



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

Collaboration to ensure the Economic Viability of Coffee Farming: Where do we stand?

1

BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

Speakers

- **José Sette**, Executive Director, International Coffee Organization
- **Carlos Brando**, Director, P&A Marketing Brazil
- **Karel W. Valken**, Global Head Trade & Commodity Finance Agri, Rabobank
- **Annette Pensel**, Executive Director, Global Coffee Platform



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

2

BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

José Sette

International Coffee Organization

3

BROUGHT
TO YOU BY



INTERNATIONAL
COFFEE
ORGANIZATION



Creating an Enabling Environment for High Productivity in Coffee Farming

International Coffee Organization

Global Coffee Sustainability Conference
Geneva, 4 October 2017

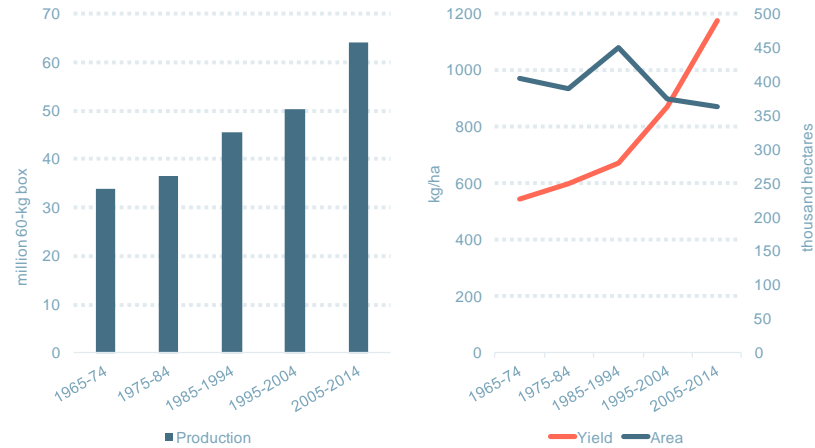
Results from the 7th Forum on Coffee Sector Finance

- Forum took place during the week of the 120th Session of the Coffee Council in Côte d'Ivoire
- Theme:
“Creating an enabling environment for high productivity in coffee farming”

