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**Sustainable Coffee Partnership Steering
Committee meeting (26 September 2007)**

Summary report

The Steering Committee of the Sustainable Coffee Partnership (SCP) met during the 98th Session of the International Coffee Council on 26 September 2007. A summary report of this meeting is attached.

**SUMMARY REPORT OF A MEETING OF THE
SUSTAINABLE COFFEE PARTNERSHIP STEERING COMMITTEE
HELD ON WEDNESDAY 26 SEPTEMBER 2007**

The Sustainable Coffee Partnership held its Steering Committee meeting at the International Coffee Organization (ICO) on Wednesday, 26 September 2007. The meeting was chaired by Mr. Olle Ostensson of UNCTAD and, as always, was open to all ICO delegates and observers. The meeting focused on updating the participants on the Partnership's activities and discussing how its work could support the ICO in implementing its objectives as defined under the prospective Agreement. The activities update centred on:

1. The Cost/Benefit analysis project (COSA)
2. The Financing Alliance for Sustainable Trade (FAST) Association
3. GAP analysis research
4. The Sustainable Coffee Assistance Network capacity building project
5. The Global Initiative on Commodities Civil Society Consultation
6. A Sustainability Portal Project under the EU Action Plan.

The COSA methodology, which has been designed as a tool to help producers and other stakeholders measure the costs and benefits of implementing sustainability programmes, has recently been tested in five countries, across more than 50 farms (in Costa Rica, Honduras, Kenya, Nicaragua and Peru). The field tool has been improved based on those experiences, a database and processing system have been developed, and a field manual has been created to guide the implementation of the tool (initially these will be presented in English and Spanish). The results of this testing will be published by the end of the year, and made available to the ICO. The next phase of the COSA process involves the implementation across participating countries on a broad level over the next three years. The Colombian representative at the meeting stated that full implementation of COSA will begin in his country shortly. Moreover, it was noted that funding discussions were quite advanced for full implementation in Tanzania. Other countries, such as India, Indonesia, Kenya and Mexico were also currently under discussion. Additionally, over the next several months COSA will be explicitly seeking resources to develop a training programme for local extensionists and the adaptation of the tool to make it more accessible at the farm level.

In August, the Finance Alliance for Sustainable Trade (FAST) (an alliance of socially focused financial lending institutions to provide agricultural producers with access to credit) received confirmation of additional funding from Citigroup and Cordaid. Based on these grants, FAST will be able to set up its offices later this fall. As one of its first substantive projects, FAST is currently undertaking an inventory of financial literacy training tools for producers and producer organizations which will eventually be made accessible on the FAST website.

A summary of the GAP analysis research, conducted by IISD and EDE and sponsored by USAID, was presented. The research, which documents the actions and costs required for reaching compliance with mainstream sustainability standards, was conducted in Brazil, El Salvador and Uganda. The results suggest that in certain cases substantial changes must be made at the farm level for smallholder producers to become standard compliant and that the associated costs are significant. It was noted that the Partnership will ask to make a formal presentation of these results to the ICO along with the results of the testing phase of COSA at the appropriate moment.

Among other things, the GAP analysis research demonstrates the fundamental need for technical assistance to assist producers in their efforts to adopt “sustainable” practices. The Partnership has responded to this need by developing the Sustainable Coffee Assistance Network, a platform which brings together the main standard setting groups in the sector (Utz Kapeh, FairTrade, Organic, Rainforest Alliance and 4Cs) along with private and public entities (Coffee Support Network, ISEAL, Volcafe, HIVOS) to identify common technical assistance needs and concrete mechanisms for delivery such assistance on a global level. A meeting held in July identified initial key topics (organizational development, good agricultural practices, internal control systems, market information and finance) and is being followed up with a consultative process to establish a framework for delivery. This project is only at the development stage, and will be seeking to establish partnerships with national technical assistance agencies and government groups in the near future.

Finally, two projects under the auspices of the Sustainable Commodity Initiative (the group facilitating the Sustainable Coffee Partnership) were presented. Over the course of the next 15 months, the IISD will lead a CSO consultation as input into the Global Initiative on Commodities being organized by the CFC, UNDP, UNCTAD and ACP Group. The purpose of the Global Initiative on Commodities, which Dr. Osorio has been actively involved in, is to identify strategies to improve the sustainability of commodity production and trade, and the commodity sector’s overall contribution to poverty reduction.

The second project, developed under the EU’s Action Plan on Commodities, is designed to create a web-based information source on sustainability claims. The impact assessment work being conducted by the Partnership (COSA) will be a fundamental input into this project, which is meant to facilitate open access to credible information on sustainability programs and claims to EU consumers, commodity producers and other stakeholders.

The meeting concluded with a brief presentation on possible areas where the Partnership’s activities could support the ICO’s objectives being developed under the new ICA. Areas where the Partnership sees particular potential for assisting in the ICO in this regard include:

- The facilitation of communication with non-governmental organizations and other civil society actors through the Partnership's multi-stakeholder platform
- The promotion of linkages to financial services, institutions, and literacy tools through the Finance Alliance for Sustainable Trade
- Supporting smallholders by pooling resources and materials for capacity building activities
- Supporting the gathering of statistics and studies on markets/requirements associated with "sustainable" products; and,
- The promotion of consumption through the documentation and dissemination of information on the positive social, environmental and economic impacts of the coffee sector.

The Sustainable Coffee Partnership looks forward to continuing developing these activities with the ICO and working with its membership to develop and implement sustainability aspects related to the ICO's objectives.