

Coffee Producing Nations Draw Important Conclusions From Forum

CoffeeNetwork (Medellin)-The world's coffee producers will create an action plan that seeks to improve the economic sustainability of bean producers in 44 countries, nations decided at the end of the first World Coffee Producers Forum in Medellin.

Coffee-producing nations agreed to work jointly with all agents of the global chain, and with the support of the International Coffee Organization, to elaborate an action plan that will detail the problems coffee growers face throughout the world, including low profitability and climate.

The National Coffee Growers Federation of Colombia will assume the secretariat of the committee will elaborate and manage the implementation of an action plan. The committee will be comprised by two representatives from producing associations of Africa, two from Central America and Mexico, and two from Asia. It will also comprise one representative from the industry in North America, Europe and Asia.

"We are on the verge of creating a new world order," Roberto Velez, General Manager of Colombian Coffee Growers federation told 1,200 attendees. "This is the first step to ensure a fairer world. The statement has great strength. The declaration has hopes and good intentions. I invite producers, exporters, sellers and roasters to make this dream possible," Velez noted.

A study will be developed with an independent entity, analyzing coffee prices in the NY and London stock exchanges for the past 40 years, and production costs during the same period, and the correlation between the two.

The Committee will submit a report about the progresses being achieved during the next meeting of the ICO Council in March 2018.

Coffee-growing nations also agreed to hold a new forum of producing nations in 2019. Brazil suggested hosting the meeting there.

Coffee nations said if corrective actions are not taken to address the problems, the world may face a decline of coffee supply, with consequent repercussions on the livelihoods of producers and the social stability of their regions, while global demand will continue to grow unsatisfied, "leading to undesirable imbalances in the coffee market that may jeopardize the sustainability of the global chain," reads part of the conclusions from the forum held between July 10 and July 12.

Coffee growing is undergoing a critical situation as some producers are growing beans at a loss due to lower international prices, low agronomic productivity and increased production costs associated with climate change and climate variability, the declaration of conclusions said.

The loss of profitability has resulted in a significant percentage of the world's coffee producers being in poverty, and a reduction in the capacity to reinvest in their crops.

Coffee producing nations also acknowledged that the development of specialty coffees in recent decades has generated premiums for producers, but those premiums have been insufficient to offset the costs associated with certifications.

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