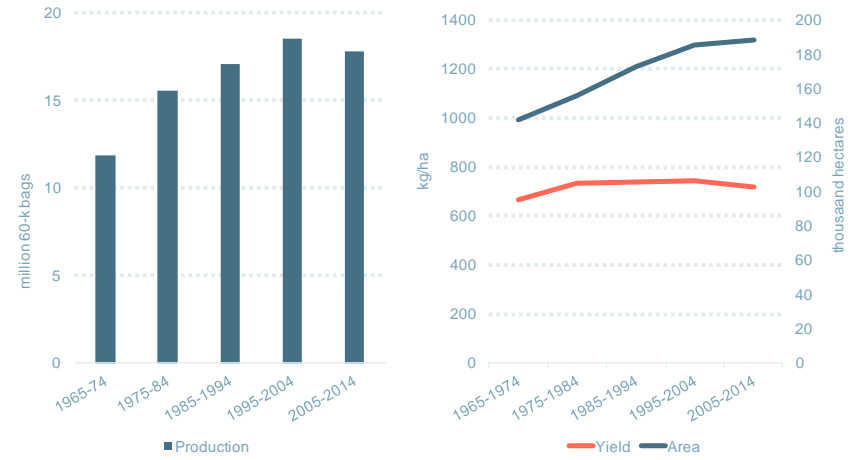


Background – Global productivity

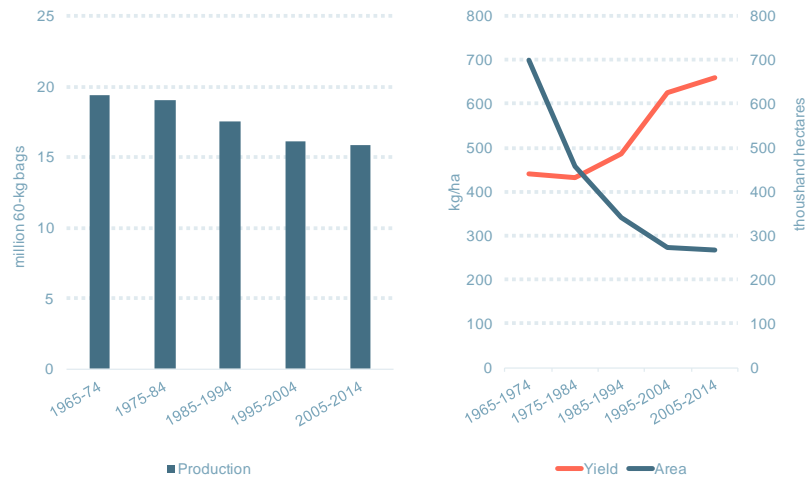
South America



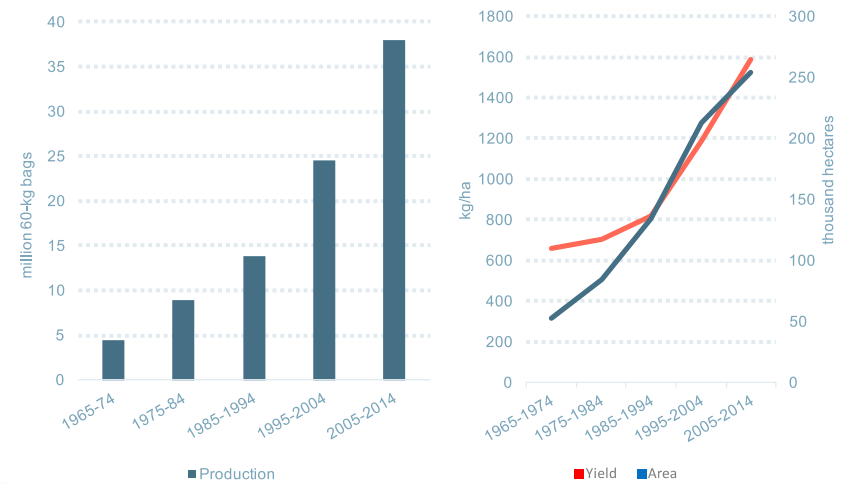
Central America & Mexico



Africa



Asia



Country cases presented

- **Brazil**
- **Côte d'Ivoire**
- **Colombia**
- **Ethiopia**
- **Honduras**
- **Vietnam**



Factors determining productivity

- Farm-level
 - Skills & availability of extension services
 - Access to input and regional/international output markets
 - Access to finance (financial literacy, risk management)
 - Effective farmers associations (post-harvest processing, marketing of crops)



Factors determining productivity

- Policies & regulatory framework
 - Market regulations (marketing boards, tariffs)
 - Specific coffee sector policies (e.g. response to coffee leaf rust & climate change adaptation)
 - Coffee institutions & research institutes (develop and disseminate new varieties)
- Demand side including domestic consumption





