



GCP Annual Report 2019







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Message from the Board Chair

2019 was an important transition year for the Global Coffee Platform (GCP). The first year of the triennial plan 2019-2021 was marked by the development of Collective Action Initiatives, the decision and initial steps to carry out the Roaster & Retailer Reporting of Sustainable Coffee Purchases, and projects to develop sustainability indicators in partnership with other important international organizations. This contributed to a stronger positioning of GCP towards its goals of promoting the sustainability of the coffee business with emphasis on smallholder growers.

GCP's Call to Action in response to the coffee prices crisis invited Members, partners and the coffee business in general to focus on local actions for global results, a cornerstone of GCP's mission and vision. Key to GCP's local action are its National Coffee Sustainability Platforms and National Coffee Sustainability Curricula that enable the identification of sustainability bottlenecks that are addressed by bottom-up GCP Collective Action Initiatives, whose results endure and are multiplied because they are incorporated into local good agricultural practices.

Work took place to establish National Sustainability Platforms in Honduras and Ethiopia and to consolidate those in Indonesia and Kenya while the platforms in Vietnam and Brazil focused on developing both apps to measure sustainability and GCP Collective Action Initiatives. The involvement of input suppliers,

for example agrochemical companies, in these initiatives created a new paradigm by moving them from being a part of the problem to becoming partners in the process of promoting environmental sustainability.

Several components of the GCP's Call to Action address the improvement of the enabling environment from farm gate to harbor in producing countries in order to transfer more income from exports to coffee growers. This is fully aligned with GCP's view that a living income is a basic ingredient for coffee growing to be socially and environmentally sustainable.

The future of GCP's transition and its new initiatives were placed under risk at the end of the 2019 and beginning of 2020 as Covid-19 moved from being a threat to becoming a full-fledged pandemic. However the Board and the international and local teams had the ability and serenity to make GCP adapt to this new environment with a level of interference in activities that is now judged much smaller than expected. The transition was in fact concluded and the 2019-2021 plan is moving in full force, up to a level where more partners and greater funding are needed to expand.

2019 will be remembered in the future of GCP as a turning point from less tangible to more tangible results. At the same time, improvement of the enabling environment in producing countries, that is more difficult to evaluate, continues at GCP's horizon.

CARLOS BRANDÃO

BOARD CHAIR of the Global Coffee Platform

Message from the Executive Director



Thank you GCP Members, donors, and partners! Your passion and commitment has allowed GCP and its dynamic network of Country Platforms to address key sustainability issues in collaboration. From our Call to Action on the coffee price crisis to the exciting progress being made by GCP Collective Action Initiatives, 2019 showed us that joint action can lead to shared, tangible benefits.

This year's Annual Report highlights examples of how GCP advanced critical work to:

- Collaborate with public-private Country Platforms to improve the enabling environment for sustainable and profitable coffee production;
- Propel GCP Collective Action Initiatives by pooling knowledge and resources to address pressing challenges collectively;
- Measure sustainability progress, thereby providing GCP Members and Country Platforms with common metrics and digital tools to make well-informed strategic decisions.

GCP has continued to welcome new Members and expand partnerships. Through new Collective Action Initiatives, we've seen increased local investments, efficiencies, and local ownership to address sustainability gaps and inspire measurable progress.

Thanks to contributions received from all across the coffee sector, the Coffee Data Standard was launched. It provides a common language for capturing sustainability data based on 15 high-level indicators. This practical tool helps to streamline data, and will allow for better monitoring of individual and collective performance towards our shared coffee sector goals.

2019 also saw important progress towards creating more sector transparency and encouraging increased sustainable purchase commitments from diverse coffee origins. As such, GCP launched the Roaster & Retailer Reporting which captures sustainable coffee purchases. Aggregated results were made available in 2020.

We all know that change takes time, but now is the time to act together: it is key that we rally to ensure the economic viability of coffee farming, a living income and prosperity for farmers and workers, and their resilience against the impacts of climate change.

GCP's Global team, working through a robust local and global network, is ready to support Members' shared sustainability goals and to facilitate local action for global results. And in times of great uncertainty, such as those we will face in 2020 brought on by Covid-19, the true value of our platform will become even more evident.

As a global membership association spanning continents and the value chain, we are connected, stronger and more responsive to the challenges that will come our way. Thanks to this strength, GCP is advancing sustainability towards our shared vision of a thriving, sustainable coffee sector for generations to come.

ANNETTE PENSEL

EXECUTIVE DIRECTOR of the Global Coffee Platform

2019 Global

The call for urgent global collective action on the coffee price crisis

GCP and its Members addressed the crisis through engagement, encouragement, education, and mobilization.



The common language for capturing data developed

15 high-level sustainability indicators were operationalized in the Coffee Data Standard.



The commitment to increasing sustainable coffee purchases

Roaster & Retailer Reporting started.





Highlights



The support of international sustainability resolutions

GCP actively advocated for the economic sustainability of coffee farmers.



The commitment to local action and learning

GCP continued working with National Coffee Sustainability Platforms in Africa, Asia and Latin America to improve sustainability for smallholders.



The growth of GCP Collective Action Initiatives

Multi-stakeholder initiatives have worked at country level to address shared challenges.

Members Acting Together

GCP Members are united in the belief that urgent, global collective action is a shared responsibility.

GCP has been advocating for the economic viability of coffee farming along with social, environmental sustainability and farmers' prosperity since its inception.

In 2018 and 2019, persisting low international coffee prices caused severe damages to the viability of sustainable coffee production and in June 2019, GCP called for urgent global collective action to overcome the current price crisis which has been threatening the lives of millions of smallholder coffee farmers, the environment and the coffee industry itself. GCP's Board acknowledged that the entire global coffee sector bears responsibility to foster the path towards

a reasonable living income for coffee producers, and to help ensure the economic viability of coffee farming worldwide. The GCP Call to Action was driven by the GCP Board and launched at a number of important coffee sustainability events around the world and other channels, including

- World of Coffee in Berlin,
- 4C Global Sustainability Conference
- ICO-EC-ECF Sector Dialogue in Brussels

It has been well received, helped to inspire action and served to activate and engage several stakeholders to get involved with GCP's work and beyond.

At the 2019 Membership Assembly in Basel, Switzerland, GCP Members from over 20 countries discussed and energized follow-up action that GCP itself should drive forward:

1) Encourage roasters and retailers to increase commitments of sourcing sustainable coffee, and transparently report volumes of sustainable coffee purchased by origin on an annual basis to encourage diversity of sourcing

- ✓ GCP Roaster and Retailer Reporting Program on Sustainable Coffee Purchases started with results published in 2020.

