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Recent Developments and Prospects in the Coffee Value Chain

Vanúsia Nogueira
Executive Director
ICO

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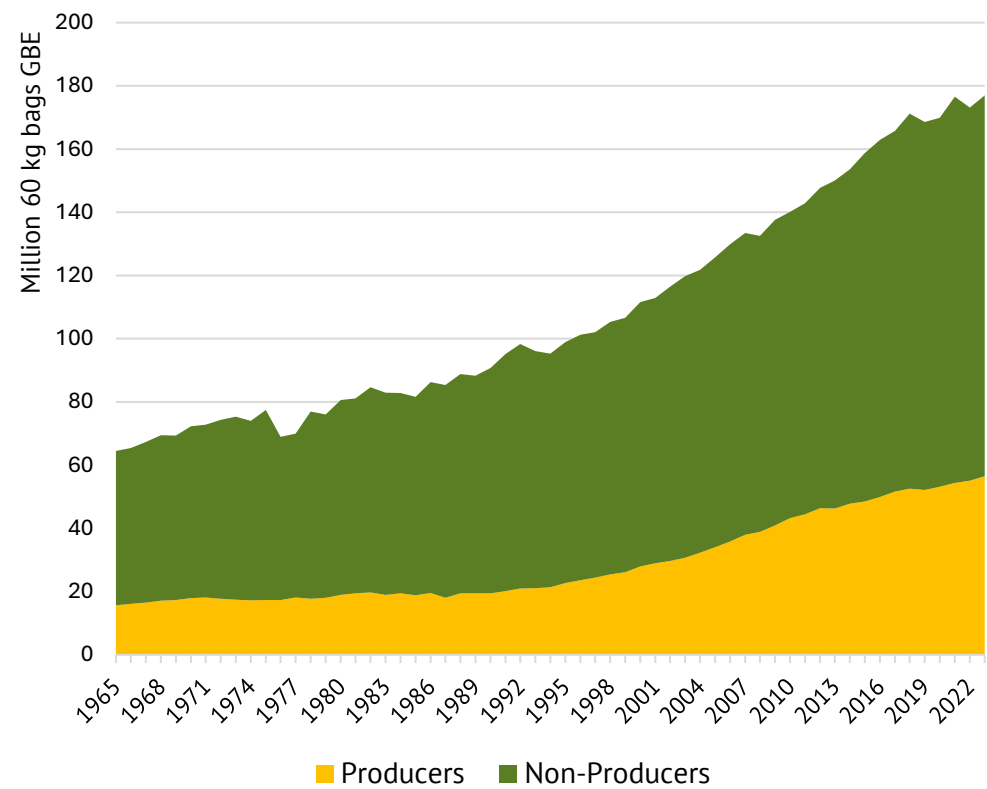
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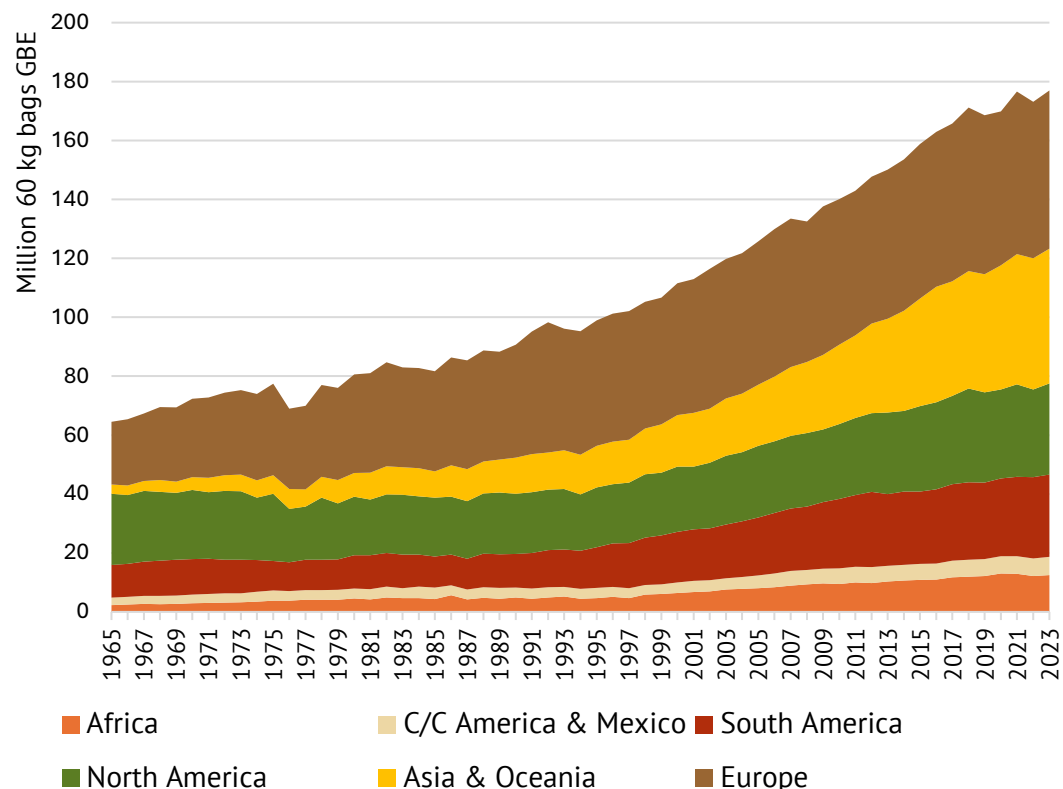


