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Procedure for Addressing Significant Discrepancies in Exports/Imports data

Background

1.   This document contains the procedure for addressing significant discrepancies in exports/imports data, approved by the Council during its 134th Session on 7 October 2022.

2.   The International Coffee Agreement (ICA) 2007 states that the "Organization shall act as a centre for the collection, exchange and publication of statistical information on world production, prices, exports, imports and re-exports". Obligations with regard to statistics remain substantially unchanged under the new ICA 2022, while specific obligations are contained in the documents ICC-102-9 Rev. 1 – Certificates of Origin; and ICC-102-10 – Statistical Reports.

3.   The Statistics Section uses alternatively sourced data, as permitted under Item 3 of the Statistics Committee Report (SC-78/17), in which Members agreed that the Secretariat should supplement Member data by using other official data sources when appropriate, due to: (i) some Members failing to completely fulfil their statistical obligations; and (ii) the statistical output/coverage of the Section being beyond that of ICO Members.

4.   The Statistics Section strives to provide the best quality data. Therefore, it carries out regular quality checks on all data, particularly trade data, by comparing the data provided by Members with other official data from the country concerned and/or other international sources such as the UNComtrade. In addition, to enhance data quality, a continuous review of ICO data alongside that of the industry is also carried out within the Statistics Roundtable.

5.   The comparison processes, at times, identify discrepancies between the data provided by Members and other official data. When a major discrepancy arises, the ICO Statistics Section enters into a bilateral dialogue with the Member's official statistical focal points to understand and resolve the discrepancies.

6.   Every coffee year, Members also have an opportunity to query discrepancies with ICO data when the document "Basis for the initial distribution of votes among exporting and importing Members" is distributed by the Secretariat in July. They have one month to request information or rectifications.

7.   In the current Rules of Statistics, there is no clear procedure to handle discrepancies identified by Members or by the ICO Statistics Section. As an example, in the last 12 months, three Members have queried discrepancies through bilateral dialogue with the ICO Statistics Section, and those discrepancies have been understood and resolved. Meanwhile, for other Members, the reason for the discrepancy could neither be understood nor resolved.

8.   In order to increase market transparency and the reliability and quality of ICO data, and ensure that a standard procedure is available in case of a major discrepancy between Members' and ICO data, adding the following procedure to the Rules of Statistics is recommended.

Procedure to clarify and resolve discrepancies between the ICO database trade data and Members.

First: A Member or the ICO Statistics Section identifies a Critical Size Discrepancy (CSD), in trade data both in absolute or relative terms, i.e. as number of 60-kg bags or as share of their total trade.

Second: The Statistics Section engages with the concerned Member to understand and subsequently resolve the CSD, including providing corrective measures, training and best practices to ensure that CSDs do not arise again in the future.

Third: If the engagement process does not allow for the resolution of the CSD, then:

(a)   An independent expert from a United Nations body or another recognized statistical authority or Member with in-depth resources and knowledge is identified and mutually agreed upon; and

(b)   A three-way arbitration process is carried out to review the discrepancies and understand and resolve the CSD within a finite timeframe (four months) and recommend a mechanism to ensure that CSDs do not arise again in the future.