2) Activate stakeholders in producing countries to foster the improvement of an enabling environment for sustainable coffee production through public-private





CONVENING

Country Platforms and increase transparency along the supply chain to ensure that the farmer receives a higher percentage of the price

✓ GCP's work with Country Platforms, National Coffee Sustainability Curricula and Collective Action Initiatives has led to encouraging progress in several countries: One example is Kenya Coffee Platform's Economic Viability Study, which has already triggered policy changes to improve efficiencies in coffee cooperatives' governance.

3) Engage with the international coffee exchanges to enhance the coffee futures contracts as genuine and effective price discovery tools to service producers, exporters, traders, roasters, and retailers; this includes the regulation of high frequency, artificial intelligence, and algorithmic (black box) trade participation to minimize excessive speculative participation

✓ GCP hosted an exclusive educational webinar with the Intercontinental Exchange (ICE) discussing how coffee exchanges work as price discovery mechanisms. Over 300 participants seized the opportunity to hear directly from experts about the role of futures markets and how they help support the sector to make informed business decisions and manage coffee price volatility risks.

Building on the valuable partnership between GCP and ICO, GCP is committed to further support and contribute to ICO's Public-Private Coffee Task Force on a Roadmap for the London Declaration.

We acknowledge that the entire global coffee sector bears responsibility to foster the path towards a reasonable living income for coffee producers, and to help ensure the economic viability of coffee farming worldwide.



GCP Network of Country Platforms





Enable Local Action

To enable Local Action, GCP works with a network of 10 Coffee Sustainability Platforms located in Latin America, Africa and Asia.

Public-private Coffee Sustainability Platforms in producing countries are important vehicles to promote **continuous improvement of sustainable and profitable coffee production** amongst coffee farmers. Additionally, the platforms are key to **enhance the enabling environment**, for example through better access to input, know-how, services and finance and through favorable coffee policies that improve the efficiency of the supply chains and lead to higher shares of FoB prices in coffee farmers' hands.

In 2019, GCP has been supporting Country Platforms and their programmatic work in Brazil, Honduras, Uganda, Kenya, Indonesia and Vietnam. Additionally, first activities started in Ethiopia to contribute to coffee stakeholders' efforts towards public-private dialogue and collective action.

GCP maintains good relationships related to learning, exchange of knowledge and best practices with an additional four Country Platforms in Colombia, Nicaragua, Peru and Tanzania.

Based on request from our partners in producing countries, **October 2019 saw the first GCP Annual Country Congress take place alongside the GCP Member Assembly**. Representatives from 10 countries participated in the event, as well as GCP Board members, and staff from our strategic co-funding partners IDH, GIZ, and Rainforest Alliance.

During the event, the participants were able to exchange on key topics such as: National Sustainability Curricula, measurement of sustainability progress, and essential platform development. The success of the event suggested the development of a series of structured learning and exchange sessions between the countries.

"In 2019, the platforms continued building the elements of a successful continuous improvement cycle that drives alignment and adoption of good agricultural and sustainability practices for coffee farmers, especially smallholders. From Uganda and Honduras starting the development of their National Sustainability Curricula, to Brazil and Vietnam using critical measurement insights from data collection to develop Collective Action Initiatives, the platforms are actively establishing the relationships, tools and processes necessary to support stakeholders in their countries in creating a more sustainable and prosperous coffee sector."

MELISSA SALAZAR
Program Manager - Countries

					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Small-holder Farmers	Number of Hectares
3.3m	18%	30/70	90%	80k	1.9m



ENABLE LOCAL ACTION

Brazil



The Brazil Coffee Sustainability Platform actively works with its members and partners to drive coffee sustainability. Through the development of tools, educational material, broad outreach, and GCP Collective Action Initiatives, the platform is committed to real change and positive results.

The Brazil Coffee Sustainability Platform has been consolidating its work and continues to grow through aligned measuring and creating new GCP Collective Action Initiatives.

ANNUAL GCP BRAZIL MEMBERS MEETING

took place in May 2019, with 55 participants, representatives of 31 institutions.

In 2019, **23 INSTITUTIONS** were using or **TESTING THE COFFEE SUSTAINABILITY CURRICULUM APP (CSC)** to measure adoption of sustainability practices in an aligned way.

A total of **4 NEW MEMBERS** joined in 2019. Falcafé (trader) and Agrovista (Agri consultancy), Allicom (trader), Coopeavi (cooperative).

During the year, **A TOTAL OF 77** (17 female, 60 male) extensionists from key coffee cooperatives, extension services, and other institutions **WERE TRAINED TO GUIDE GROWERS** with the implementation of the Coffee Sustainability Curriculum App at field level.

YEAR 1 of implementation of **"RESPONSIBLE USE OF AGROCHEMICALS"** Collective Action Initiative.

Development of new **GCP COLLECTIVE ACTION INITIATIVE ON SOCIAL WELL-BEING** begins.

"In Brazil, we have focused on strengthening the relationship with current GCP Members and attracting new members to commit to sustainability in their areas of action, sharing responsibility and collaborating for the development of pre-competitive sustainability efforts."



Pedro Ronca

GCP Brazil Program Manager



					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Small-holder Farmers	Number of Hectares
282 k	3.9%	80/20	94%	1.6m	800k



Uganda

In 2019, a focus on capacity building at district level in Uganda has resulted in improved and transferable expertise of local coffee farmers and the improvement of the country's coffee extension services.

The Uganda Coffee Platform has continued to provide an open and neutral space for actors across the coffee value chain to discuss key sustainability issues through its series of public-private events. The Platform also supported increased alignment around extension materials through the development of the Robusta and Arabica Coffee Handbooks, and the start of the development of the National Sustainability Curriculum. The Platform aims to build on these successes to further strengthen understanding and collaborative action around sustainability.

ROBUSTA AND ARABICA COFFEE

HANDBOOKS were launched in May 2019. The handbooks were disseminated in nine coffee-growing districts and used to train 284 extension workers from public and private sectors of which 29% were female.

Three Public-Private Partnership events took place, providing a **SPACE FOR DIALOGUE AND PRIVATE SECTOR INPUT** on the following topics: the Village Agent Model, the National Coffee Bill, and the National Sustainability Curriculum.

