



Organización Internacional del Café
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PC 45/07

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**Decisions and Resolutions adopted by the
Promotion Committee at its 12th meeting**

1. The Promotion Committee, chaired by Dr. Ernesto Illy, met for the 12th time under the 2001 Agreement on 28 September 2007.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document PC-44/07 Rev. 1.

Item 2: Promotion activities and proposals

Item 2.1: ICO network to promote coffee consumption

3. The Committee noted that the proposal for the ICO coffee promotion network, with a cost of US\$114,500, had been endorsed by the Executive Board in January 2007 and had been initiated in June 2007 following a presentation to the Committee in May 2007 on milestones and markers for the project (see document WP-SGP 17/07 and its Addendum). The consultant, Mr. Carlos Brando of P&A International Marketing, said that the network would make use of the latest tools made possible by Internet 2.0. It involved a collaborative community on the Internet where people could interact and develop ways of promoting coffee consumption. It would include discussion forums and resources such as videos, photos, articles, case studies of promotion programmes and links to relevant sites, as well as an area for surveys. Participants would be able to get the latest news, join discussion forums, upload studies, presentations and photos, and jointly develop ways of promoting coffee consumption. There would be three discussion communities: producing countries, emerging markets and traditional markets. Strategic planning for the operation of the network had been undertaken, with a questionnaire sent to respondents with experience in promoting coffee consumption. There had been a high level of replies and the feedback received would help to guide the mediation of the three communities. Information about the questionnaire and responses was

available to interested delegates. A domain for the network had been registered as **www.coffeepromotionnetwork.com** and key issues for each network community had been identified from the summary of replies to the questionnaire.

4. Mr. Brando noted that there would be a focus on youngsters which was implicit as the Internet was the medium used. The network would be mediated by expert mediators, whose input would be closely related to its success. Training the mediators was a critical task and three entities (a university, a technical institute and a technical school) were currently developing a training programme, and a trial of a virtual online approach would be undertaken. In conclusion, the strategic planning for the network had been undertaken, materials to train mediators had been prepared and a restricted operation would be launched in October or November on a trial basis. To launch the network, the participation of ICO Members and others with knowledge of promoting coffee consumption was necessary. He invited all Members to send their email addresses to **peamarketing@peamarketing.com.br**, and to encourage other interested parties to do so too. The Promotion Committee took note of this presentation, a copy of which had been circulated to Members at the meeting.

Item 2.2: Domestic consumption

5. The Committee noted that the proposal for a pilot project to develop domestic coffee markets in India, Indonesia and Mexico (contained in document WP-Board 1031/07) had been submitted to the Consultative Committee of the Common Fund for Commodities (CFC) for consideration in July 2007, following representations by the Executive Director who had communicated Members' views on the urgency of reviewing the proposal as early as possible. The Executive Director had also met the Managing Director of the CFC to highlight the importance of this project for the coffee sector. Despite these efforts, the Consultative Committee had reiterated its position stated at its 37th meeting and, noting that under the policy adopted at the mid-term review of the Five-Year Action Plan a project would only be considered twice, had rejected the project.

6. The Committee noted that the three countries which had invested resources into the development of the proposal were disappointed and frustrated with the CFC's decision. In discussions on this item, points made by delegates included the tremendous scope to develop the markets of producing countries and to enhance international cooperation. It was difficult to understand why the project had been rejected in view of its great importance for the coffee sector. If there was no cooperation on this area, this could lead producing countries to question whether reduced tariffs which allowed value added products into their markets would be more appropriate once they had developed their own markets and established a level playing field. The ICO was the official international commodity body for coffee and considered the project to be a top priority for the coffee sector, yet its expertise and opinions had been disregarded by the CFC. The ICO was overly dependent on the CFC as a source of finance for coffee projects, and it was not easy to obtain financing from other sources. With

regard to further action, it was generally felt that it would not be productive to make further efforts to secure funding for the proposal from the CFC. The countries concerned had initiated steps in the area of market development and a campaign was underway in Mexico which was willing to share its expertise with India and Indonesia. In the case of Indonesia, the matter would be discussed at the highest level. It was suggested that Members should look at how best this area could be developed through cooperation within the ICO, and the option of ICO Members endeavouring to shape CFC policy in their capacity as Members of the CFC was also noted.