Resilient Global Coffee Consumption

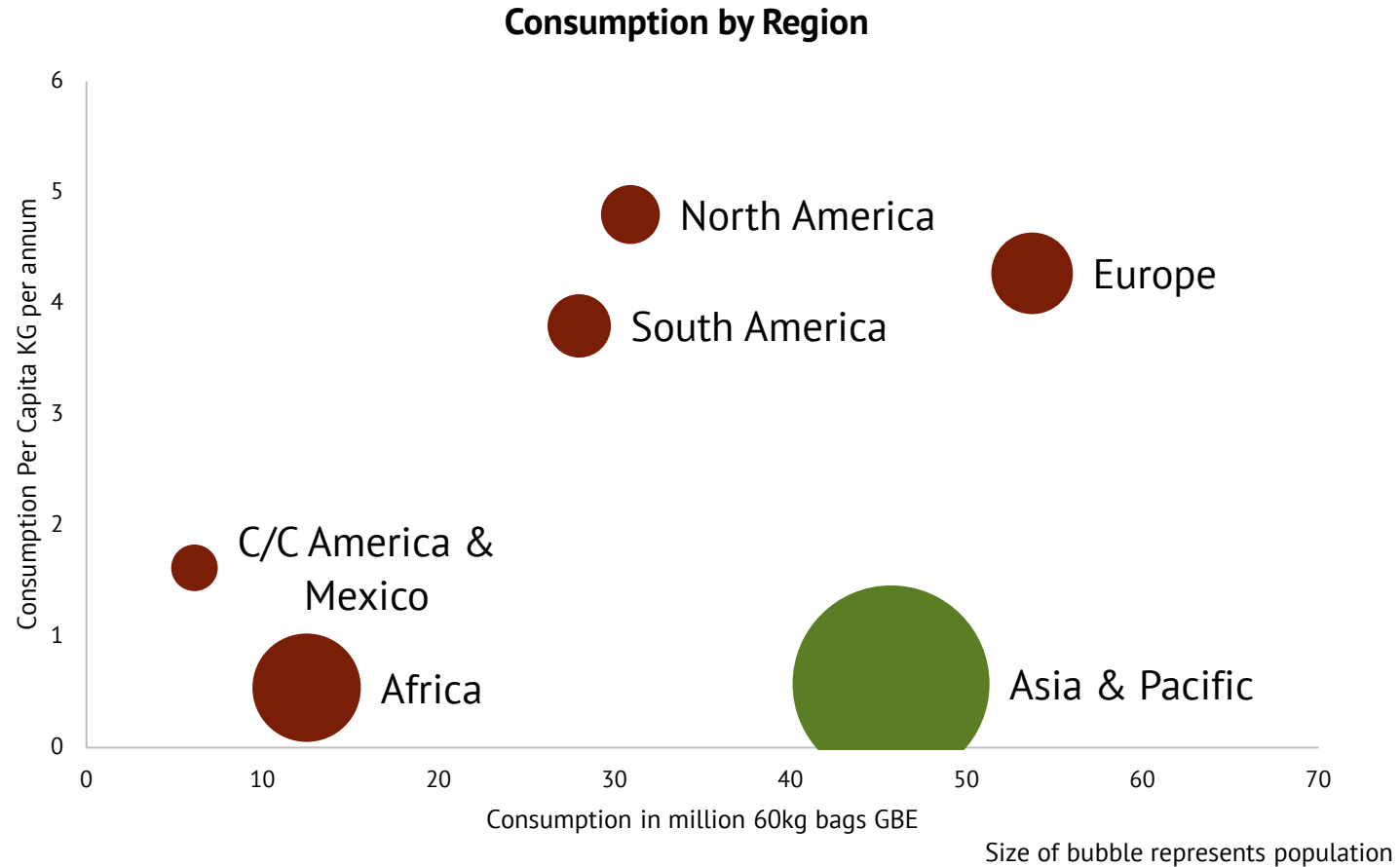
Consumption



Consumption by Region