31 COFFEE SHOWS were successfully held in **31 COFFEE-GROWING DISTRICTS** to promote sustainable, profitable coffee farming.

Convened by the Uganda Coffee Development Authority, chairing the Uganda Platform, **20 KEY COFFEE PLAYERS** joined the kick-off of the National Sustainability Curriculum development in late 2019.



Samson Emong

Country Coordinator, Uganda
Café Africa Uganda

"The importance of the work done by coffee sustainability platforms across different origins is often underestimated. In Uganda, 2019 proved that an enabling convening space for public and private actors is much needed to foster a constructive dialogue to address different challenges affecting the coffee sector. That space provides the foundation for practical solutions for Ugandan coffee farmers, and allows the entire Ugandan sector to thrive."

					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Small-holder Farmers	Number of Hectares
425.5m	41%	1/99	96%	83.9k	442.7k



ENABLE LOCAL ACTION

Honduras



One of GCP's youngest Country Platforms, Honduras is hard at work to bring coffee stakeholders together, identifying opportunities for collaboration and shared benefits.

In 2019, the Honduras Country Sustainability Platform concluded its first year of operations. The Platform and its members focused on exchanging views and perspectives regarding sustainability challenges at hand, building trust and advancing a common understanding, thereby creating the basis for its collective work, including a clear roadmap for the development of the Honduras National Sustainability Curriculum. Additionally, the members prioritized the development of a strategy and fundraising plan for 2020.

APPROVAL BY THE COORDINATING COMMISSION

of the proposal for the development of the Honduras National Sustainability Curriculum for sustainable coffee production in September 2019.

SECOND ANNUAL MEMBER ASSEMBLY

was held in November 2019.

THREE MEETINGS of the Coordinating Commission were held throughout 2019.

"In 2019, the Honduran Platform for Sustainable Coffee was able to collectively agree on the need for and value of a National Sustainability Curriculum, and a clear, inclusive process to develop it."



Guillermo Alvarado Downing
Program Manager, Honduras



Ethiopia

Stakeholder engagement activities begin in Ethiopia.

GCP launched its activities in Ethiopia in November, 2019.

AN INTRODUCTORY COFFEE STAKEHOLDER MEETING took place, supported by GIZ Ethiopia. Perspectives and learnings were shared amongst participants, including visitors from Kenya.

GCP ETHIOPIA STARTED operations in November 2019.



Dr. Chala Erko Arganea
Program Manager, Ethiopia

"GCP recognises Ethiopia as a strategic country, not only as a home for coffee arabica and its relative volume of coffee production, but also due to the potential positive impacts for the Ethiopian coffee farming families and the sector at large"

					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Small-holder Farmers	Number of Hectares
41.4k	12%	100/0	97%	780k	115.6k



ENABLE LOCAL ACTION

Kenya



An established and active platform, the Kenya Country Platform is focused on improving technical assistance, ensuring the economic viability of farming, and developing policies and guidelines for more sustainable coffee.

2019 saw the launch of the Kenya Sustainability Manual and the training of 915 individuals, trained to lead coffee farmers on good agricultural and sustainability practices. Additionally, the results of the Economic Viability Study were shared and broadly discussed, triggering positive change at policy level to improve cooperative governance.

LAUNCH OF THE KENYA COFFEE SUSTAINABILITY MANUAL in November 2019, during the Inter-African Coffee Organization's 7th African coffee symposium and sustainability seminar.

915 public and private extension officers trained on modules of the Kenya Coffee Sustainability Manual.

Sharing the **ECONOMIC VIABILITY REPORT** with stakeholders. The report informs interventions and decisions that lead to efficiency in line with SDG 2.3 and Kenya's national goal of doubling production by 2025.

COOPERATIVE KPI reporting started in December 2019.

DATA COLLECTION CARRIED OUT involving 256 farmers in February 2019.

ANNUAL COUNTRY MINISTER MEETING to align on sustainability priorities and leverage resources in August 2019.

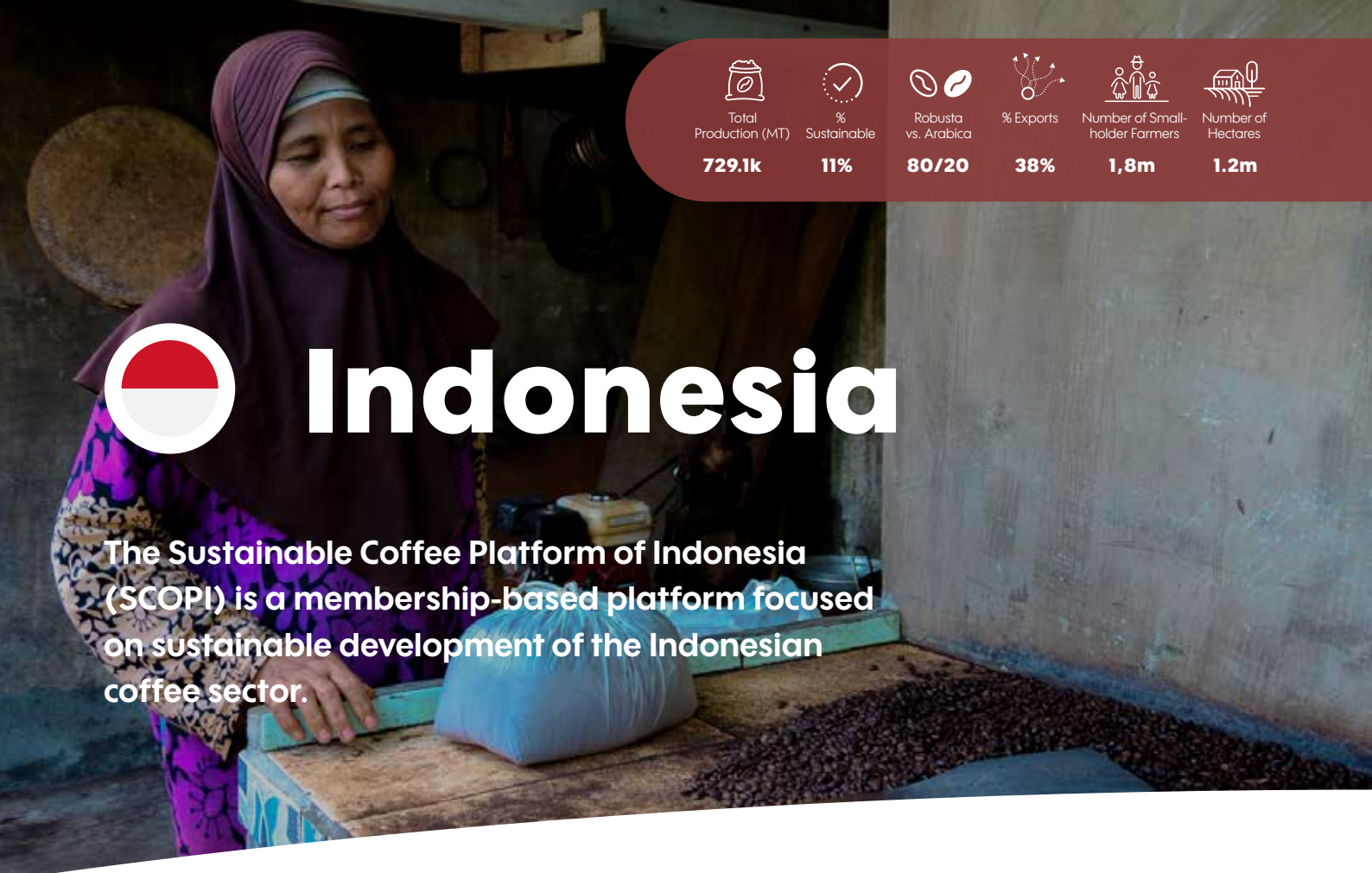
PARTNERING WITH THE GOVERNMENT on the International Coffee Day farmer celebrations in Mt Elgon **TO PROMOTE SUSTAINABLE COFFEE FARMING.**







