

CONCEPT NOTE

THIRD G25 AFRICAN COFFEE SUMMIT

TO BE HELD ON 21-22 FEBRUARY 2025

JULIUS NYERERE INTERNATIONAL CONVENTION CENTRE

DAR-ES-SALAAM, UNITED REPUBLIC OF TANZANIA

UNLOCKING EMPLOYMENT OPPORTUNITIES FOR THE YOUTH THROUGH REGENERATION OF THE AFRICAN COFFEE INDUSTRY

1. Coffee sector in Africa

Africa, the second largest continent in the world, is the birthplace of both Arabica and Robusta coffee and has the largest number of countries that grow coffee. Over 53 per cent of the rural population of the 25 African coffee producing countries are involved in coffee growing and an estimated 10 million households derive a livelihood across the value chain. Coffee is also a vital contributor to foreign exchange and accounts for a significant proportion of tax income and GDP for a few countries in the continent. However, the coffee sub-sector in Africa is still encumbered by several interrelated structural constraints along the value chain, especially those pertaining to low farm level production and productivity, lack of value addition infrastructure and access to affordable finance.

Worse still, these challenges have been further aggravated by the changing weather conditions caused by climate change. Meanwhile, it is important to note that the coffee sector still holds the key that could unlock Africa's inclusive growth and prosperity because of the abundant opportunities that exist. For instance, the creation of the African Continental Free Trade Area (AfCFTA) offers a great opportunity to accelerate the expansion of coffee trade at the regional level to promote domestic consumption and strengthen economic integration and structural transformation. Therefore, as the continent with the youngest population in the world, the restructuring of the coffee value chain in Africa should be a priority with the involvement of youth combined with adequate investment in the value addition infrastructure.

Youth participation in the African coffee sector is crucial for the sustainable development of the industry. Aging of the coffee farming population and the lack of interest among young people to engage in the coffee sector pose a threat to the industry's future. Yet Africa has the youngest population in the world compared to other continents. There are a number of factors limiting youth to be interested in the coffee sector. These include lack of education and awareness about the potential benefits of the industry, limited access to financing and infrastructure, and competition from other industries. To address these challenges, there is a need to create opportunities and incentives for young people to participate in the coffee sector, through training and capacity-building programs, mentorship and coaching, and access to finance and markets.

One approach to promoting youth participation in the coffee sector is to encourage entrepreneurship and innovation. This can be done by supporting young entrepreneurs in developing new and innovative approaches to coffee production, processing, and marketing. For example, establishing

coffee training centres and providing training and technical assistance to young coffee farmers and entrepreneurs, and promoting entrepreneurship and innovation in the sector. Another approach is to promote the use of technology in the coffee sector, which can make coffee farming more attractive and profitable for young people. Finally, there is a need to address the systemic barriers that prevent young people from participating in the coffee sector, such as land tenure issues, lack of access to credit and markets, and gender inequality. These challenges require a concerted effort from all stakeholders to address them and create a more inclusive and sustainable coffee sector that benefits everyone.

2. The G25 African Coffee Summit initiative

To re-evaluate the underperformance of the coffee sector in Africa, the Inter-African Coffee Organisation (IACO), at its 61st Annual General Assembly held in Kigali, Rwanda on 18th November 2021 adopted a Resolution to hold a high-level G25 African Coffee Summit of the 25 African coffee producing countries.

The first G25 African Coffee Summit under the theme: “Sustainable Development and Economic Growth in the African Coffee Sector” was held in Nairobi, Kenya in May 2022. The “Nairobi Declaration” was approved and signed to integrate “coffee” as a strategic anchor commodity in the African Union (AU) in harmony with the African Union Agenda 2063.

Subsequently, at the 2nd G25 African Coffee Summit held in Kampala, Uganda in August 2023, the “Kampala Declaration” under the theme “Transformation of the African Coffee Sector through Value Addition” was signed requesting Heads of State of the G25 African Coffee Producing Countries to support the approval and inclusion of “coffee” as a strategic anchor commodity in the AU AGENDA 2063 and the inclusion of IACO as a specialized agency of the African Union.

At the 37th Ordinary Session of the Assembly of Heads of State and Government of the African Union held in February 2024 in Addis Ababa, the “Kampala Declaration” was unanimously adopted to “include coffee as a strategic anchor commodity in the AU AGENDA 2063 and the inclusion of IACO as a specialized agency of the African Union”.

3. Objectives of the 3rd G25 African Coffee Summit

The purpose of the 3rd G25 African Coffee Summit to be held in Dar es Salaam, Tanzania, under the theme: ‘Unlocking employment opportunities for the youth through regeneration of the African coffee industry’ is to urge African governments to support:

- unlocking employment opportunities for the youth and women through the regeneration of the coffee industry both in production and consumption;
- public private sector funding for youth entrepreneurship for mobile cafeterias and coffee shops to increase rapid domestic consumption on the Continent;
- finance for farmers to increase coffee production and productivity.
- building regional Centres of Excellence to train the youth and women in the entire coffee value chain together with Research and development; research programs for the youth on the effects of climate change on coffee;

- Investment in coffee roasting plants and the development of a circular economy utilizing coffee by-products to create youth employment opportunities and drive value addition in African countries.
- harmonisation and development of African coffee standards to promote intra-Africa coffee trade

4. Expected outcomes of the 3rd G25 African Coffee summit:

The 3rd G25 African Coffee Summit aims to present the “Dar es Salaam Declaration” to the Heads of State of the 25 African coffee-producing countries. This declaration will outline key commitments to strengthen the coffee sector across Africa. The expected outcomes include:

1. Governments of African coffee-producing countries will commit to lobbying the African Union (AU) to fund projects aimed at boosting coffee production and domestic consumption. These initiatives will focus on establishing Centres of Excellence to train youth, unlocking opportunities for homegrown jobs.
2. Governments will agree to lobby African coffee-consuming countries to prioritize sourcing coffee from African producers, fostering continental trade.
3. Commitments will be made to increase Africa's global share of coffee production from the current 11% to 20% by 2030.
4. Targets will be set to raise Africa's share of global domestic coffee consumption from 12.3% to 30% by 2030, driving demand within the continent.
5. Governments will pledge to empower African nationals through public-private partnerships to invest in coffee processing plants, enhancing local value addition and creating jobs.
6. Governments will support the establishment of an African Centre for Coffee Research (ACCR), focusing on advancing coffee research and addressing issues related to low productivity, quality improvement, and value addition in the coffee sector.

5. Structure of the Summit

The Summit will be organized as follows:

Day 1: Joint Ministerial Session: Ministers & Heads of Delegations

Day 2: Heads of State Summit
Opening Ceremony
Speeches by Dignitaries
Signing of “DAR ES SALAAM DECLARATION”
followed by traditional dancers

Exhibition to be opened by Her Excellency, President Samia Suluhu.

6. Target Audience

Heads of State, Senior Government Ministers, Heads of Coffee Authorities, Senior Ministers from African coffee consuming countries and African private sector groups (farmers, exporters, roasters and Coffee Associations).

7. Date and venue

21-22 February 2025
Julius Nyerere International Convention Centre
Dar-es-Salaam, United Republic of Tanzania