Asian & Pacific Growth Potential



Consumption Trends Through Generations



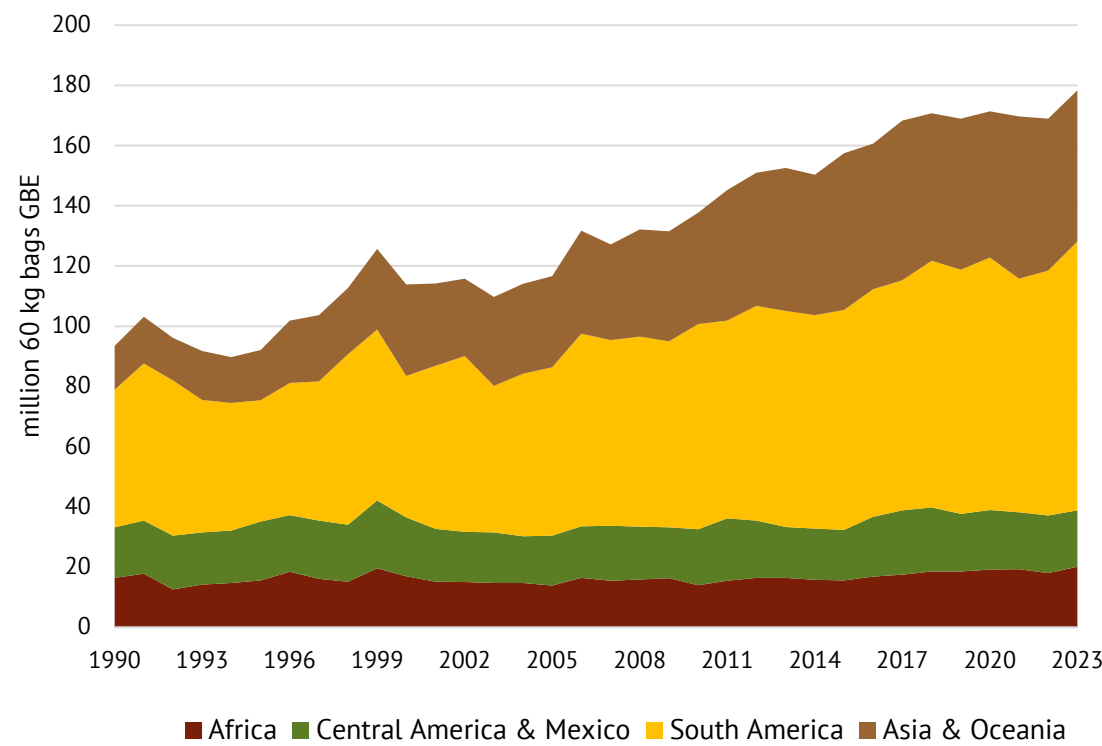
Who drinks coffee in 2024?