ENABLING COFFEE STAKEHOLDER INPUT on new coffee reforms.

"As a coffee community dealing with many challenges in this journey, we get much further together, with more lasting sustainability changes. One bean at a time."



George Watene
Program Manager, Kenya



					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Small-holder Farmers	Number of Hectares
729.1k	11%	80/20	38%	1,8m	1.2m



Indonesia

The Sustainable Coffee Platform of Indonesia (SCOPI) is a membership-based platform focused on sustainable development of the Indonesian coffee sector.

Indonesia’s Sustainable Coffee Platform, SCOPI, used the learnings from the implementation of its successful Master Trainers program to improve and update both the National Sustainability Curricula and the Management Training Handbook. The Platform’s goal was to ensure that Indonesian coffee farmers have access to the most up-to-date good agricultural and sustainability practices through Master Trainers from both the public and private side. This is expected to support the development of a stronger enabling environment for the production and sourcing of sustainable coffee from Indonesia in the near future.

REVIEW OF NATIONAL SUSTAINABILITY CURRICULA both for Arabica and Robusta, and their accompanying Management Training Handbooks **FINALIZED IN NOVEMBER 2019.**

The **SECOND EDITION OF THE CURRICULA FOR ARABICA AND ROBUSTA** and the **Management TRAINING HANDBOOKS WERE LAUNCHED** during the Master Trainers National Meeting 2019 held in Bogor District, West Java Province in December 2019.



Paramita Mentari Kesuma
Executive Director, Sustainable Coffee Platform of Indonesia (SCOPI)

"This year, using our new Theory of Change as guidance, SCOPI took a more strategic role as a convener, enabler, advocator, and knowledge manager. One of SCOPI's strategic tasks is the optimisation of the National Sustainability Curriculum and its implementation through capacity-building activities. These activities have shown to produce concrete results for coffee sustainability in Indonesia. SCOPI also supported the showcase of good quality coffee of Indonesia in many promotional programs."

					
Total Production (MT)	% Sustainable	Robusta vs. Arabica	% Exports	Number of Smallholder Farmers	Number of Hectares
1.6m	55%	90/10	90%	600k	688.4k



ENABLE LOCAL ACTION

Vietnam



Vietnam is working hard towards greater coffee sustainability, adapting production models and further developing best practices nationally and regionally to increase resilience against climate change and provide economic certainty to smallholder producers.

2019 was a successful year for GCP Vietnam, together with Members and partners, regarding the implementation and further development of Collective Action Initiatives. This year, the first Collective Action Initiative, "More Coffee with Less Water," was successfully concluded. Building on the learnings from other countries like Brazil, GCP Vietnam began the development of a new initiative in a participatory way. Moreover, GCP Vietnam increased efforts regarding measurement by starting data collection activities in Krông Năng Districts. This data will allow GCP Vietnam, the Vietnamese Coffee Coordination Board, and its partners to better understand and act on the current opportunities and challenges to advance coffee sustainability in the country.

DATA COLLECTION IN KRONG NANG DISTRICT, using the Farmer Code System Tool (GCP Progress), started in December 2019 together with the District People's Committee and Simexco Daklak **TO COLLECT DATA OF 6,300 COFFEE FARMERS IN THREE COMMUNES** of Ea Tân, Ea Tóh and ĐLiê Ya.

VIETNAM COFFEE COORDINATION BOARD (VCCB), supported by GCP and Grow Asia, organized the Annual Sustainability Forum in December 2019. This event attracted **NEARLY 80 INTERNATIONAL AND NATIONAL PARTICIPANTS**.

THE PROPOSAL DEVELOPMENT FOR THE COLLECTIVE ACTION INITIATIVE "Responsible Use of Agro-inputs for Coffee in Vietnam" was initiated.

THE COLLECTIVE ACTION INITIATIVE "More Coffee with Less Water", implemented in collaboration with HRNS was **FINALIZED IN Q4 OF 2019**.

"We convene both public and private sector actors to create a common vision on the prioritized topics and share evidences of good practices promoting sustainability. We encourage GCP members and non-members as well to join our GCP Collective Action Initiatives so that together, we can drive sustainability improvements for the coffee sector."



Pham Quang Trung
Program Manager, Vietnam



Peru



Nicaragua

GCP's broader network of Country Platforms includes Colombia, Peru, Nicaragua and Tanzania.

The Peruvian platform has concentrated its efforts in supporting the development and approval of the National Action Plan for Coffee, a key document for the growth of the Peruvian coffee sector. The Secretariat of the Peruvian Platform is the Ministry of Agriculture, and the platform is supported by UNDP.

APPROVAL OF THE NATIONAL ACTION PLAN FOR COFFEE (Plan Nacional de Acción del Café [PNAC]).