**INTERNATIONAL
COFFEE
ORGANIZATION**

Thank you



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

Global Coffee Platform & International Coffee Organisation Sign MoU

11



GLOBAL COFFEE
PLATFORM

BROUGHT
TO YOU BY



INTERNATIONAL
COFFEE
ORGANIZATION



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

Carlos Brando

P&A Marketing Brazil

12

BROUGHT
TO YOU BY



INSTITUTIONAL ENGAGEMENT TO ADVANCE SUSTAINABILITY AND THE ECONOMIC VIABILITY OF FARMING



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



Carlos H. J. Brando
Brazil Program
October 2017

71020140

BRAZIL PROGRAM



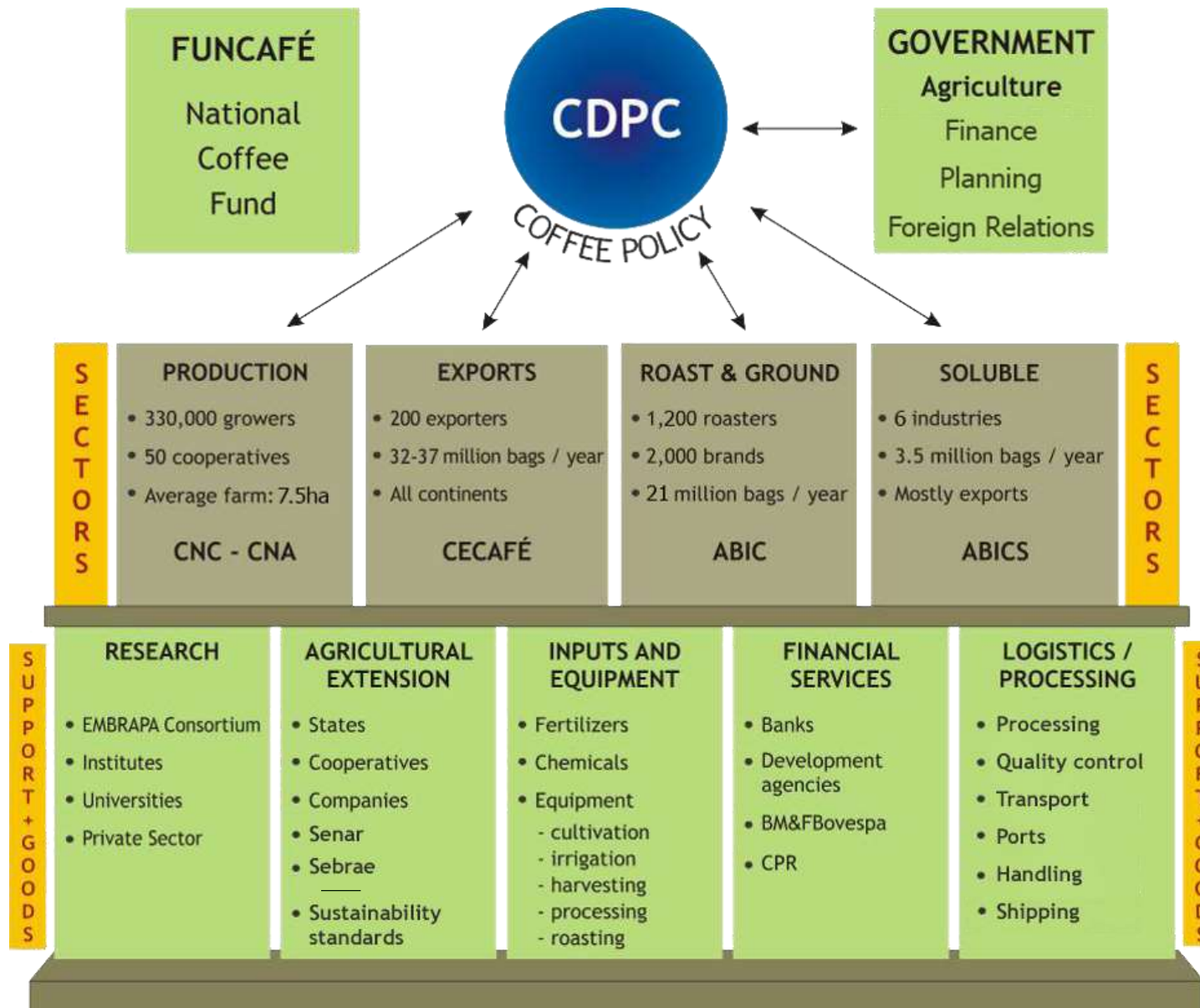
BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



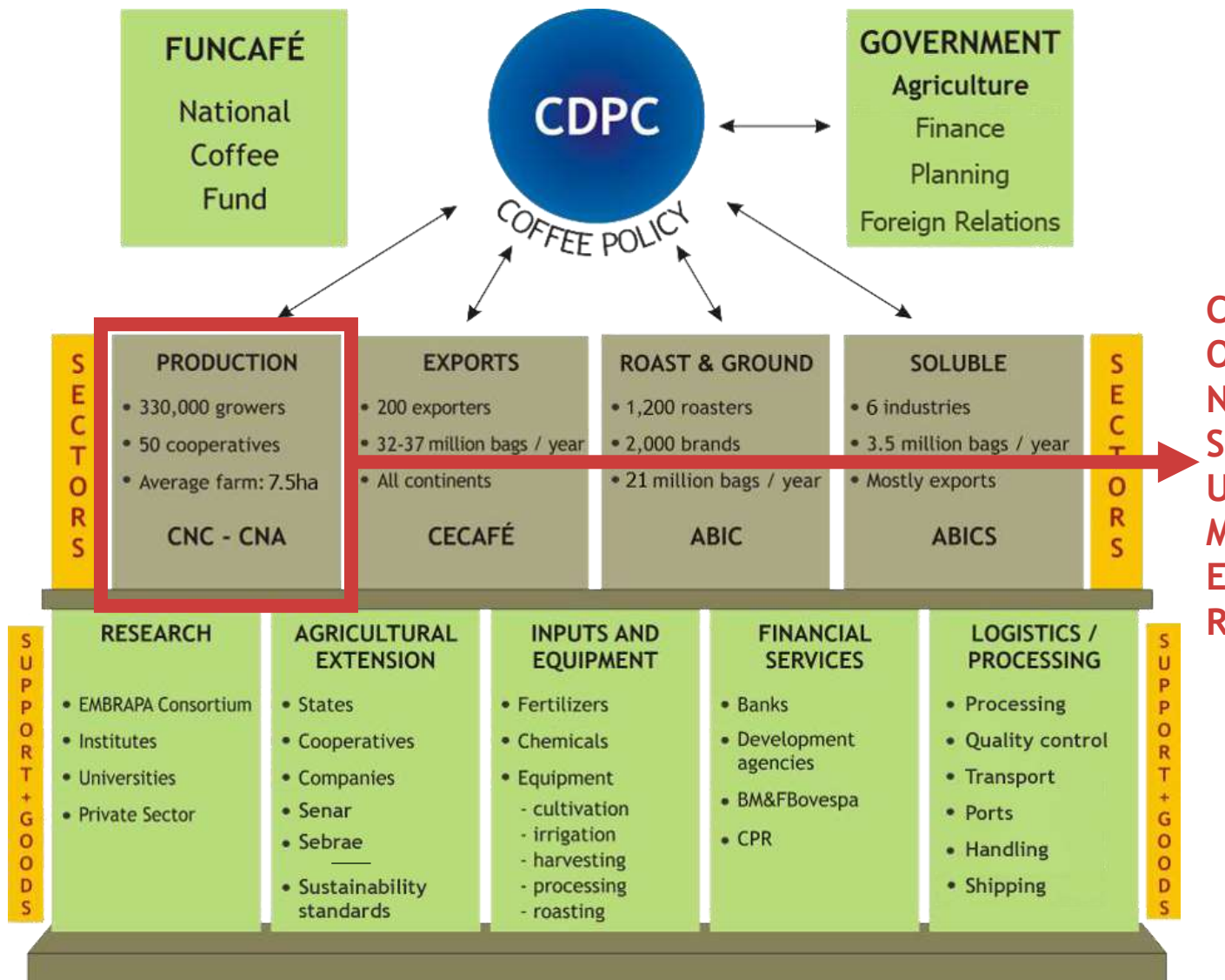
BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