- Regional expansion
- Younger coffee drinkers
- Innovation fuel
- Coffee rituals

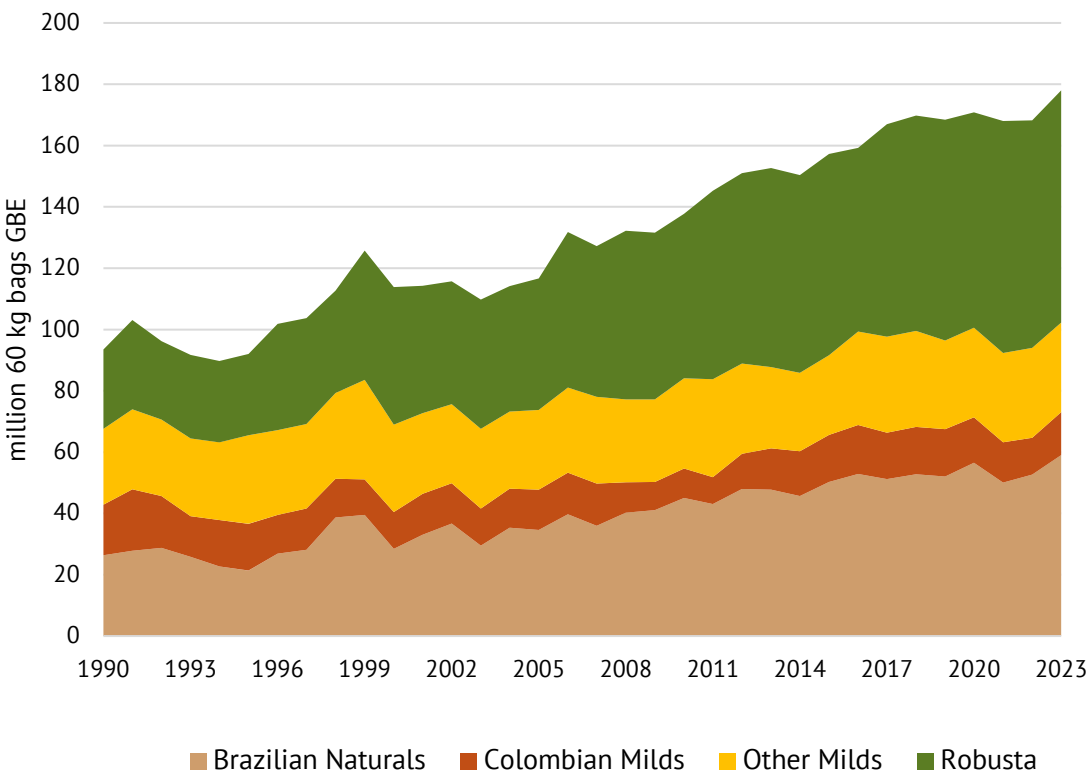


World Total Production

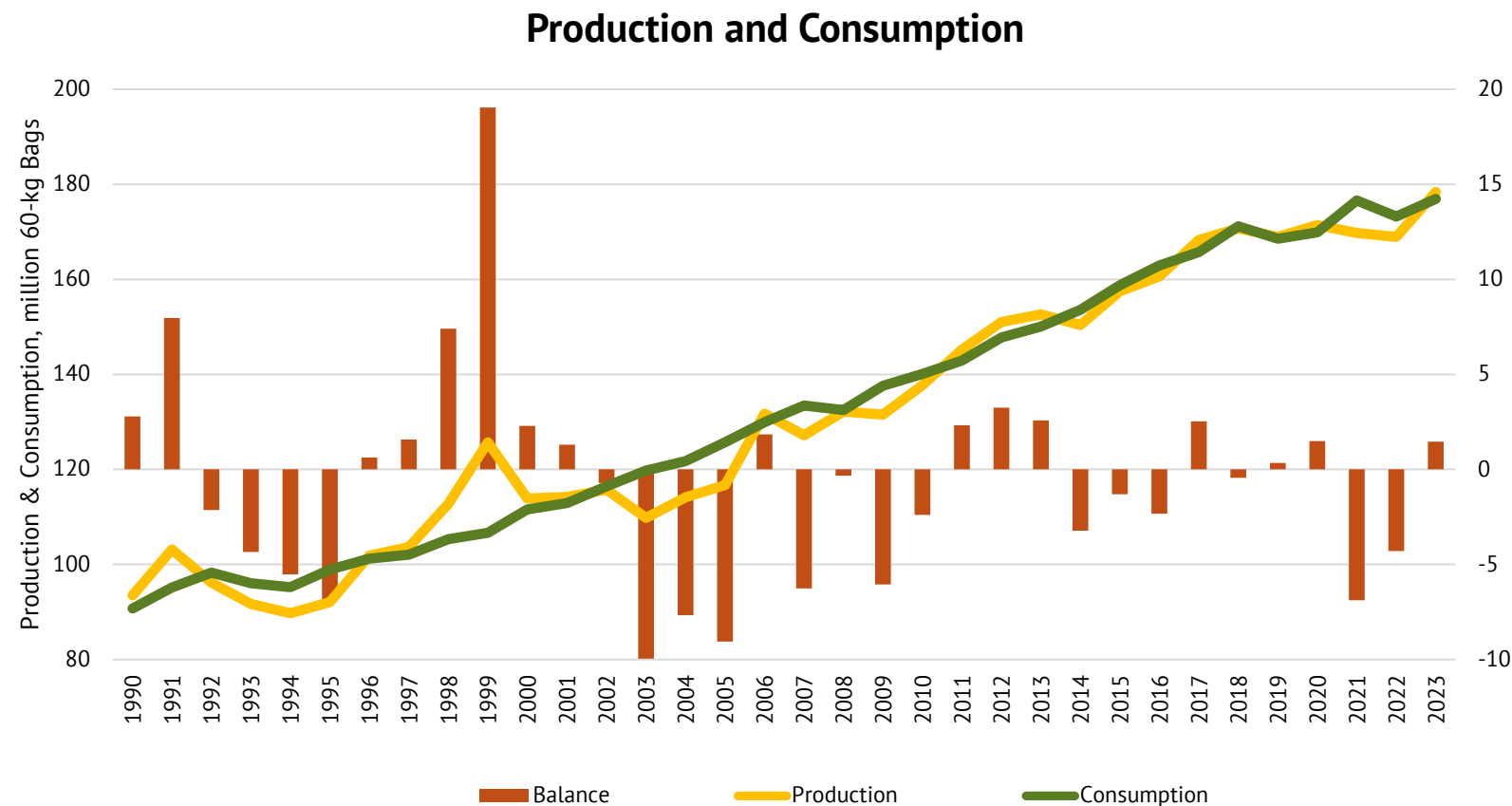
World Production by Region



World Production by Groups



Global Coffee Supply Recovery After 2-Year Deficit



Factors Affecting the Coffee Global Value Chain

Uncertainty

- Price volatility
- Currency fluctuation
- Inflation
- Interest rates
- Climate change

Supply

- Inputs availability
- Production costs
- Lack of liquidity
- Supply chain disruptions
- Value distribution
- Climate change
- Pest and diseases