"The participatory process carried out for the elaboration of the National Plan of Action for Peruvian Coffee allowed us to have a follow-up tool for the implementation of articulated actions. This follow-up tool enjoys the support of the leading institutions of the coffee sector. It is from the aforementioned process that we are currently seeking to consolidate an executive and sustainable National Coffee Council, which leads decision-making at the highest level for the benefit of the coffee producer and company."

Augusto Aponte

Director, Directorate for General Agriculture,
Ministry of Agricultural Development

During 2019 Nicafé, Nicaragua's Coffee Platform, was very active in engaging stakeholders and increasing the visibility of the platform through its participation in various international coffee events. Moreover, the platform continued a process of internal development, which is evidenced by its new operations and governance guidelines.

CONSTRUCTION OF A PROPOSAL for the development of the **NICARAGUAN COFFEE SECTOR**. The proposal was created in a broad consultation with producers.

NICAFÉS PARTICIPATED in several regional events promoting the platform and interacting with other regional players, leading to the **ESTABLISHMENT OF WORKING RELATIONSHIPS** in the future.

DEVELOPMENT OF THE PLATFORM OPERATION AND GOVERNANCE GUIDELINES.

"The Nicafé platform has been strengthened internally and provides the sector with concrete proposals: An approach without strategy, without action without consensus and appropriation by those involved ends up being reduced to a sentence or a proclamation that does not prosper."

Aura Lilia Sevilla

President of the National Alliance of Coffee Producers of
Nicaragua (Alianza Nacional de Cafetaleros de Nicaragua)



Colombia



Tanzania

GCP's broader country network focuses on learning, knowledge exchange, and the sharing of best practices.

Throughout 2019 the Sustainable Trade Platform in Colombia activated its members through collaborative work and through its online learning and training platform, Agro-Learning.

23 ORGANIZATIONS FROM THE COLOMBIAN COFFEE SECTOR participated in collaborative work to achieve **COLLECTIVE IMPACT**. With these activities, the platform and its members were able to reach more than 43 000 producers and their families.

OVER 250 TECHNICIANS from 23 organizations that are part of the Platform **WERE TRAINED ON RELEVANT SUSTAINABILITY ISSUES** through the Agro-Learning platform.

Work begins structuring the **ENTREPRENEURSHIP SCHOOL FOR YOUNG COFFEE GROWERS**.

"The Sustainable Trade Platform has managed to position itself in Colombia as a space for exchange, collaboration and collective learning to face the main sustainability challenges faced by the chain. Through working groups, each of the participating organizations gets involved in the issues it considers pertinent and of interest."

Carlos Isaza

Platform Manager, Colombia
Solidaridad, Colombia

The Tanzanian Platform continued supporting the development of the Tanzanian coffee sector by playing an active role in the elaboration of the new National Coffee Strategy. Moreover, it created a farmer database to support with the efforts of registering all coffee farmers in Tanzania.

FARMER DATABASE CREATED to support the registration **OF ALL COFFEE FARMERS**.

DEVELOPMENT OF THE NEW NATIONAL COFFEE STRATEGY (5 year strategy) through an inclusive process involving private and public stakeholders.

Conducted the **INTERNATIONAL COFFEE DAY FESTIVAL**.

"A revitalized coffee sector needs to be inclusive, productive, beneficial and fair."

Kajiru Kisenge

Director of Operations and Coffee Development at the Tanzania Coffee Board / Country Platform Representative

GCP Collective Action Initiatives

GCP's Collective Action Initiatives offer an innovative approach for a true combining of local and global efforts, addressing the big systemic sustainability issues at origin to improve coffee production and the coffee business.

Brought together by GCP, companies and organizations such as Café Africa, Cecafé, JDE, IDH, Keurig Dr Pepper, Nestlé and Tchibo have joined forces with local coffee stakeholders to leverage their resources and expertise in multi-year GCP Collective Action Initiatives. This does not only allow for an increased scope and scale of the initiative, but importantly also to build on and leverage existing structures and knowledge in coffee-producing countries. By working closely with public-private Country Platforms, the Collective Action Initiatives deliver concrete best practices for sustainable coffee production, and may propose recommendations for policy improvement based on the evidence derived from the initiative's results. Thus, big issues can be addressed collectively while the coffee sector benefits from the results. These are not only publicly shared where the initiative is taking place, but through GCP's network of Country Platforms, and with other producing countries for learning and possible tailored replication.



In **BRAZIL**, the Collective Action Initiative is focusing on the responsible use of agrochemicals to empower coffee growers on efficient pest management approaches to avoid overuse and improve worker health and safety, while ensuring output and crop sustainability. This includes the correct use of personal protection equipment. Additionally, the storage of chemicals and the proper disposal of used containers is being addressed in the initiative.

This year, GCP Brazil has started to explore how social well-being can be improved for coffee growers and workers alike. The initiative is planned to be launched in 2020.

[read more online](#)

UGANDA'S Collective Action Initiative pilots a model to reach remote smallholder coffee farmers with extension services.

[read more online](#)



Coordinated by GCP **VIETNAM**, a multi-year GCP Collective Action Initiative is being designed to improve the responsible use of agro-inputs in Vietnam's coffee production. Best practices for weed management are foreseen to be developed, and alternatives to glyphosate to be introduced. The aim is to reduce environmental pollution, improve the well-being of farmers, reduce costs of production and meet regulatory requirements at coffee destination countries. Results, recommendations, and learnings are planned to then be shared with coffee farmers, where it matters most that production is safe and responsible, as well as with the Vietnamese government.

[read more online](#)



The **GCP COLLECTIVE ACTION INITIATIVE** "More Coffee with Less Water" successfully finished this year. Amongst key results, a policy recommendation on reduced water use for coffee irrigation was handed over to Vietnam's Ministry of Agriculture and Rural Development. Based on evidence, the initiative demonstrated that water used per coffee irrigation cycle can be substantially reduced without compromising on coffee yield.

The main achievements that stem from the Collective Action Initiative are: A) The recommendation on 400L of water for one mature robusta per irrigation round for coffee areas in Dak Lak province has been included in the revised National Sustainability Curriculum for wide adoption; B) The Directorate of Water Resources and the National Agricultural Extension Center have appraised and issued

two official documents to recommend "Farmer Coaching Visits" as extension approach, and the underground water recharge method "Managed Aquifer Recharge" for further pilot and scale-up among governmental extension networks and other development programs.

This initiative was partnered by Nestle, Hanns R. Neumann Stiftung, Swiss Development Cooperation, Vietnam Coffee Coordinating Board, and the International Water Management Institute.