7. The Chairman of the Promotion Committee noted that increasing domestic consumption could help producing countries to avoid the volatility of the market, become less dependent on exports and develop infrastructure. He would convey the views of Members to the Council and look at possible ways forward.

8. The Committee took note of this information and noted that Vietnam, which had a population of 85 million, consumed only 1 million bags a year, and requested enhanced cooperation with the ICO in the area of promotion and increasing internal consumption. A Coffee Festival would be organized in Vietnam at the end of October, and all Members were invited to participate.

Item 2.3: Coffee and health

9. Mrs. Sylvia Robert-Sargeant reported on the Positively Coffee Programme and said that three new topics were available: coffee and hydration, coffee and its components and coffee and blood pressure. The Programme also assisted the coffee sectors with the use of the materials, by participating in seminars and exhibitions, through newsletters and banner stand materials, website support and customized projects. The latest newsletter was available in the four official languages on the Positively Coffee website and articles on coffee and health had been reproduced in publications such as the Tea and Coffee Trade Journal and the Speciality Coffee Association of Europe (SCAE) newsletter. The website included a podcast of an interview with Dr. Astrid Nehlig on coffee and mental performance, and the artwork for the banner stand could be downloaded from the website and reproduced as needed. In the case of the Health Care Professions – Coffee Education Programme (HCP-CEP), this would include three new countries (Spain, Portugal and Germany). The CD-Rom distributed to Members at this meeting “Communicating the current consensus” provided a comprehensive report on the HCP-CEP including the scope of the project, detailed case studies from each country, and useful contacts. A summary of the project report was contained in document PSCB-104/07.

10. The Promotion Committee took note of this information and further noted that Professor Darcy Lima of Rio de Janeiro University had completed a new book on coffee and health covering research over last 25 years. It would be published by Random House and

would be of interest both to the general public and the medical profession. In addition, a review of over 1,000 articles on coffee and health had been undertaken in Colombia, which included findings on the positive contribution of coffee to the educational development of children aged around 9-11 years. The results of the bibliographic review would be made available to the Positively Coffee Programme.

11. Mr. Nathan Herszkowicz, Executive Director, Associação Brasileira da Indústria de Café (ABIC) and Mr. Lucas Tadeu Ferreira, Director, Coffee Department, Ministry of Agriculture, Livestock and Food Supplies of Brazil, made a presentation on developments in coffee and health activities in Brazil. A DVD was shown which included a short film about the benefits of coffee and health (one of five produced for marketing purposes); the promotional campaign during the Pan-American Games in Rio de Janeiro, which disseminated a positive message about coffee and health; and a new initiative involving coffee and health in schools which had been developed as a pilot programme and provided free coffee and milk for school children. The results had been positive and could lead to an expanded programme. The Committee took note of this information and further noted that a set of postcards had been developed in connection with the Pan-American Games campaign. These depicted athletes and included messages about the benefits of coffee and health, an initiative which could be used by the global coffee sector.

12. The Chairman of the Institute for Scientific Information on Coffee (ISIC) said that research was continuing into the role of coffee in the prevention of diabetes (a disease associated with obesity and age) and coffee and memory.

13. The Promotion Committee took note of reports under this item and expressed its appreciation for the presentations which had been made.

Item 3: Other business

14. There was no other business to report.

Item 4: Date of next meeting

15. The Committee noted that the next meeting of the Promotion Committee would take place during the 100th Session of the Council which would be held at the ICO headquarters in London during the week of 19 to 23 May 2008.