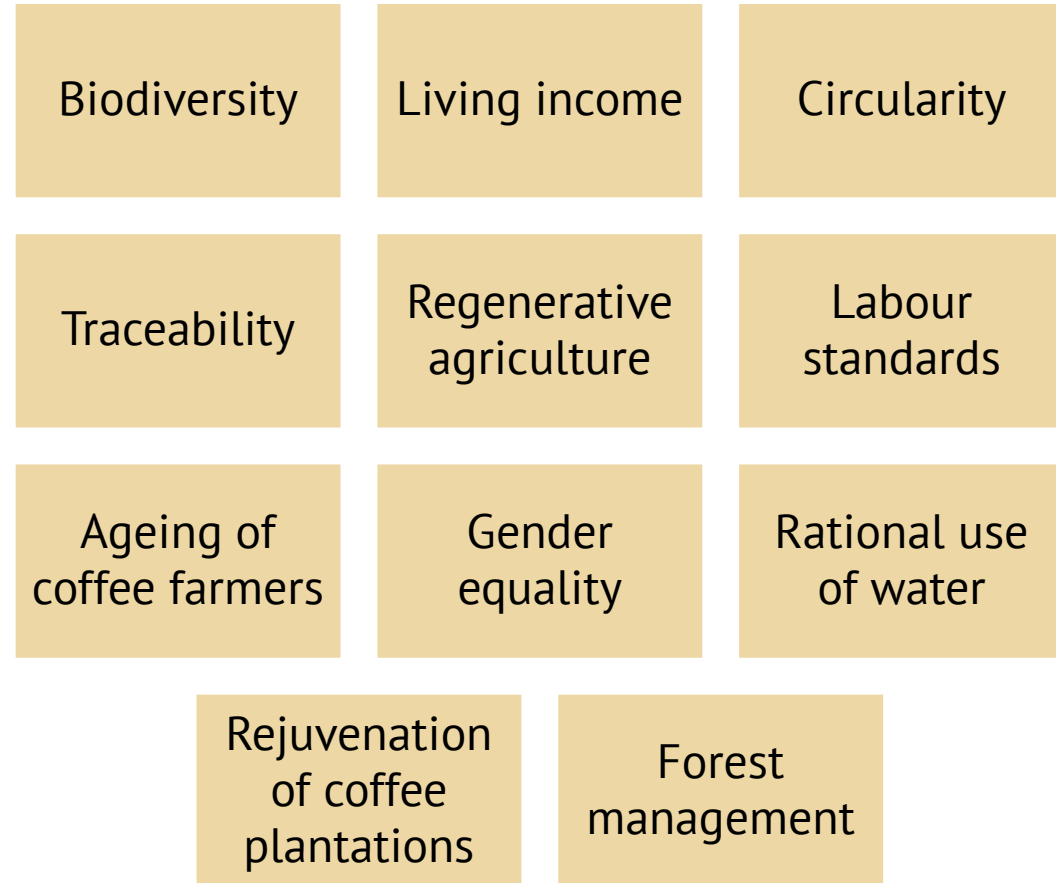
Demand

- Out-of-home consumption patterns
- Price sensitivity
- Geopolitical tensions
- Robusta/Arabica preferences

Co-Factors

- Environmental sustainability
- Product differentiation
- Digitalization
- Non-commercial traders in the futures market
- New regulations/standards

Facing Social and Environmental Challenges



Committed to sustainability since 1963

Social and economic sustainability (1962-68-76-83)

ICA 1962 – Considering that close international co-operation on coffee marketing will stimulate the **economic diversification and development of coffee-producing countries** and thus contribute to a strengthening of the political and **economic** bonds between producers and consumers.

ICA 1968 – The objectives of the Agreement are [...] to contribute to the development of productive resources and to the **promotion and maintenance of employment and income** in the Member countries, thereby helping to bring about **fair wages, higher living standards, and better working conditions**.

ICA 1976 – Believing that international measures can assist in **correcting the effects of such disequilibrium**, as well as help to ensure an **adequate level of earnings to producers through remunerative prices**.

Social, economic and environmental sustainability (1994-2001-2007-2022)

ICA 1994 – Members shall give due consideration to the **sustainable management of coffee resources and processing, bearing in mind the principles and objectives on sustainable development** agreed at the Eighth Session of the United Nations Conference on Trade and Development and the United Nations Conference on Environment and Development.

ICA 2007 – Recognizing the contribution of a **sustainable coffee sector** to the achievement of internationally agreed development goals, including the Millennium Development Goals (MDGs), in particular with respect to **poverty eradication**.

ICA 2022 – The objective of this Agreement is to strengthen the **global coffee sector and promote its economically, socially and environmentally sustainable development** in a market-based environment for the betterment of all participants in the sector.

ICO developments towards sustainability in the G-CVC

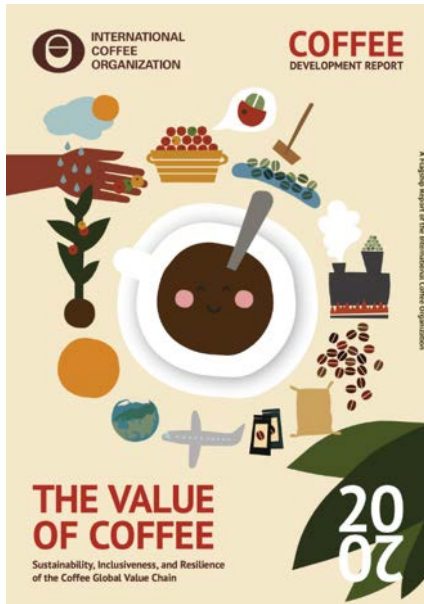


International Coffee Agreement 2022

- Chapter XI: The Private Coffee Sector

ICO developments towards sustainability in the G-CVC

- Coffee Development Report



ICO developments towards sustainability in the G-CVC

- Identifying collaboration opportunities and areas for improvement
- Partnerships
 - **G7**: Coffee as a key strategic commodity
 - **ITC**: Coffee Sustainability Initiatives Map



Thank you!

Vanúcia Nogueira Carneiro

Executive Director

October 14th, 2024



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