



**Report of the 20th Meeting of the
Working Group on the Future of the
International Coffee Agreement held on
14 December 2021**

Item 1:	Adoption of the Agenda	2
Item 2:	Report of the 19 th meeting of the Working Group, held on 24 November 2021	2
Item 3:	Role of the Private Sector	2
Item 4:	Structure of the Committees.....	4
Item 5:	Draft of the International Coffee Agreement 2021: Role of the private sector and pillar D.....	5
Item 6:	Next steps	8
Item 7:	Other business	8
Item 8:	Date of next meeting	8

The Working Group on the Future of the International Coffee Agreement (WGFA) met for the twentieth time on 14 December 2021. The Chair, Ms Stefanie Küng, of Switzerland, welcomed all participants and thanked delegates for their presence.

1. Representatives of the following Members were present online using the Zoom software: Brazil, Côte d'Ivoire, El Salvador, European Union (EC, Sweden), Ghana, Honduras, India, Indonesia, Japan, Kenya, Mexico, Papua New Guinea, Peru, the Philippines, Switzerland, Tanzania, Togo and Uganda.

Item 1: Adoption of the Agenda

2. The agenda contained in [WGFA 82/21 Rev.1](#) was adopted.

Item 2: Report of the 19th meeting of the Working Group held on 24 November 2021

3. The Chair presented the report of the previous meeting, contained in document [WGFA-81/21](#).

4. The Working Group took note of the report.

Item 3: Role of the private sector

5. The Chair noted that during previous meetings of the WGFA there was general consensus to integrate the Coffee Public-Private Task Force (CPPTF) and to include the private sector and the civil society in the new International Coffee Agreement (ICA). In this sense, it was stressed Members needed to further discuss the possible interactions between the CPPTF and the Board of Affiliate Members (BAM) and better define their roles to avoid an overlapping, as well as discuss also the membership criteria of the BAM.

6. The delegate of Papua New Guinea invited Members to further consider the integration of the CPPTF into the new ICA while expressing his concerns on the real need to do so. Additionally, he urged the WGFA to clearly define the role of the Board of Affiliate Members and its powers and agenda, so as to ensure its efficiency and avoid conflicts between the BAM and the CPPTF. In this sense, he recalled that within the meetings of the Drafting Group held in December 2021 Members suggested referring to the Task Force as a 'working party' or a 'working group'.

7. The Executive Director noted that the preliminary conclusions of an independent mid-term review of CPPTF's performance highlighted the need for recognition of the Task Force by the ICO, preferably within the new ICA.

8. The delegate of Brazil pointed out that consensus on the creation of the Board of Affiliate Member had already been reached during previous meetings of the WGFA, also stressing the distinction between consensus and unanimity and proposing to open the BAM to trade associations and the civil society only. With reference to the Task Force, the delegate of Brazil suggested transforming it into a committee within the new ICA, given the importance of maintaining a permanent dialogue among all the stakeholders in the coffee sector. Additionally, he suggested expanding the CPPTF definition so as to allow a broader focus not only on economic but also on social and environmental sustainability.

9. In response to the delegate of Brazil, the delegate of Papua New Guinea pointed out that the CPPTF had been originally created to address economic sustainability as a priority given that this was considered propaedeutic to social and environmental sustainability. He endorsed Brazil's proposal to broaden the CPPTF's mandate and grant equal importance to all the three areas, as well as the proposal to have the CPPTF as a permanent body possibly called "Sustainability Committee".

10. With reference to the membership of the Board of Affiliate Members the Chair noted that also Papua New Guinea supported the inclusion of only trade associations and representatives of the civil society and the exclusion of private individual companies. On the need to avoid overlapping of roles between the CPPTF and the BAM, the Chair emphasized Members needed to clearly define the flow of communication between the two bodies as well as the reporting lines of each of them.