GCP's Collective Action Initiatives as innovative approaches to practical, pre-competitive collaboration in coffee-producing countries have been so well received by GCP Members and partners that GCP has been encouraged to explore new initiatives in additional countries.



Measure to Advance

Within the GCP community, the desire to measure degrees and progress in coffee sustainability has increasingly come to the forefront: on the one hand to show progress and impact in a more comparable way, but also to improve the ability to strategically plan future sustainability investments. GCP has therefore supported its Members and Country Platforms to advance measurement with aligned indicators and metrics in several ways.

COFFEE DATA STANDARD FOR ALIGNED SUSTAINABILITY MEASUREMENT

GCP Members span the entire coffee supply chain and the data they generate and systems they use vary considerably. GCP has developed the Coffee Data Standard as a practical tool to streamline this data, allowing for better monitoring of individual and collective performance towards shared coffee sector goals, and ultimately the Sustainable Development Goals. Derived from the **SUSTAINABILITY FRAMEWORK**, **THE COFFEE DATA STANDARD** is the first sector-wide attempt to operationalize a standardized set of 15 key indicators and metrics in the social, environmental and economic dimensions of coffee sustainability. It was published in April 2019 and is freely available to be integrated into the reporting systems of supply chain actors. The Coffee Data Standard acts as a common language and leads to more efficient transactions, more effective resource allocation, and an enhanced ability to strategically plan future sustainability investments.

The Coffee Data Standard has been the result of collaboration with other actors in the sector such as Rainforest Alliance, COSA along with other members and partners. The aligned metrics will be integrated in measurement work at origin, as well as in future GCP Collective Action Initiatives.

SUSTAINABLE COFFEE PURCHASE REPORTING STARTED

In 2019, GCP has conceived and launched a reporting system that supports Roaster & Retailer Members to annually report their sustainable coffee purchases in an aligned way. "Sustainable Coffee Purchase" is one of the 15 common indicators of the Coffee Data Standard. The GCP Reporting captures sustainable coffee purchases of Members per sustainability schemes and countries of origin. GCP's Baseline Coffee Code serves as a reference for the recognition of sustainability standards and schemes. For the first reporting round, the following sustainability schemes have been recognized: 4C, Certifica Minas, Fairtrade, Rainforest/UTZ, C.A.F.E Practices and Nespresso AAA. The aligned reporting on sustainable coffee purchases directly responds to the Call to Action and is a powerful tool to encourage greater sector transparency and increasing sustainable coffee purchases from diverse origins. Aggregated results of the reporting would be published as the GCP Snapshot in 2020.

Importantly, additional sustainability schemes are foreseen to be recognized by GCP for future reporting rounds. Any recognized sustainability standard or scheme can then be included in further rounds of GCP Reporting on Sustainable Coffee Purchases. The Baseline Coffee Code itself is planned to be revised through open, broad consultation with a new version expected in 2021.

THE DELTA PROJECT

To advance the ongoing coffee sector specific work on aligned indicators for measurement of sustainability progress, GCP is partnering with and learning from the cotton sector: the joint Delta Project aims at establishing an integrative cross-commodity performance framework and operationalizing common metrics.

The cross-sector project on bridging the gap in sustainability performance started in Q2 2019. It is led by the Better Cotton Initiative together with the Global Coffee Platform, International Cotton Advisory Committee and International Coffee Organization, and supported by ISEAL. The key achievement for 2019 has been the first draft of indicators and metrics relevant for coffee and cotton sectors, building on the Coffee Data Standard. [Find more insights here](#) and help us with piloting and revalidating the approach, for example by joining the coffee sector pilot in 2021.

THE VALUE OF MEASURING SUSTAINABILITY STATUS AT FIELD LEVEL

Measuring sustainability progress is key to monitor effectiveness of interventions such as trainings on sustainable farming practices. It is equally important to inform future planning, targeted interventions, and investments. But it is costly and time consuming, too. Using tailored digital tools with aligned indicators and metrics, along with collective efforts of data collection involving 9,800 coffee producers during the GCP Progress Pilot in Vietnam in 2018, has led to five key insights and activities:

- Training for coffee producers on organic fertilization, soil conservation, and inter-cropping to avoid soil contamination and exhaustion over time. Additionally, trainings for shade tree planting and irrigation practices.
- Supporting producers with seedlings for replanting and replacement of old unproductive trees.
- Funding support for producers to better invest into their shade tree coverage.
- Capacity building for local authorities to increase their staffing with the intention to improve the enabling environment.
- Further investments in “mini landscapes” for pond creation to support irrigation.

VIETNAM SPOTLIGHT

Piloting data collection in Vietnam with improved GCP Progress software: 6,300 smallholder producers (November 2019-March 2020). **Partners:** Cofco, IDH, Simexco, Krong Nang district People’s Committee.

In Vietnam, the appetite for meaningful data has been growing to inform targeted sustainability improvements and investments. The digital tools created by GCP together with local knowledge and software partners like KIAG increasingly receive interest and show more demand for alignment and efficiency across the sector. Farm-level data collected on social, environmental and economic indicators, as well as adoption rate of the Vietnamese National Sustainability Curriculum, is also contributing to curricula and extension service improvement.

BRAZIL SPOTLIGHT

To support the measurement of key sustainability issues, GCP Brazil has developed the Coffee Sustainability Curriculum app, which allows users to monitor the adoption of practices from the Coffee Curriculum, focusing on 18 fundamental items. It allows for the evaluation of 35 sustainability indicators, defined by the GCP Brazil Working Group based on discussions with the Brazilian coffee chain stakeholders, in addition to generating different reports on the situation and evolution of coffee properties and institutions.

The Brazil Platform worked with a statistician to develop a formula that would determine the right subset of cooperative members (Minas Gerais) to interview and collect data on coffee production, including the responsible use of agrochemicals. Without this formula, the cooperative would normally collect data from all 700 of its members – a timely and expensive exercise. With the formula, the cooperative was able to reduce its data collection to 250 farmers and is able to collect data in three months (compared to the usual time of one year). Moreover, the formula is designed in such a way that any entity in Brazil can use it to efficiently collect data. This helps agronomists and technicians from coffee entities to identify issues at field level that require attention, to prioritize them, and also guide growers towards change; it is a continuous improvement system based on GCP tools.