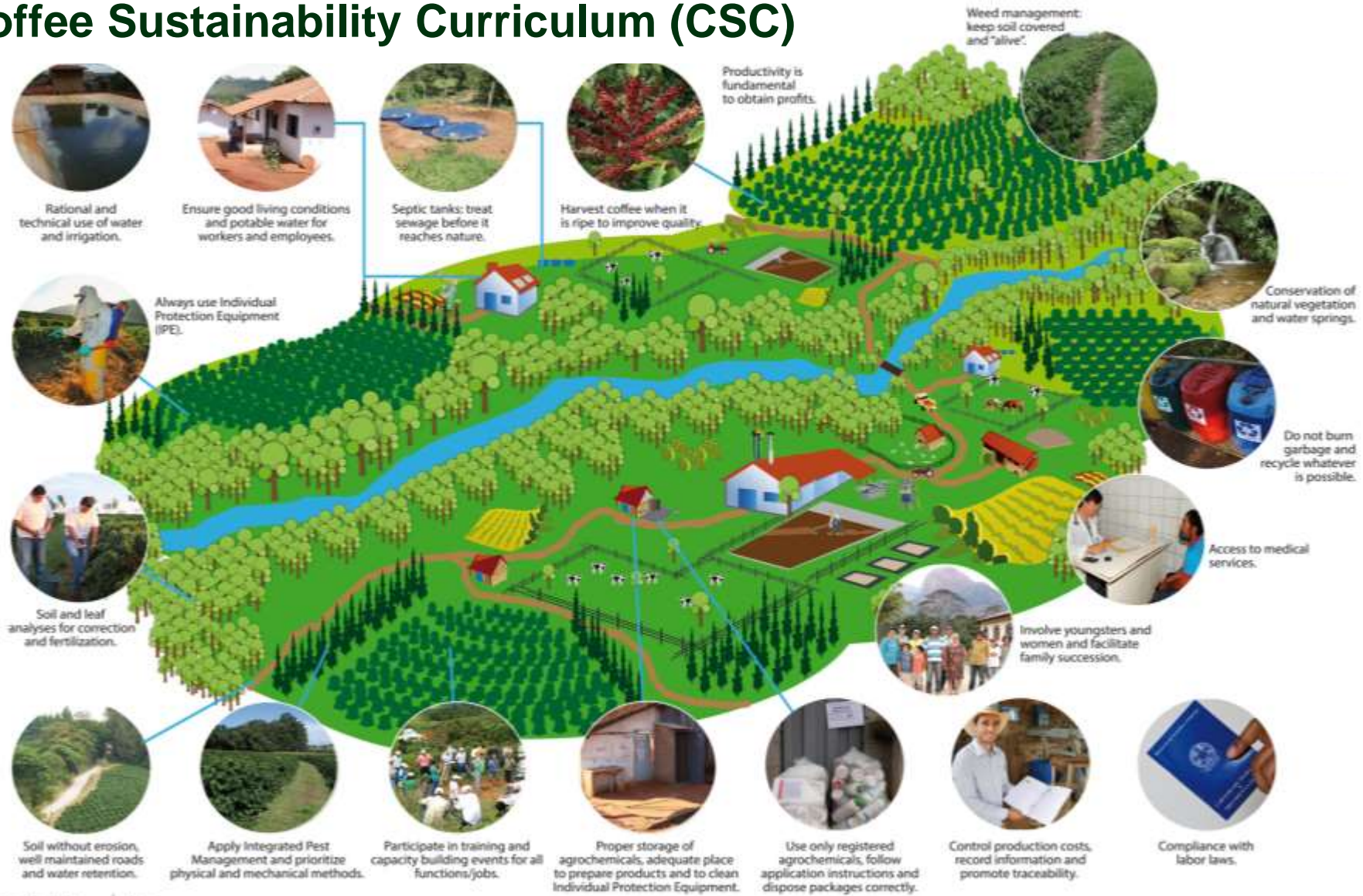
BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

