

SC 49/15

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Statistics Committee 8<sup>th</sup> meeting 4 March 2015 London, United Kingdom

Progress report on the implementation of the Coffee Quality-Improvement Programme (CQP)
Calendar years 2005 to 2014

## **Background**

- 1. Resolution 420 requests exporting Members to indicate in box 17 of all Certificates of Origin, on a voluntary basis, information on the quality of the coffee exported in respect of defects and moisture content, in order to permit the monitoring of the level of compliance with the target standards set out in the Resolution.
- 2. Participation in the CQP has varied considerably since its inception in June 2004 when Resolution 420 came into effect, as Members that have volunteered the information on quality either joined the programme or temporarily ceased providing data during this period. In addition, membership of the Organization has also changed since 2004 when the ICA 2007 came into effect in February 2011. The previous progress report on the CQP is contained in document PM-39/14.
- 3. The Rules on Statistics Certificates of Origin contained in document <u>ICC-102-9</u>, request that exporting Members provide, **on a voluntary basis**, in box 17a of each Certificate of Origin issued, information on the quality of the coffee covered thereby. It is expected that exporting Members comply with this request in order to ensure greater market transparency.

## **Action**

The Statistics Committee is requested to take note of this report.

## PROGRESS REPORT ON THE IMPLEMENTATION OF THE COFFEE QUALITY-IMPROVEMENT PROGRAMME (CQP) CALENDAR YEARS 2005 TO 2014

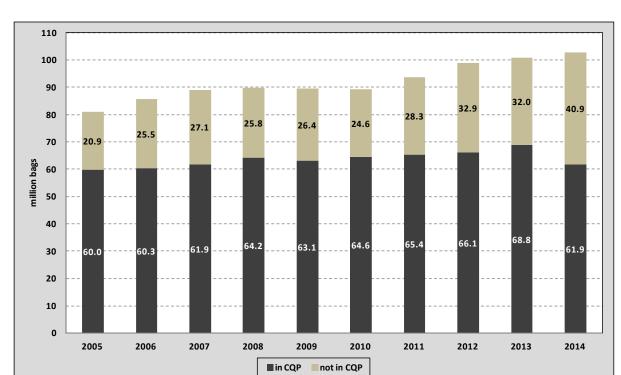
- 1. Since Resolution 420 came into effect, 32 exporting countries have provided full or partial information on the quality of their coffee through Certificates of Origin. Under the current membership of the ICA 2007, 28 out of the 40 exporting Members fully or partially implemented the Resolution in their countries and 22 out of 40 have generally provided information on quality regularly since June 2004.
- 2. For **calendar year 2014**, the 40 exporting Members under the current membership can be grouped into six categories regarding the information on quality extracted from Certificates of Origin issued:
  - (a) Members generally providing data regularly: 13 Members
  - (b) Members providing partial data: 6 Members
  - (c) Members not providing data on quality: 3 Members
  - (d) Members that have ceased providing Certificates of Origin: 10 Members
  - (e) Members yet to issue Certificates of Origin: 7 Members
  - (f) Members that appear to have opted not to issue Certificates of Origin<sup>1</sup>:

    1 Member

In addition, there are three exporting countries that send information on quality that are still to become Members of the ICA 2007: the Democratic Republic of Congo, Dominican Republic and Jamaica.

3. The total volume of green coffee exported in calendar year 2014 by the 19 exporting countries providing information on quality – based on Certificates of Origin – amounts to 61.9 million bags – equivalent to 60.2% of the total volume of 102.8 million bags exported by all producing countries. Graph 1 shows the volume of green coffee exported by all exporting countries and those participating in the CQP during calendar years 2005 to 2014.

<sup>&</sup>lt;sup>1</sup> Paragraph 4 of Article 33 of ICA 2007 allows exporting Members to use an alternative method to convey data contained on Certificates of Origin to the Organization. No official request to this effect has been received from this Member.



Graph 1: Volume of green coffee exported by exporting countries (showing participation in the CQP) Calendar years 2005 to 2014

- 4. Table 1 provides a summary of the volume of green coffee exported by all Members participating in the CQP in calendar years 2005 to 2014. Information is shown by each of the categories specified in Resolution 420 as follows:
  - Coffee in full compliance with defect and moisture standards "S"
  - Coffee not in conformity with the defect standards "XD"
  - Coffee not in conformity with the moisture standards "XM"
  - Coffee not in conformity with either defect and moisture standards "XDM"
  - Unspecified

Table 1

Volume of green coffee exported by the countries participating in the CQP in accordance with Resolution 420 – Calendar years 2005 to 2014 (60-kg bags)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
"S"	50 948 280	55 624 488	56 439 889	58 232 695	54 278 467	59 702 075	62 843 116	60 591 802	57 751 617	54 038 775
"XD"	384 330	262 523	159 322	166 680	176 034	160 564	246 863	446 611	248 654	132 576
"XM"	7 706	15 101	23 473	8 786	1 786	9 901	7 887	0	24 717	16 253
"XDM"	7 244	10 661	30 516	4 958	1 984	690	6 670	4 054	14 256	633
Unspecified	8 645 158	4 400 966	5 229 711	5 779 008	8 641 446	4 693 062	2 311 803	5 081 042	10 767 815	7 729 692
Total in CQP	59 992 717	60 313 738	61 882 910	64 192 126	63 099 717	64 566 292	65 416 339	66 123 509	68 807 059	61 917 929
Total volume of green coffee exported	80 911 378	85 825 686	89 031 598	89 976 150	89 494 968	89 170 313	93 713 018	99 051 841	100 852 583	102 795 989
Total not in CQP	20 918 661	25 511 947	27 148 688	25 784 024	26 395 252	24 604 021	28 296 679	32 928 332	32 045 524	40 878 060
(percent)										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
"S"	63.0%	64.8%	63.4%	64.7%	60.6%	67.0%	67.1%	61.2%	57.3%	52.6%
"XD"	0.5%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%	0.5%	0.2%	0.1%
"XM"	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
"XDM"	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Unspecified	10.7%	5.1%	5.9%	6.4%	9.7%	5.3%	2.5%	5.1%	10.7%	7.5%
Total in CQP	74.1%	70.3%	69.5%	71.3%	70.5%	72.4%	69.8%	66.8%	68.2%	60.2%
Total not in CQP	25.9%	29.7%	30.5%	28.7%	29.5%	27.6%	30.2%	33.2%	31.8%	39.8%

- 5. Based on the data received from October 2005 to December 2014, the volume of green coffee exported in full compliance with Resolution 420 ("S") stands at 61.9% of the total volume exported throughout the period. Shipments for which there is no available information on quality are equivalent to 37.8% with the balance of 0.3% covering exports of green coffee that does not comply with the defects and moisture standards set out by the Resolution.
- 6. Discussions on the benefits of continuing with the CQP and how it could be more effectively implemented were deferred by the Statistics Committee at its meeting in September 2014. Unless decided otherwise, the Organization will continue to monitor and provide occasional updates on the compliance by exporting Members with Resolution 420.