

*This note has been developed by the [International Coffee Organization \(ICO\)](#) and is addressed to the United Nations Framework Convention on Climate Change (UNFCCC)'s Climate Finance Team.*

*The ICO welcomes this opportunity for Parties and non-party stakeholders to submit views on the Baku to Belém Roadmap to 1.3T, based on the questions posed by the COP29 and COP30 Presidencies. Following the call for submissions, the ICO inputs are structured along the lines of such questions in the below sections.*

**(a) What are your overall expectations for the “Baku to Belém Roadmap to 1.3T”?**

The International Coffee Organization (ICO), the global intergovernmental organization on coffee bringing together 42 coffee producing countries and 33 importing ones, together covering 93% of coffee production and 63% of consumption in the world, welcomes the “Baku to Belém Roadmap to 1.3T” as an opportunity to discuss how to scale up climate finance to low- and middle-income countries and to their coffee sector in particular and address the issues that are standing in the way of greater finance flowing for a resilient coffee sector.

The ICO expects the Roadmap to be a practical and just framework, translating existing ambitions into actions. In particular, we would expect the Roadmap to provide a critical space for mobilizing public and private **climate finance for agricultural commodities and supply chains**, which lately have only been receiving 2.5% of total climate finance ([Climate Policy Initiative, 2022](#)), with no established facility or modality for that funding to be managed in a public-private way or to reach farmers. Notably, the **Coffee Global Value Chain** should receive particular attention, given its social, cultural and economic relevance, its high climate-sensitivity and yet its potential for climate change mitigation and adaptation.

In fact, the process leading to the Roadmap represents an opportunity firstly to showcase coffee as an important social and economic commodity and, despite it being climate sensitive, to highlight that there exist multiple public-private initiatives and successes on its climate resilience. Secondly, the development of the Roadmap is an important occasion to discuss the scaling up of this success to the wide diversity of coffee producing countries with additional climate finance and adequate public-private finance mechanisms, so to secure coffee supply and coffee producers' livelihoods at the same time.

As a result, the ICO expects the **Roadmap to consider the coffee sector in particular and to address innovative blended finance solutions** with additional climate finance, to catalyse private investments through the efficient use of public capital, **for the sustainability of the coffee sector**, along other commodities.

**(b) Which topics and thematic issues should be explored to inform the Roadmap, within the scope of the mandate?**

In the preamble of COP30 in Belem, **climate collaboration in the coffee sector** is found to be particularly relevant. Brazil is the largest coffee producing country in the world, and, given the social, cultural and economic importance of this commodity, its vulnerability to climate change, and especially seen its contribution to climate change mitigation and adaptation in concrete and innovative ways, the global coffee sector should get specific attention at the Conference and deserves a central spot for Governments and companies to gather and discuss joint action.

The extreme **relevance** of coffee when it comes to its **social, cultural and economic value** is definitively a topic that should inform the Roadmap:

- Coffee is one of the oldest commodified agricultural goods and has traditionally played a role in the development of many countries and in building their communities.

After the discovery of coffee benefits in Ethiopia in the 9<sup>th</sup> century, in the 1500s coffee started to be grown as a commercial crop and to be traded, spreading into neighbouring countries. With the Arabian Peninsula also starting to cultivate and trade the commodity, “coffee houses” emerged in the Middle East as a forum for nurturing public opinion and vital hubs to the exchange of information. By the 17<sup>th</sup> century, coffee had made its way to Europe and coffee houses were established in major cities across the continent. There, they proved again to be the “public sphere” in which trade, economy, politics and international relations were discussed. Over the following centuries, coffee plantations were introduced and started to thrive in Asia and the Americas, beginning what is today a billion-dollar industry in several countries across the coffee belt. With time, the concept of the coffee house has evolved to include homes, cafes and many other spaces around the globe. And, as coffee consuming markets keep growing and new coffee frontiers emerge, coffee is set to continue playing its crucial role in the development of many countries and communities.

- When it comes to its cultural value, coffee, as a commodity, drink, and cultural practice, connects the world by linking generations and countries. At the same time, it stimulates traditions and identity.