Change of paradigm: Grower is the greatest beneficiary

Coffee Sustainability Curriculum (CSC)



Partners:





US\$ 20 BILLION

IN CREDIT LINES

TO IMPLEMENT SUSTAINABILITY
IN ALL COFFEE PRODUCING REGIONS



**PROBLEM FOR GROWERS IS NOT CREDIT
BUT AWARENESS AND PROJECTS
(TECHNICAL ASSISTANCE)**

AND EVEN WITH CREDIT... GROWER HAS TO PAY...

VIABILITY OF COFFEE FARMING



**GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017**



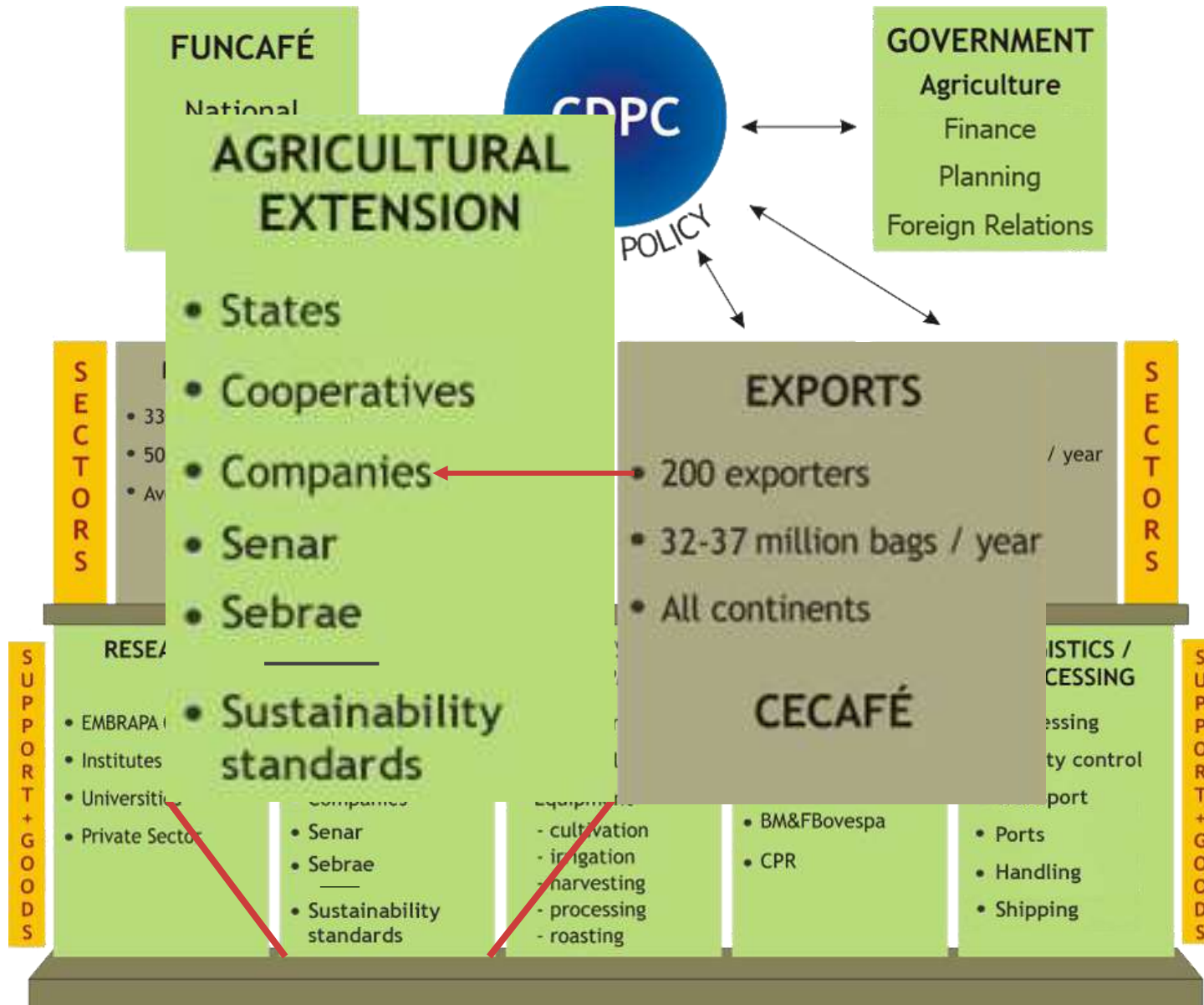
**BROUGHT
TO YOU BY**



**GLOBAL COFFEE
PLATFORM**



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



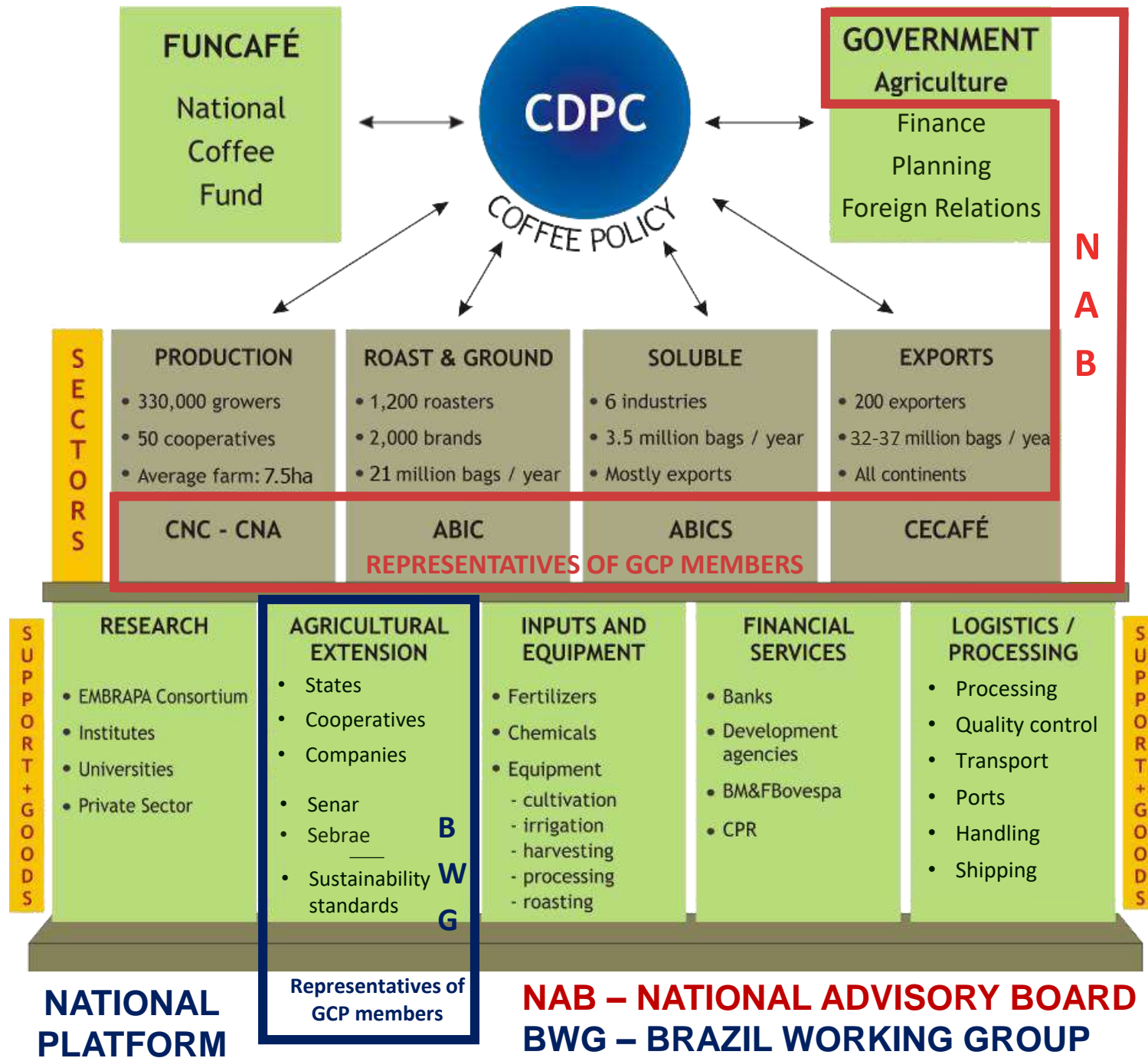
BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



