



International Coffee Organization  
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**Sustainable Coffee Partnership Steering  
Committee Meeting (21 May 2008)**

**Summary report**

The Steering Committee of the Sustainable Coffee Partnership (SCP) met on 21 May 2008 during the 100th Session of the International Coffee Council. A summary report of this meeting is attached. Reports of previous SCP meetings in September 2006 and September 2007 have been circulated as documents ICC-96-8 and ICC-98-4, respectively.

**SUMMARY REPORT OF A MEETING OF THE  
SUSTAINABLE COFFEE PARTNERSHIP  
STEERING COMMITTEE HELD ON 21 MAY 2008**

1. On 21 May 2008, the Steering Committee of the Sustainable Coffee Partnership (SCP) held its regular meeting with the objective of reviewing the ongoing activities of the Sustainable Coffee Partnership within the context of the new International Coffee Agreement (ICA) 2007. The following projects and initiatives were reviewed over the course of the meeting:

**GAP analysis**

2. In 2007 the SCP, with the support of EDE Consulting and USAID, completed an analysis of the specific producer actions required to attain basic compliance with several of the most commonly applied “mainstream” sustainability standards. The study, which worked with producer groups from Brazil, El Salvador and Uganda, revealed that:

- (a) the actions required to attain formal compliance can be significant;
- (b) they typically involve fixed investments in infrastructure which may be prohibitive for smaller producers; and
- (c) smaller producers face significantly higher per unit costs for compliance than larger producers.

**Cost-Benefit Analysis (COSA)**

3. The COSA project is a multi-stakeholder led analysis of the costs and benefits of compliance with sustainability standards. The testing of the COSA methodology on 50 farms across five countries and covering four sustainability initiatives was completed last year. The principle conclusions arising from the testing process were: (1) that in the preliminary data gathered over the testing process, marginal gains for farms participating in sustainability initiatives were observed, particularly in the areas of economic profitability and health and safety management and (2) due to the extreme diversity in growing conditions and circumstances a minimum sample size of 75 farms per sustainability initiative would be required to produce statistically significant results. As a result, in order to credibly measure impacts, it will be critical to apply COSA over a longer time-frame and across a larger sample size. COSA has secured the required cooperation to implement the methodology in Tanzania and Colombia and continues to seek support for application in several other key countries.

### **Sustainable Commodity Assistance Network (SCAN)**

4. In light of the results of the GAP analysis research – namely the significant actions required for producers to meet growing sustainability related market requirements, and the inability of the various sustainability initiatives to invest in comprehensive capacity building – the SCP has facilitated the launch of a network consisting of the major sustainability initiatives and major deliverers of technical assistance. The SCAN will focus on delivering quality management and business facilitation capacity building and training to producers seeking to enter sustainable markets. The SCAN initiative will begin with the development of a generic training “toolbox” for adaptation and application at the local level. The initial toolbox will be piloted over the next eight months in three coffee-growing countries and one cocoa-growing country.

### **The Finance Alliance for Sustainable Trade (FAST)**

5. In 2007 the SCP finance taskforce officially evolved into FAST. The objective of FAST is to improve producer access to credit through more efficient coordination and communication between producers, lenders and other stakeholders in credit delivery. FAST was officially incorporated as an international not-for-profit organization based in Montreal in early 2008. FAST, which is now open for membership, offers free membership for producer representatives and groups. Project work under FAST is now beginning.

### **Global Initiative on Commodities (GIC)**

6. The International Institute for Sustainable Development (IISD), under the Sustainable Commodity Initiative and with the support of the Common Fund for Commodities (CFC), is facilitating a civil society consultation on the UNCTAD/UNDP/CFC/ACP led Global Initiative on Commodities (GIC). The process aims to raise the profile of commodity issues on the international stage as a critical avenue for poverty reduction and sustainable development. Coffee stakeholders have been prevalent throughout the consultation process and the Executive Director of the International Coffee Organization (ICO) was the official representative for the International Commodity Bodies (ICBs) in the GIC process.

7. The SCP meeting concluded with a discussion of a draft document outlining opportunities for the implementation of the ICA 2007. Given the importance and relevance of the research conducted by the Sustainable Coffee Partnership to specific items within the new Agreement, it was decided that the Partnership should explore the possibility of facilitating a more detailed presentation or dialogue with ICO delegates on the ways in which the SCP’s work could feed into the process of implementing the ICA 2007. With this in mind, the Steering Committee agreed to undertake the following:

1. Prepare a revised background paper on implementation opportunities for the ICA 2007 for presentation to Council Members in September.
2. Present the results of the GAP and cost-benefit analysis research to delegates as appropriate and possibly.
3. Explore the possibility of having a workshop, seminar or other session exploring how the research and initiatives of the SCP might support the implementation of the ICA 2007.