As the measurement efforts in Brazil continue, so too will the evidence of the impacts of such activities. These initiatives are strengthened by the willingness of members and partners to collaborate and engage with the Country Platforms’ activities. Through this, opportunities for interventions can be identified, better planned, coordinated, and implemented to generate more impact within the coffee sector.

Finance Overview 2019

Balance Sheet

ASSETS

	2019	2018
	\$ '000	\$ '000
A. Current Assets	1,306,534	1,992,704
I. Receivables and other Assets	313,351	503,188
II. Treasury	993,183	1,489,516
B. Non-current assets	36,002	90,929
I. Tangible Assets	36,002	90,929
II. Intangible Assets	--	--
Total	1,342,536	2,083,633

Property & Liabilities

	2019	2018w
	\$ '000	\$ '000
A. Association Property	754,923	799,122
I. Statutory Reserves (equiv.)	545,000	545,000
II. Revenue Reserves	254,124	85,389
III. Operational Result	(44.202)	168.734
B. Accruals	335,747	752,345
C. Liabilities	251,865	532,165
I. Payables	104,559	531,645
II. Other Liabilities & Deferred Income	147,307	520
Total	1,342,535	2,083,633

Income Statement

2019 saw a smaller overall budget than the preceding year. Revenues went down to about 56 percent. This relates to both, following the decision to reduce membership fees. Divestment effects were restricted to 2018, but in 2019, their absence was partly offset by sponsorship contributions (donated, for example, for the GCP Membership Assembly and Country Congress in Basel). Some activities for which funding had been received in the previous year extended into in 2019, which justifies the utilization of reserves and accruals.

Operating Income

	2019	2018
	\$ '000	\$ '000
Membership Fees	1,044,192	1,934,694
Subsidies	917,008	1,596,170
Divestment	--	472,292
Other operating income (sponsorships, provisions unused)	319,821	61,609

Gross Operating Profit **2,281,021** **4,064,765**

Employment 725,623 1,130,901

Gross Operating Profit after Personnel Expenses **1,555,398** **2,933,864**

Expenses

Coffee Platform Implementers	323,361	903,973
Services and Consultancy	366,071	666,272
IT & Telecommunication	161,500	259,162
Office	38,382	111,257
Travel	233,163	207,896
Meetings	90,293	101,626
Finance & Legal Advice	128,509	172,112
Additions to Provisions	--	94,458
Other Operating Expenses	132,042	90,917

Total other Operating Expenses **1,473,321** **2,607,673**

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) **82,077** **326,191**

Amortisation and Depreciation 67,630 101,321

Earnings before Interest and Taxes (EBIT) **14,447** **224,870**

Exchange Losses 30,973 65
Expenses previous Year 3,377 --

Earning before Taxes **(19,903)** **224,805**

Taxes 24,298 56,070

Net Result for the Year **(44,201)** **168,735**

Cost Centers

Where was money spent?

Income utilization was about equally divided up between global – financed from membership fees – and countries (Country Platforms), financed from grants (subsidies).

As expenses were reduced in accordance with receding income – to around 60 percent, see Income Statement –, expenses in coffee countries could sustain with 70 percent.

Global costs were reduced through smaller staffing of the Secretariat. But there were more personnel investments in fundraising and corporate partnerships (the latter being instrumental for Collective Action Networks).

Expenses

	2019 \$ '000	2018 \$ '000
A. Global Level		
Convene Stakeholders	425,043	602,708
Local Action incl. Fundraising and Corporate Partnerships	195,084	238,508
Measurement	130,465	222,742
Secretariat Backbone incl. Communications	436,958	568,911
B. Country Level	1,005,825	1,391,800
C. Other Costs	131,849	871,362
TOTAL	2,325,224	3,896,031

Budget 2020

In the year 2020, membership fee income is increased by more than \$ 200,000. This growth is spent in country work, which allows for an overall higher country budget than in 2019.

In comparison to 2019, grant income, which can be employed for Secretariats of several Country Platforms is declining, as grant income increasingly comes with specific restrictions. This is a challenge continuing into the year 2021 and beyond.

	2020 \$ '000
Convene	355,000
Local Action incl, Fundraising, Corporate Partnerships	370,000
Measurement	170,000
Secretariat Backbone incl, Communications	430,000
Countries - total	1,325,000
Grand Total	2,450,000

Membership

Total number of members end of 2019: 121.