In Ethiopia, coffee is more than just a beverage: it is a central part of daily life and is deeply ingrained in the country’s culture, where coffee ceremonies are a common social activity and are often used to mark important occasions like weddings and religious ceremonies. In Brazil, coffee is a source of pride: not only because of its quality and contribution to national growth, but also because drinking a *cafezinho* is a big part of day-to-day life. Breakfast itself is referred to as *café da manhã* (“morning coffee” in English), and *cafezinho* is almost a welcome phrase, a symbol of hospitality that marks the centrality of coffee in Brazilian culture.

- Finally, the coffee sector is a crucial economic driver, both for producing countries and their social stability and coherence and the economic growth of coffee communities, as well as for consuming countries.

Globally, exports of green, roasted and soluble coffee amounted to almost \$11 billion during the 2024 coffee year ([ICO, 2025](#)), with 125 million people worldwide depending on coffee for their livelihoods, including 25 million coffee farmers – 80% of which are smallholders ([IDH, 2020](#)). In the United States of America, the coffee industry is responsible for more than 2.2 million jobs and generates more than \$100 billion in wages per year ([NCA, 2023](#)). In Brazil, the world’s number one coffee producer, the total export value of coffee reached \$12.6 billion in 2024, sustaining livelihoods for more than 200 thousand family farming production units ([Solidaridad, 2024](#)).

In addition, relevance of coffee is also interlinked to its connection to wider **Food Systems** and the potential to transform them, given that the commodity is often grown with other crops (such as corn, banana, legumes, beans, aromatic plants, etc.) – and thus part of wider land, food and labour structures – and that coffee is surrounded by shade trees which, together with coffee

plants themselves, can foster soil health and carbon sequestration. Moreover, coffee, as a cash crops, is for many farmers a key source of income for them to be able to purchase food.

Yet, climate change poses a threat to the sustainability of the global coffee value chain. And this is another reason why **coffee for climate change mitigation and adaptation** should inform the Roadmap:

Rising temperatures, unpredictable rainfall and increased pests directly affect coffee yields, making the sector highly **vulnerable to climate change**:

- Coffee, especially the Arabica varieties, thrives in cool, tropical climates. However, climate change, causing rising temperatures and other environmental impacts, is significantly reducing the amount of suitable land for coffee cultivation: if the trends continue, areas suitable for coffee production might be halved in several producing countries by 2050 ([IPCC, 2022](#)), thus threatening the supply security of coffee and undermining profitability for farmers if they are not able to adapt.
- When it comes to adaptation to climate change, new coffee varieties able to withstand hotter, drier temperatures and potentially new pest and disease outbreaks are needed. While national and international agricultural research programs are working to develop new varieties, actual breeding, propagation and dissemination of best practices and new varieties need scaling.
- The climate change threat amplifies other sectoral issues, such as price fluctuations, sometimes low productivity and quality of coffee, uneven distribution of revenue across the supply chain, and lack of generational turnover, thus representing a real risk for the global coffee sector.

However, a diverse range of initiatives in the coffee value chain, addressing **adaptation measures** and resilience or boosting the potential **mitigation impact of coffee**, have proven success:

- First of all, it is key to notice that the threats posed by climate change for the coffee sector, and in particular the risk of **supply insecurity, are of joint interest** for the private and public sector and for coffee farmers. This joint interest triggers collaboration across the public, private and financial sectors to advance a climate resilient coffee value chain. Given the mutual interest observed in the public and private sectors to secure global supply, to guarantee the physical growing conditions and to provide and enabling profitable coffee activities and employment for farmers and young people, the ICO believes that **adaptation and mitigation strategies and incentives need to be part of a global value chain approach**. Such approach relies on deep cooperation and collective action through public-private partnerships, which promote increased sustainability and coherence, even in the event of changes in context.
- A full series worldwide of public-private initiatives and strategies are already demonstrating their huge potential for **climate change resilience**. These initiatives promote agroecology, agroforestry, regenerative agriculture and other good agricultural practices (and related certification schemes), circular economy, biodiversity conservation, extension services and landscape approaches.

