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PRESS RELEASE

ICO's Coffee Public Private Task Force launches a series of living income benchmark studies implemented by experts in partnership with ICO Members

This is a joint press release by the International Coffee Organization (ICO) and NewForesight Consultancy

16 February 2023, London, United Kingdom – The International Coffee Organization (ICO) and its Coffee Public-Private Task Force (CPPTF) are kicking off living income benchmarking studies in four ICO Member countries, namely: Rwanda, Honduras, Togo and Angola. The studies have been commissioned and financed by the CPPTF's Living-Prosperous Income Workstream, and are going to be carried out for the ICO by the consulting firm NewForesight. They will establish living income benchmarks as an estimate of the cost of a basic and decent standard of living for a household and answer the question: "how much does a typical household in a particular place need to earn, from all income sources, to have a decent standard of living?" These studies are a unique example of joint action by coffee companies and governments alike, and are supported through collaboration with leading regional platforms (Promecafé and the ASEAN Coffee Federation).

In line with the Task Force Roadmap 2020-2030, members of the ICO Coffee Public-Private Task Force (CPPTF) have committed to jointly implementing activities to close the living income gap to reach prosperity for target producers in at least 50% of the ICO Member coffee-producing countries by 2030. To that end, the Roadmap foresees establishing living income benchmarks in 80% of ICO Member producing countries by 2025.

Therefore, the Living Income Benchmark studies are designed to support the governments of the target coffee-producing countries to better identify the most effective strategies and activities to improve prosperity of their coffee sector. The studies will inform investment plans, developed in collaboration with private sector and civil society stakeholders, to advance a prosperous coffee sector for all actors. Ultimately, the studies form an essential step in reaching a sustainable and prosperous future for coffee producers and the sector as a whole.

To achieve the studies, NewForesight uses a proxy benchmark methodology – formally recognized through the IDH Living Income Benchmark Recognition process – based on the Anker principles, while adding a distinct complementary value. Throughout this process, the team will closely collaborate with the regional coffee platforms mentioned above and national government representatives of each country.

The living income benchmark will be an important input for the other Technical Workstreams of the Coffee Public-Private Task Force, which focus on: market transparency, market policies & institutions, resilient coffee landscapes, and sector coordination & inclusion of women and youth. By identifying synergies and complementary activities between the workstreams, a comprehensive response to the challenges facing the coffee sector is being established.

Partners Quotes:

"Recent studies showed that the average earnings of small-scale farmers in the coffee industry would not reach what is needed to ensure a basic and decent standard of living, even less for a prosperous livelihood. Therefore, defining a living income benchmark, measuring income gaps, and developing effective strategies to close these gaps is key to consider when engaging on living income. As a sector-wide platform aiming at shifting the coffee sector towards a prosperous income for coffee farmers, the ICO Coffee Public-Private Task Force aims to facilitate strong government and sector-level action on living income and to develop living income strategies that will benefit the most vulnerable farmers, representing an effective pathway to greater environmental, social and gender inclusivity. More than ever, we should champion innovative and system-level change processes involving both business and government to address this essential issue, which is crucial to ensure the sustainability of the global coffee sector." - Vanúsia Nogueira, Executive Director of the International Coffee Organization (ICO)

"PROMECAFE's members are well aware of the environmental and social benefits that the coffee producers provide their countries and the global community. However, if the sector is not economical viable and resilient, and cannot allow for all farmers to earn a living income and achieve prosperity, these benefits will be lost. To achieve this the entire coffee sector must work together. For this reason, we are collaborating with the ICO's Coffee Private Public Task Force to identify what the income gaps are and using this fact-based approach to collectively work together at the national, regional and international level, to close those gaps" - Ing. René León Gómez, Executive Secretary PROMECAFE

"As a consultancy we are committed to market-driven sustainability and driving sustainable transitions. The ICO, with its members of the CPPTF, has made a bold commitment towards a living and prosperous income of coffee producers, and we are proud to support the group over the coming year developing living income benchmarks, assessing the income gaps, and providing strategic advice on how to jointly move forward towards a better future for coffee farmers, and the sector as a whole." - Daniel Viviers-Rasmussen, Principal Consultant & Domain Lead, NewForesight Consultancy

"Living Income Analysis is an effective, credible tool to identify what producers, in particular smallholders, need for a decent standard of living on the pathway to prosperity. Its real value is in framing and informing collective action to achieve income improvements to close income gaps. For this reason, the work of the ICO's CPPTF is an exciting and unique opportunity to work at scale throughout this globally important sector and use Living and Prosperous Income as a tool to support achieving an economically and environmentally resilient coffee sector."- Chris Wunderlich, Co-Facilitator of ICO's Living and Prosperous Income Work Stream and Director, Agrofuturo Global.

NOTES TO EDITORS

International Coffee Organization (ICO)

The International Coffee Organization (ICO) is the only multilateral organization supporting exporting and importing countries to improve the sustainability of the coffee sector. It provides a high-level forum for all public and private stakeholders in the sector; official statistics on coffee production, trade and consumption; and support for the development and funding of technical cooperation projects and public-private partnerships.

Contact the ICO: info@ico.org

NewForesight Consultancy

NewForesight is a strategy consulting firm that drives the transition to a sustainable economy. We believe that this can be managed and is filled with business opportunities. Organizations can benefit from these opportunities if they understand the transition and use the power of markets and collaboration in the right way. NewForesight helps organizations realize their business opportunities. The result? They become a winner and set their whole market in motion.

NewForesight has been deeply involved in the coffee sector: co-shaping the London Declaration (2019) and facilitating the creation of the Coffee Public-Private Task Force (2020), working with the Task Force Coffee Living Income (2020), and now responsible for carrying out four living income benchmark studies with its own, Anker-based methodology.

Contact NewForesight: If you want to learn more about the work on living income, please reach out to NewForesight: Daniel Viviers-Rasmussen (daniel.viviers-rasmussen@newforesight.com) or Joost Backer (joost.backer@newforesight.com).