NATIONAL ADVISORY BOARD

COMPANIES:



SUPPLY CHAIN INSTITUTIONS:

GROWERS:



ROASTERS:



EXPORTERS:



SOLUBLE:



MINISTRY OF AGRICULTURE:



NAB

- national leadership level
- strategy / policy
- validation
- political support (private and government levels)



GLOBAL COFFEE SUSTAINABILITY CONFERENCE 2017



BROUGHT TO YOU BY



BRAZIL WORKING GROUP

STATE EXTENSION SERVICES:



FEDERAL AGENCIES:



COMPANIES:



SUSTAINABILITY STANDARDS:



SUPPLY CHAIN INSTITUTIONS:



MEMBER REPRESENTATIVES:



BWG

- technical
- proposes / designs activities
- gross-roots
- ownership



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

UNLOCKING THIRD-PARTY FUNDING VIA ROLL OUT AND INSTITUTIONALIZATION OF CSC



**18 FUNDAMENTAL ITEMS OF COFFEE SUSTAINABILITY CURRICULUM
20% ITEMS / 80% PROBLEMS**

UNLOCKING THIRD PARTY FUNDING VIA EXTENSION SERVICES AND COOPS (IN GROUPS)



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

State Extension Services	Annual budget (million US\$)	Number of technicians	Coffee technicians
EMATER-MG	80	650	240
INCAPER-ES	31	212	153
CATI-SP	72	683	73
EMATER-RO	32	300	90
EMATER-PR	80	727	33
TOTAL	295	2572	589

250.000 small + mid growers

÷

589 technicians

~ =

400 growers per technician

Estimated budget for coffee:
US\$ 70 million

Area (ha)	Production (million bags)	Production (%)	Number of growers	% of growers
0-10	15,7	36%	230.000	79
10-20	6,7	16%	20.000	7
20-50	7,8	18%	10.000	3
>50	13,0	30%	30.000	10
Total	43,2		290.000	

COOPS (\$)
27.000 growers
(small + mid size)



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

UNLOCKING RESOURCES VIA MORE EFFICIENT EXTENSION SERVICES

**IMPACT OF GROUP APPROACH:
FROM 1 TECHNICIAN FOR 60
TO 80 GROWERS
TO 1 TECHNICIAN FOR
250 GROWERS**



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



PILOT PROJECTS TO BREAK PARADIGMS



BROUGHT
TO YOU BY



MEASURING RESULTS EVALUATING SUSTAINABILITY: INDICATORS DEFINED

- Definition
 - defined by Brazil Working Group (BWG) in February
 - finalized in BWG meeting in August
 - endorsed by NAB in September
- Why
 - important to measure implementation of program
 - know and quantify reality
 - show strong points and attack weak ones
 - measure evolution
 - continuous process with widening scope

**NATIONAL SUSTAINABILITY INDICATORS
TO DEFINE AND COMPARE SUSTAINABLE REGIONS**



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

MEASURING RESULTS EVALUATING SUSTAINABILITY: GCP APP TO MONITOR INDICATORS (CSC PRACTICES)



- Compatible with notebook, tablet or smartphone
- Simple and friendly *offline* data entry
- Evaluate implementation of practices and indicators
- Measure status and evolution, compare members and regions
- Available for members
- Under construction: to be ready soon



**IT IS NOT ABOUT SIMPLY DOING IT.
IT IS NECESSARY TO MEASURE AND SHOW, COMPARE AND EVOLVE**



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

TWO-LEVEL GOVERNANCE / PLATFORM AND GCP MEMBER INITIATIVES

- National Advisory Board (NAB): political instance that defines policies, establishes strategies and validates actions, and
- Brazil Working Group (BWG): technical instance that suggests actions and structures activities
- Secretariat of the Brazilian Platform and the coordination of the Brazil Program are carried out by P&A
 - Grass-roots participation
 - Access to leadership level
 - Collaborative construction
 - Multi-stakeholder decision process
 - Ownership + commitment

GOVERNANCE CAN BE USED OR CUSTOMIZED FOR GENERAL, SECTORIAL, REGIONAL OR LOCAL GCP MEMBER INITIATIVES



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM

IF ALL KEPT ON TRACK GCP HELPS RELEASE EARMARKED FUNDS, ADVANCE SUSTAINABILITY AND EMBED IT INTO THE BRAZILIAN COFFEE BUSINESS TO ENSURE THE ECONOMIC VIABILITY OF COFFEE PRODUCTION

GCP BRAZIL PROGRAM CATALYZES THE PROCESS





Brazil Working
Group



National
Advisory Board

Partners

Coffee Associations



Verifiers / Certifiers



Others



State Extension Services



GCP MEMBERS INVOLVED IN BRAZIL PROGRAM



GCP MEMBERS INVOLVED IN BRAZIL PROGRAM



Neumann Kaffee Gruppe



Rabobank



Solidaridad



Coffee Sustainability Curriculum (CSC)

Sustainability: grower is the greatest beneficiary.



