

SC 44/14

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Report of the Statistics Committee on its meeting of 24 September 2014

1. The Statistics Committee, chaired by Mr Brendan Lynch of the USA, met in London, United Kingdom on 24 September 2014.

## Item 1: Adoption of the Agenda

2. The Committee adopted the Agenda contained in document <u>SC-37/14 Rev. 1</u>.

### Item 2: Report on the meeting of 5 March 2014

3. The Committee approved the report of the sixth meeting held in March 2014, which is contained in document  $\frac{SC-36}{14}$ .

### Item 3: Compliance with statistical rules

4. The Head of Operations introduced document <u>SC-38/14</u> containing information on the status of compliance by Members with the Rules on Statistics from coffee years 2001/02 to 2012/13 and October 2013 to June 2014. Annex 10 showed that 23 out of 39 exporting Members had either full or satisfactory compliance, representing 67.5% of average exports in calendar years 2010 to 2013. Five exporting Members had poor compliance, while eleven Members were non-compliant. Improved compliance had been seen from Bolivia, Burundi, Cameroon and most notably Thailand. In the case of importing Members, Annex 11 showed that 99.6% had full compliance. Tunisia was the only case of non-compliance. Annual data on their coffee trade had been provided up to calendar year 2012. It was also noted that consolidated statistical data from Eurostat had been used for the European Union from January 2014.

- 5. Annex 7 showed monthly retail prices of importing Members; recently, a number of importing Members had informed the Organization that they were unable to comply with the provision of data on retail prices. Annex 12 contained the compliance status of exporting Members in their provision of data on area under coffee, retail prices of roasted coffee, quarterly crop distribution and volume and value of imports of coffee, as specified in document ICC-102-10. Members were required to provide this information following the entry into force of the ICA 2007. Compliance of this data continued to be very poor, and Member countries were requested to ensure that they provide this information on a regular basis in future. There was also a DVD available to assist Members in the preparation of both Certificates of Origin and Statistical Reports. As previously reported, workshops could be held in Member countries if desired. Laos had already been in contact with the Secretariat to request, upon becoming a Member of the ICO, a workshop on statistical data.
- 6. The Committee took note of the report.

#### Item 4: Statistics Roundtable

- 7. The Committee considered a report on the work of the Statistics Roundtable, contained in document SC-43/14. A representative of the Roundtable, Euan Mann of Complete Commodity Solutions, gave a presentation on the work of the Roundtable over the last six months. He noted that there were just two requirements to attend the Roundtable: attend the meetings and share your data. He also noted that only historical statistics were being discussed, not current figures. Since the March Council Session there had been two meetings of the Roundtable, which now included representatives from trade houses, roasters and independent analysts, and it was considered mutually beneficial for both the ICO and for participants.
- 8. The Roundtable had been discussing consumption figures, and had made two recommendations to the ICO: firstly, that the ICO should consider EU trade flows as a bloc, rather than individual countries, and secondly that the ICO should consider EU port stocks as physically, but not fiscally, present; i.e. stock change should not be taken into account when calculating disappearance in the EU. This would result in a larger figure for EU consumption, which would largely be offset elsewhere, as the total ICO consumption figures were broadly considered to be in line with the consensus of the Roundtable. However, the observation was also made that the derived stock change from ICO consumption and production figures was neither in line with the Roundtable, nor internally consistent with its own published stock figures. The ICO figures as published on the website would indicate a 3-year statistical deficit of around 16 million bags, while the Roundtable had found a surplus of between 6 and 8 million bags. It was therefore recommended that the Roundtable move on to discussing production figures, as there was a clear imbalance which could not be explained by consumption or stock change.

9. The Committee took note of these findings, and agreed to recommend to the Council that these recommendations be approved.

#### Item 5: Subscriptions to statistical publications

10. The ICO policy on the dissemination of information was contained in document <u>EB-3823/02</u>, and was last updated in 2002. It was therefore recommended that the Committee look at revising this policy, and make a recommendation to the Secretariat on its preferences. Members were therefore requested to examine this document, and be prepared at the March meetings to discuss its revision.

#### Item 6: Exports to exporting countries

11. The Head of Operations introduced document <u>SC-39/14</u>, which contained a report on exports of all forms of coffee to exporting countries. It was noted that data in January to June 2014 may contain a number of rounded figures, as some data were estimated due to the non-provision of statistical data by certain countries.

## Item 7: Exports of organic and differentiated coffee

12. The Head of Operations introduced document <u>SC-40/14</u> containing a report on exports of organic coffee by origin and by destination. It was noted that the data contained in this document was a reflection of the data reported by exporting countries. The volumes were small and suggested that organic exports accounted for just 1% of all exports, while differentiated coffees account for almost 3%, but this was likely due to the fact that only partial data were received.

# Item 8: Monitoring the inventories and stocks of green coffee

13. The Head of Operations introduced document <u>SC-41/14</u> containing information on inventories and stocks of green coffee in importing countries from January 2005 to June 2014. The Committee took note of this information.

# Item 9: Conversion factors for roasted, decaffeinated, liquid and soluble coffee

14. Article 2 of the 2007 Agreement provides that the Council shall review the conversion factors for roasted, decaffeinated, liquid and soluble coffee at intervals of three years. The last review of conversion factors took place in September 2011. It was suggested that this topic could be taken up in the next meeting.

#### Item 10: Certificates of Origin

15. It had been recommended at the meeting of the PSCB that this issue be discussed solely at the Statistics Committee. There was a concern that fewer Members were complying with the voluntary provision of the Coffee Quality-Improvement Programme (CQP). There was no clear trend in compliance, other than the declining participation, and therefore the question raised was whether this programme was worth continuing. It was agreed that the programme needed to be revamped, but that this was not the right point in time, as prices remained relatively high. It was therefore agreed to continue collecting data on the CQP, and to urge countries to comply with the voluntary provisions.

#### Item 11: Other business

- 16. The Head of Operations invited Members to review the preparation of reports and regular Agenda items considered by the Committee. The Committee emphasized that it was important that the Secretariat continue collecting this data.
- 17. There was also a concern expressed that the data on exports of roasted coffee did not match the data on imports of roasted coffee. This raised a question regarding the quality of the data. The Statistics Roundtable agreed to look into this matter.

### Item 12: Future meetings

18. The next meeting of the Statistics Committee will take in place in London during the 114<sup>th</sup> Council Session in March 2015.