11. The delegate of Brazil proposed the CPPTF be a functional body while the BAM would have a political role and discuss the activities to be undertaken within the CPPTF together with the International Coffee Council (ICC); both bodies would report to the Council.

12. In this regard, the Head of Operations stressed the public-private nature of the Task Force, being this the forum where a restricted group of ICO Members and the private sector facilitated the decision making process by jointly discussing and agreeing on the recommendations to be submitted for the final approval of the Council.

13. Further on the nature of the CPPTF, the delegate of Brazil emphasized the importance of this body also as a forum for dialogue with development agencies and the UN system.

14. The delegate of Papua New Guinea suggested the Secretariat review the organigram of the Organization and stressed that the CPPTF should have a direct reporting line to the Council as it could not report to the BAM considering ICO Members were part of it.

15. The delegate of Ghana noted that the BAM and the CPPTF were in conflict and suggested to expanding the CPPTF's mandate and structure in order to accommodate also affiliate members.

16. The delegate of Japan noted that the two bodies should have distinct reporting lines given their different composition.

17. After summarizing the discussion held, the Chair requested the Secretariat to work on the new wording of the CPPTF definition to be submitted to the Drafting Group's attention at its meeting in January 2022.

Item 4: Structure of the committees

18. Following discussions held within the Drafting Group, the Chair noted that Members had not yet made a final decision on the structure of the committees. As contained in document WGFA 56/21 rev.1, two options were considered:

- Option A: a merger of the Promotion and Market Development, Projects and Statistics committees into one Economics Committee, including also Articles 36 and 37 on Sustainable Coffee Sector and articles on the Consultative Forum on Coffee Sector Finance.
- Option B: a merger of the Projects and Statistics committees into one Economics Committee, including also Articles 36 and 37 on Sustainable Coffee Sector and articles on the Consultative Forum on Coffee Sector Finance, with the Promotion and Market Development committee being maintained separated.

19. The Executive Director recalled the proposal to merge the committees had originated from the text of the agreements of the International Cocoa Organization and the International Sugar Organization and had been submitted by the European Union.

20. The delegate of Papua New Guinea noted that in the past all the Committees used to have a very lean agenda and having them merged into one could make participation in the meetings easier and so would do the nomination of the same Chair and Vice-Chair for all the committees.

21. The Chair echoed the delegate of Papua New Guinea and stressed that the nomination of a Chair and a Vice-Chair for each of the committees has always represented a challenge. She also emphasized that the merger of the committees would not diminish their individual importance as all the relevant issues would always be part of the agenda and duly addressed by Members.

22. In this regard, the Executive Director noted that the merge of the committees would also facilitate the work of the Secretariat as assigning one ICO staff member to each committee as usually done in the past would be challenging in light of the reduced staff available. He also suggested possibly creating subcommittees to address pressing issues in depth, if need be.

23. The delegate of Brazil proposed the new ICO committees structure have a Finance and Administration Committee, a Committee integrating the Promotion and Market Development, the Statistics and the Projects committees, and finally a Sustainability Committee.

24. The delegate of the European Union echoed the opinions shared and supported the reduction of the number of committees in order to ensure Members' participation in all the meetings.

25. The delegate of Japan endorsed the proposal to merge all the committees into one and to create subcommittees if necessary.

Item 5: Draft of the International Coffee Agreement: role of the private sector and pillar D

26. The Chair noted that the Drafting Group met on 1 and 8 December 2021 to examine the draft text of the new International Coffee Agreement (ICA) and had reviewed the Preamble, Pillars A, B, C and D of the new ICA, as well as new articles on the role of the private sector. The draft text of paragraphs examined and recommendations of the Drafting Group were contained in document [WGFA-78/21 Rev. 2.](#)

27. The delegate of Indonesia informed that a letter on the composition of premixed coffee was sent to the Secretariat following consultations with national stakeholders ([WGFA 83/21](#)). In this regard, Members were informed that Indonesian premixed coffee could contain 8-15% of instant coffee and that 100 kg of premixed coffee contained 39 kg of green coffee, based on the conversion factors of the ICO.