4C Services GmbH GERMANY	Compañía Hondureña del Café S.A. de C.V. HONDURAS	G.I.C. COPACAM CAMEROON	Pesticide Action Network (PAN) UK UNITED KINGDOM
ABIC – Associação Brasileira da Indústria de Café BRAZIL	Confédération Nationale des Associations des Caféiculteurs du Burundi BURUNDI	Gilbert Kamdem Sindjou SWITZERLAND	Phát Thành Coffee Co. Ltd. VIETNAM
ABICS – Associação Brasileira da Indústria de Café Solúvel BRAZIL	Conservation International UNITED STATES (USA)	Gimoka S.R.L. ITALY	Philip Schluter UNITED KINGDOM
ABN AMRO Bank N.V. THE NETHERLANDS	Coaabriel – Cooperativa Agrária dos Cafeicultores de São Gabriel BRAZIL	Green Line Consulting GERMANY	Pinhalense S/A Máquinas Agrícolas BRAZIL
African Fine Coffees Association (AFCA) UGANDA	Coocacer – Cooperativa de Produção dos Cafeicultores do Cerrado de Araguaçu Ltda. BRAZIL	Gustav Paulig FINLAND	Pronatur S.A.C. PERU
Agrexport VIETNAM	Coomap – Cooperativa Mista Agropecuária de Paraguaçu Ltda. BRAZIL	Hivos THE NETHERLANDS	Rabobank THE NETHERLANDS
Agrovista LTDA BRAZIL	Coopeavi – Cooperativa Agropecuária Centro Serrana BRAZIL	I & M Smith (Pty) Limited SOUTH AFRICA	Racafé & CIA S.C.A COLOMBIA
Aimee Russillo Liseed Consulting UNITED STATES (USA)	Cooperativa de Caficultores de Andes (Cooperandes) COLOMBIA	Ibrahim Hussein Coffee Grower and Exporter PLC ETHIOPIA	Rafael Valcarce THE NETHERLANDS
Ali Özbora TURKEY	Coopercitrus Cooperativa de Produtores Rurais BRAZIL	ICE Futures U.S., Inc. UNITED STATES (USA)	Rainforest Alliance UNITED STATES (USA)
Anacafé (Asociación Nacional de Café) GUATEMALA	Cooperlam – Coop. Agrop. da Reg. Sudoeste Mineira e Alta Mogiana Ltda. BRAZIL	IDH The Sustainable Trade Initiative THE NETHERLANDS	Rikolto International BELGIUM
Anne Chepkoech KENYA	Coordinadora Latinoamericana y del Caribe de Pequeños Productores y Trabajadores de Comercio Justo (CLAC) EL SALVADOR	Imafloa BRAZIL	Robert Waggwa Nsibirwa UGANDA
Annemieke Wijn GERMANY	Deutscher Kaffeeverband (DKV) e.V. GERMANY	impacto café MEXICO	SCA – Specialty Coffee Association UNITED STATES (USA)
Antony Mugoya UGANDA	Dr. Joseph Kimemia KENYA	International Development Enterprises (IDE) HONDURAS	SEAPA – Secretaria de Agricultura, Pecuária e Abastecimento de Minas Gerais BRAZIL
Asal Jaya PT INDONESIA	Dr. Otto Suwelack Nachf. GmbH & Co. KG GERMANY	Itapuan Coffees BRAZIL	SHIFT Social Impact UNITED STATES (USA)
Asia View (AVEL) HONG KONG	ECOM Agroindustrial Corporation Ltd. SWITZERLAND	Jacobs Douwe Egberts (JDE) THE NETHERLANDS	Simexco Dak Lak VIETNAM
Asociación de Exportadores de Café de Honduras (ADECAFEH) HONDURAS	Efico N.V. BELGIUM	Janina Grabs SWITZERLAND	Sociedade Rural Brasileira (SRB) BRAZIL
Asociación Nacional de Caficultores de Honduras HONDURAS	El Saitillal S.A. de C.V. EL SALVADOR	Kofinap Co. Ltd. KENYA	Solidaridad Network THE NETHERLANDS
Associação dos Cafeicultores de Montanha de Divinolândia (APROD) BRAZIL	Enveritas UNITED STATES (USA)	Louis Dreyfus Company (LDC) S.A. SWITZERLAND	Strauss Commodities AG SWITZERLAND
Atlântica Exportação e Importação Ltda. BRAZIL	European Coffee Federation (ECF) BELGIUM	Mbula Kaluki Musau KENYA	SUPRACAFÉ SPAIN
Betty Elizabeth Maraka UGANDA	Export Trading Group (ETG) SWITZERLAND	Melitta Group Management GmbH & Co. KG GERMANY	Surendra Kotecha ETHIOPIA
Café Africa Uganda UGANDA	Exportadora de Café Guaxupé BRAZIL	Metad Agricultural Development PLC ETHIOPIA	Swiss Coffee Trade Association (SCTA) SWITZERLAND
Cecafé – Conselho dos Exportadores de Café do Brasil BRAZIL	Fairtrade Labelling Organizations (FLO) International GERMANY	Michiel Kuit THE NETHERLANDS	Tchibo GmbH GERMANY
Cesar Augusto Correa Candiano BRAZIL	FalCafé Comércio Exportação Importação de Café Ltda. BRAZIL	Minasul – Cooperativa dos Cafeicultores da Zona de Varginha BRAZIL	TechnoServe (TNS) Inc. UNITED STATES (USA)
CNC – Conselho Nacional do Café BRAZIL	Fazenda Rio Brilhante Café-Fazenda Pirulito Café BRAZIL	Morten Scholer SWITZERLAND	Tesco PLC UNITED KINGDOM
Cocapec – Cooperativa de Cafeicultores e Agropecuaristas BRAZIL	Federación Nacional de Cafeteros de Colombia (FNC) COLOMBIA	Mother Parkers Tea & Coffee Inc. CANADA	The British Coffee Association (BCA) UNITED KINGDOM
Cocapil Ltda BRAZIL	Federal Ministry for Economic Cooperation and Development (BMZ) GERMANY	NABER KAFFEE MANUFAKTUR GmbH AUSTRIA	Touton S.A. FRANCE
Coffee Management Services (CMS) Ltd. KENYA	Frederick S.M. Kawuma IVORY COAST (COTE D'IVOIRE)	National Cocoa And Coffee Board Of Cameroon (ONCC) CAMEROON	Tristão Cia. de Comércio Exterior Ltda. BRAZIL
Coffee Quality Institute (CQI) UNITED STATES (USA)		Nestlé S.A. SWITZERLAND	UCC Coffee Switzerland (Schweizerische Kaffeeröstereien) AG SWITZERLAND
Comexim Ltda. BRAZIL		New Rainforest Alliance (ex UTZ) THE NETHERLANDS	Volcafé S.A. SWITZERLAND
Companhia Têxtil de Castanhal BRAZIL		Norwegian Coffee Association (NCA) NORWAY	WESTERN COFFEE CURERS & EXPORTS PVT.LTD INDIA
		Olam International Ltd. SWITZERLAND	Wolfgang Heinrich GERMANY
		Pacorini Vietnam S.A. VIETNAM	Yara International ASA NORWAY



New Members

We would also like to extend a special welcome to our new Members.

Agrovista LTDA	Brazil	Other Chain Member
Asia View (AVEL)	Hong Kong	Producer
Associação dos Cafeicultores de Montanha de Divinolândia (APROD)	Brazil	Association
Confédération Nationale des Associations des Caféiculteurs du Burundi	Burundi	Association
Dr. Otto Suwelack Nachf. GmbH & Co. KG	Germany	Final Buyer
Janina Grabs	Switzerland	Individual
FalCafé Comércio Exportação Importação de Café Ltda.	Brazil	Intermediary Buyer
ICE Futures U.S., Inc.	United States (USA)	Other Chain Member
Rafael Valcarce	The Netherlands	Individual
Rikolto International	Belgium	Civil Society
Western Coffee Curers & Exports PVT.LTD	India	Producer

THANKS TO

our GCP Members and strategic partners

GCP Members' commitment to pre-competitive multi-stakeholder collaboration is advancing coffee sustainability in new, effective and measurable ways. Thanks to dedication of GCP Members, Country Platforms, strategic partners, the GCP board and staff, we are empowering the sector to realise crucial benefits for farming families, our industry and coffee lovers worldwide. Thank you for partnering and investing in the Global Coffee Platform to enable Local Action for Global Results!

Special thanks to our strategic co-funding partners and donors:





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