costa Rica and Guatemala in document ED-2263/18 to support a study on improving the income of smallholders. The main objective of the study will be to assess ways to increase incomes and economic sustainability for small coffee producers, by analysing historical price movements and trends along the coffee value chain, reviewing future pricing and supply/demand prospects, and examining various policies and other possible solutions that could help augment income. The total cost of the study amounts to US\$190,000 over a projected implementation period of 12 months;

Recognizing the exceptional importance of coffee to the economies of producing countries largely dependent upon this commodity for employment and export earnings, and for their continued social and economic development,

RESOLVES:

1. To recognize that the serious situation facing coffee prices is a major factor in the prevailing critical situation of the world coffee market.
2. To request the Executive Director of the ICO to assign the amount of £13,500 to part-fund the implementation of the study being conducted by Prof. Jeffrey Sachs: Economic and Policy Analysis for Improving Smallholder Coffee Producers' Incomes. This amount should be taken from the funds allocated to the Programme of Activities for coffee year 2017/18.