28. In this regard, the Executive Director noted that the question of premixed coffee had been highly debated within the Drafting Group and that there was general consensus on its inclusion in the new ICA, given its increasing role in the world coffee trade and consumption. He also indicated that technical specifications related to the calculation of conversion factors would be part of an annex to the agreement and deeper discussions in this sense could be held within the Statistics committee and the Statistical Roundtable.

29. The delegate of Japan asked whether not having 'premixed coffee' defined in the text of the ICA would cause any inconvenience to Indonesia.

30. In response to the delegate of Japan, Indonesia emphasized the increasing popularity and demand for premixed coffee.

31. The Executive Director pointed out that not including 'premixed coffee' in the agreement or considering it as soluble coffee would generate distortions in terms of coffee trade statistics.

32. The delegate of Japan questioned whether Article 27 "Mixtures and substitutes" could be applied to 'premixed coffee' as it contained less than the equivalent of 95% green coffee as the basic raw material.

33. The Executive Director suggested reviewing the wording of Article 27 and replacing 'coffee' with 'pure coffee', as per the terminology also used by the International Standardization Organization (ISO) which referred to coffee both as 'pure coffee' and 'coffee with mixtures'.

34. The delegate of Japan requested the Secretariat to circulate to Members the relevant document of the International Standardization Organization (ISO) as well as to share the revised text of Article 27.

35. The delegate of Papua New Guinea suggested all the articles and paragraphs related to the question of premixed coffee be further discussed within the Drafting Group rather than the Working Group on the Future of the Agreement.

36. With reference to the definition of 'private sector', the delegate of Japan requested the word 'farmers' to be deleted given this term was not used often in the current ICA, while the delegate of Brazil stressed the importance of maintaining it to ensure representation to all farmers in producing countries. The delegates of Ghana and the European Union endorsed Brazil's proposal.

37. The delegate of Japan requested the Secretariat to share with him a document containing all the occurrences of 'private sector' in the current agreement.

38. The WGFA provisionally approved the following definition of 'private sector', subject to further comments from Japan:

Private Sector means the segment of the economy that is owned, controlled, and managed by private individuals or enterprises, including but not limited to:

- (i) Farmers, farmers' organizations and cooperatives, and producers;
- ~~(ii) Producers' organizations and cooperatives;~~
- (iii) Micro-, small and medium-sized enterprises (MSMEs);
- (iv) Social enterprises;
- (v) Large national and multinational companies, including state-owned enterprises;
- (vi) Financial institutions; and
- ~~(vii) Industry, trade associations and private sector consortia.~~

39. With reference to the definition of 'affiliate member', the delegate of Ghana suggested defining in the first place the affiliation criteria before further discussing the definition, while the delegate of Mexico stressed the need to consider only organizations that were representative of the private sector and the civil society.

40. The delegate of Brazil reminded that as per consensus reached, Members would have to endorse the application of an organization of the private sector and/or of the civil society for the Board of Affiliate Members in order for it to be considered and possibly approved by the Council.

41. In response to the above interventions, the Executive Director suggested adding a paragraph indicating applications for affiliate member should meet the requirements established by the Council, thus leaving them outside the text of the agreement in order to possibly leave room for any future changes. The delegates of Brazil, the European Union and Ghana supported the ED's suggestion.

42. The delegate of Mexico reiterated the importance of clearly mentioning that an affiliate member should be representative of the private sector and/or civil society and agreed to propose a revised wording for the definition in question.

Item 6: Next steps

43. The Chair noted the Secretariat and Members would implement decisions made during the meeting and work together to review the wording of relevant articles within the next meeting of the Drafting Group.

Item 7: Other business

44. No additional requests for other business were made.

Item 8: Date of next meeting

45. The Chair noted that the next WGFA Meetings would be held on 26 January and 22 February, while the Drafting Group should meet on 18 January 2022.