One crucial case on climate change adaptation are the public-private initiatives for breeding of new and more resistant coffee varieties, improved infrastructures and climate-smart production practices. According to research, irrigation systems, drainage, and shading could increase the area of optimal suitability for coffee: by up to 50% thanks to improved irrigation systems, and up to 20% with shading trees ([Vhiny-Guilley Mombo et al, 2025](#)). Brazil, a lead in the sector, has developed intensively, innovative and successful adaptation and resilience strategies for coffee under climate change (see an [example from Cerrado](#)) and has improved and studied the positive impact of coffee on climate change mitigation.

- Specific examples for **mitigation** are related to agroforestry, reduction of emissions, promotion of carbon sinks and generation of carbon credits within joint public-private efforts. Also, studies demonstrating the potential of the sector for climate change mitigation, for example through agroforest systems that improve microclimates ([Gomes et al, 2020](#)), give perspectives.
- Further **downstream in the value chain**, processors and retailers are engaged in circular economy, sustainable packaging and processing.

Finally, and as stated under question (a), coffee's relevance and impact for climate resilience should result in the Roadmap considering **climate finance for the coffee sector**:

- Given the proven and potential contributions of coffee public-private cooperation to climate change resilience, the ICO would recommend maximizing this impact by supporting its continuity, replication and scaling through **blended finance mechanisms for climate change mitigation, adaptation and resilience of the coffee sector**.
- Such financial facilities could include **incentives**, like payments for ecosystem services, carbon credits and a carbon market for coffee (which would need a governance mechanism), and legal frameworks linked with digitalisation strategies.
- The experience with coffee could in turn **set a case for other commodities**, as they share similar climate change threats and are also affected by low and uncoordinated climate finance.
- These considerations were also taken into account **by the G7**, which in 2024 endorsed the establishment of a public-private global funding mechanism as a coffee multistakeholder programme (referred to as "Global Coffee Fund") ([G7 Communique, 2024](#)). The Fund aims at advancing investment, research, policy and innovation for sustainable coffee. In this G7 dialogue and initiative, climate change and its potential impact on coffee supply stand very central, including the need to boost the existing strategies and approaches and elaborating the important positive impact on mitigation that coffee holds.

**(c) What country experiences, best practices and lessons learned can be shared related to barriers and enabling environments; innovative sources of finance; grants, concessional and non-debt creating instruments, and measures to create fiscal space?**

As mentioned under question (b), several public-private approaches are already demonstrating their potential for climate change adaptation, resilience of farmers and mitigation in the coffee sectors. In addition, concrete industry-wide voluntary **initiatives of public and private sector are demonstrated below**.

- Many coffee producing countries have put in place national policies, funds, action plans or strategies for the **sustainable development of coffee**. Examples from [Brazil](#), [Peru](#), [Ethiopia](#) and [Vietnam](#) show the intention to also involve the private sector in joint initiatives to secure the resilience of the sector. The cases also show that research is in continuous dialogue with the private sector to adapt the best strategies.
- In relation to **climate change mitigation**, [Coffee & Climate](#) and the [Sustainable Coffee Challenge](#) have been created to keep advancing on the issues as joint initiatives of the private sector. The [Center for Circular Economy in Coffee](#), a public-private collaboration, was also established recently to promote circularity all along the value chain.  
Specific initiatives also include capacity development and technical assistance projects on regenerative agriculture and agroforestry, such as the ones supported and implemented by UN Agencies (the [Food and Agriculture Organization](#) (FAO), the [United Nations Industrial Development Organization](#) (UNIDO) and the [United Nations Development Program](#) (UNDP), among others), the private sector (like the [Global Coffee Platform](#), [Lavazza Group](#), [Nestle Nespresso](#) and [ECOM](#)), and consultancy firms like the [Sustainable Trade Initiative](#) (IDH).  
Work on carbon reduction and carbon credits is also advancing, as shown by the several net zero commitments made by the private sector (ECOM, Illy Caffè, Lavazza, Starbucks, Nestle Nespresso, JDE, among others), and the work carried forward by financial institutions such as [Rabobank](#) Acorn and the private sector with NGOs ([Conservation International and Starbucks](#) or [Solidaridad](#)).
- **Climate change adaptation** initiatives for coffee include the [World Coffee Research](#), fully financed by the private sector, that facilitates access to germplasm and make use of breeding techniques to increase crop resilience to pest diseases and their stress tolerance to natural shocks.  
Research on new coffee varieties and breeding is also carried forward by several important public research centres and by public-private initiatives such as [Breedcafs](#) and by the private sector (for instance, through the already mentioned [Sustainable Coffee Challenge](#)). Intergovernmental organizations, like [FAO](#) and the [World Bank](#), then support with technical advisory for planting and growing such climate resilient varieties.  
In addition, research and technical support on adaptation strategies and climate smart production infrastructure, such as [improved irrigation systems](#), are advancing.