RATIONAL IRRIGATION



GOOD LIVING CONDITIONS



WASTE TREATMENT AND DISPOSAL



GREATER PRODUCTIVITY



WEED MANAGEMENT



INDIVIDUAL PROTECTION EQUIPMENT



PROTECTION OF NATURAL VEGETATION



RECYCLING



LEAF AND SOIL ANALYSIS



HEALTH EXAMS AND SERVICES



INVOLVE WOMEN AND YOUNGSTERS



EROSION CONTROL



INTEGRATED PEST MANAGEMENT



TRAINING AND DEMONSTRATION



SAFE AGROCHEMICAL STORAGE



REGISTERED AGROCHEMICALS AND SAFE PACKAGE DISPOSAL



COST CONTROL



COMPLIANCE WITH LABOR LAWS

CSC Training Courses partners



1600

Technicians

80 a 100.000

Potential coffee farmers

GCP INDICATORS

- MEASUREMENT
- COMPARISON
- SHOWING EVOLUTION



CSC APP TO MONITOR CSC PRACTICES

**IF ALL KEPT ON TRACK GCP HELPS RELEASE
EARMARKED FUNDS, ADVANCE SUSTAINABILITY
AND EMBED IT INTO THE BRAZILIAN COFFEE BUSINESS
TO ENSURE THE ECONOMIC VIABILITY OF COFFEE PRODUCTION**

GCP BRAZIL PROGRAM CATALYZES THE PROCESS



THANK YOU



**GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017**

THANK YOU!



**BROUGHT
TO YOU BY**



**GLOBAL COFFEE
PLATFORM**



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017

Karel Valken

Rabobank

38

BROUGHT
TO YOU BY

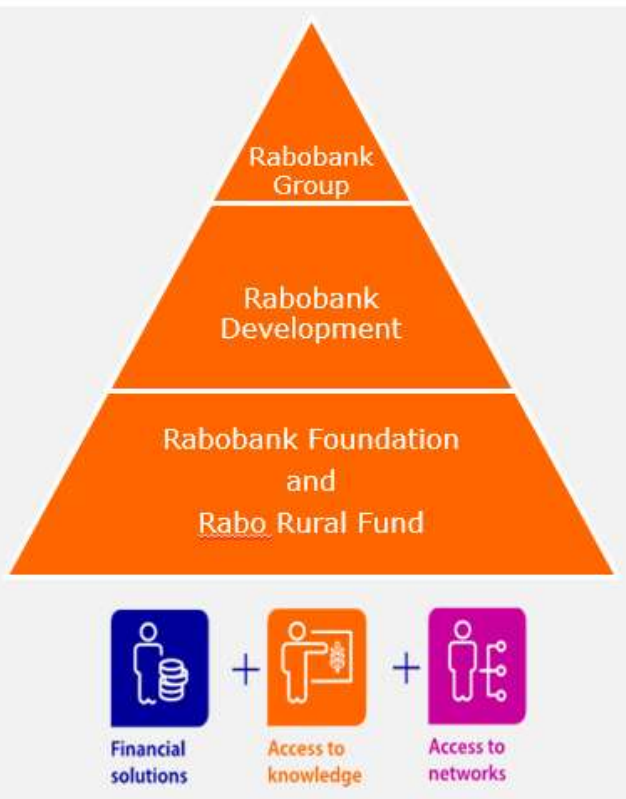




Banking for Coffee: Financing every link in the chain



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



Rabobank Foundation and Rabo Rural Fund

Total investment of

USD 57,860,000...

...in over **150** companies and
cooperatives

Reaching over
4,700,000

smallholder farmers globally

Of which 50% of the clients are active
in the coffee industry



Banking
for Food

Rabobank's commitment:
Total reach to be increased with **35%** by 2020



GLOBAL COFFEE
SUSTAINABILITY
CONFERENCE 2017



Annette Pensel

Executive Director, Global Coffee Platform



BROUGHT
TO YOU BY



GLOBAL COFFEE
PLATFORM



Building a sustainable coffee world, together.



GCP MEMBERS





GCP MEMBERS



Neumann Kaffee Gruppe



GCP MEMBERS



GCP MEMBERS



Enveritas



Solidaridad



GCP MEMBERS





GCP MEMBERS



Conselho Nacional do Café



European Coffee Federation



Building a sustainable coffee world, together.