**Blended public-private financing mechanisms** have also been put in place, whether with first loss schemes or with guarantee funds. Examples of existing mechanisms include the [Coffee Farmer Resilience Initiative](#) from Root Capital, [Agri-Business Capital Fund](#) from the International Fund for Agricultural Development (IFAD), [Farmfit Fund](#) from the Sustainable Trade Initiative (IDH), the [Fairtrade Access Fund](#) by KfW Development Bank, and the [African Agriculture Trade and Investment Fund](#) from the European Union. However, many of these funds remain limited in their scope, as they are usually small and scattered. Also, in many cases they are not coffee-specific (with a few exceptions), and often not sufficiently supported by public-private mechanisms. Lastly, existing finance relies on traditional sources of grants and loans not on climate finance, except for the Conservation International's [AROMA program](#).

Therefore, **while concrete public-private solutions and ad hoc funds** like the ones above **exist, they are insufficient to address** the challenges which affect sustainable coffee supply,

specifically in relation to climate change and the potential to make the sector climate resilient. Appropriately **large, harmonized, public-private blended finance solutions are required**, additional climate finance vehicles are needed for a new climate-conscious revolution in the sector.

**(d) Which multilateral initiatives do you see as most relevant to take into account in the Roadmap and why?**

The **ICO**, established in 1963 under the aegis of the United Nations and following the approval of the first International Coffee Agreement in 1962, is the only global intergovernmental organization for coffee. As mentioned under question (a), it brings together exporting and importing Governments and currently represents 93% of world coffee production and 63% of world consumption. The ICO's mission is to strengthen the global coffee sector and promote its sustainable expansion for the benefit of all involved actors.

In 2019, the ICO established the [Coffee Public-Private Task Force \(CPPTF\)](#), gathering a range of actors from public sector representatives of ICO Member countries, private sector companies and supporting organizations. The CPPTF further plays a crucial role in building synergies and consensus in the coffee sector, and it is currently exploring how to better integrate climate change aspects into its work. In this respect, over the past year, the ICO and its CPPTF have been developing an [interactive mapping tool](#) that compiles information around relevant public, private and joint initiatives that aim at advancing sustainability in the coffee sector.

In parallel, the ICO works closely with other intergovernmental organizations, such as the United Nations' Food and Agriculture Organization (FAO), which have been engaged for decades in coffee-producing countries. For instance, FAO supports farmers adopting climate-resilient techniques that also contribute to reducing and restoring biodiversity loss. It cooperates with governments and the private sector to foster market transparency and cooperation, promoting the achievement of the Sustainable Development Goals (SDGs) by generating income, creating rural employment and alleviating poverty in the coffee sector.

Finally, in 2024, the **G7** recognized the significance of the coffee sector for economic, social and environmental sustainability in producing countries, its strategic contribution not only to Food Systems transformation but also to job creation, with a particular focus on Africa, and the enormous potential to scale up its successes in climate change adaptation ([G7 Communiqué, 2024](#)). Therefore, the initiative of the G7, now leading towards the Global Coffee Fund mentioned under question (b), is emerging to be another pivotal structure to be included in the Roadmap, as it could play a crucial role in harnessing the extraordinary potential of existing multilateral initiatives and their scaling throughout the global coffee value chain.