



International Coffee Organization
Organización Internacional del Café
Organização Internacional do Café
Organisation Internationale du Café

WP Board No. 981/05

6 September 2005
Original: English

E

Executive Board
259th Meeting
27 – 28 September 2005
Salvador, Brazil

**Progress report on the implementation
of the Coffee Quality-Improvement
Programme (CQP)**

Background

1. The adoption of Resolution number 420 in May 2004 by the International Coffee Council reflected the commitment of both exporting and importing Members to the pursuit of improved quality through the Coffee Quality-Improvement Programme (CQP). The CQP targets the promotion of quality as a means to enhance sustainability of the coffee economy by increasing consumption, by adding value and providing consumer satisfaction (see document ICC-90-9).
2. The industry has praised the CPQ for its clear objectives, which as a result of its implementation may have already brought benefits to consumers who would be enjoying a higher quality cup of coffee, together with increased sales by roasters.
3. In accordance with the Resolution, exporting Members are requested to indicate in box 17 of all Certificates of Origin issued from 1 June 2004, information on the quality of the coffee exported by defects and moisture content. This would enable the Organization to monitor the level of compliance with the target standards based on the data received.
4. This document also presents a summary for the 9-month period – October to June – each year 2002 to 2004 of the London International Financial Futures and Options Exchange (LIFFE) Robusta gradings, in addition to information on the progress in implementing the CQP under the provisions of Resolution number 420 in exporting Member countries from October 2004 to June 2005 based on data extracted from Certificates of Origin. The previous report on the CQP is contained in document WP-Board No. 971/05 Rev. 2.

Action

The Executive Board is requested to take note of this report.

1. Since May 2004, following the adoption of Resolution number 420 by the Council, exporting Members have been requested to provide information on the quality of green coffee exported. The Organization has been monitoring information received from these Members on all shipments that have taken place from 1 June 2004 – when the Resolution came into effect. This report concentrates on information related to shipments in the first 9 months of coffee year 2004/05 – October 2004 to June 2005 – which may vary from country to country in accordance with the data received. See Annex 1 for details.

2. Data extracted from Certificates of Origin issued to cover coffee shipped from October 2004 to June 2005 received by the Organization – in electronic format or physical documentation – indicate that 16 exporting Members have so far fully implemented Resolution number 420. These Members are: Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Ethiopia, Honduras, India, Mexico, Nicaragua, Papua New Guinea, Philippines, Tanzania and Togo. The authorities in Tanzania are still to fully implement the provisions of the Resolution in both its ports of export – in the meantime, the information on compliance with Resolution number 420 is partial as Certificates issued by only one port indicate the quality in accordance with the Resolution.

3. Annex 2 gives information on the total volume of green coffee by type exported by all exporting Members providing data on Certificates of Origin and by those 16 countries complying with the provisions of Resolution number 420 in the period October 2004 to June 2005 (coffee year 2004/05). It should be noted that some of these countries may not be in full compliance since 1 June 2004 and, in addition, data may not have been received from all 16 countries for the whole period under consideration.

4. The Organization continues to monitor the daily gradings for Robusta coffee carried out by LIFFE since April 2001 at most European ports – see Annex 3 for details. Coffee “C” contract grading analysis is also carried out by the New York Board of Trade (NYBOT).

5. Regular reports are posted on the NYBOT website showing the monthly summary and year to date results on the pass/fail by origin. Coffee which has been graded and failed may be submitted to an appeal grading for cup, colour, grade and other imperfections such as odour and/or bean size. The report covering the first six months of 2005 (January-June) indicates that 83.1% of the coffee graded by NYBOT (69.7% on the original grading and 13.4% on appeal) has passed its grading analysis – see Annex 4 for details.

6. Annex 3 gives a summary on the LIFFE gradings for Robusta coffee classified by LIFFE under types 3, 4 and untenderable, in accordance with its grading system, which is deemed to fall below the ICO target standards. The table gives data by origin and port of destination in the nine months (October to June) from 2002 to 2004. It should be noted that

in the 9-month period (October to June) there has been a decrease of 29.53% in the volume of coffee that has failed LIFFE's gradings from 1.68 million bags in 2003/04 to 1.18 million in 2004/05 – of which, nearly 90% of this coffee (1.06 million bags) was produced in Vietnam.

7. It may be noted that the new chart introduced in ISO 10470 at the end of 2004 defines coffee defects in green coffee in five groups:

- a. defects associated with foreign matter;
- b. defects associated with non-bean matter coming from the coffee fruit;
- c. defects associated with irregular beans;
- d. defects associated with visual appearance; and,
- e. defects mostly evident in cupping

A detailed chart gives definition or characteristic of the various defects in each group and their association with the relevant loss of mass that can occur during processing together with the sensorial concern, for which a coefficient is used depending on the defect influence on the organoleptic and visual properties of the coffee presented to the final consumer. In addition, it also includes an informative table showing the main causes of defects, their effect on roasting/brew flavour and a classification in accordance with their removal possibilities:

A = no direct removal;

B = removal by usual techniques like sieving; and,

C = removal by special techniques)

It is suggested that the implications of the new ISO standard should be reviewed by the Quality Committee in due course. The question is how the ISO standard can be used in major grading systems. A copy of the full text of ISO 10470-2004 can be purchased from the International Standards Organization at www.iso.org.

8. Since the Resolution came into effect some 14 months ago, some 84.18 million bags of green coffee have been exported – based on information extracted from Certificates of Origin. In the period October 2004 to June 2005, this volume amounts to 56.17 million bags of which 39.96 million bags are Arabica (71.15%) and 16.21 million bags are Robusta (28.85%) – see Annex 2 for details. The volume of coffee exported by the 16 Members in compliance with the resolution represents 65.15% of the total volume exported in the period – of which 98.93% has reached the quality standards.

9. The low volume of Robusta coffee exporting Members in compliance with the Resolution continues to cause concerns that have led to some uncertainties in respect of the practicalities of the parameters set out in the Resolution for those Members exporting this type of coffee. The Organization will continue to monitor LIFFE and NYBOT gradings as well as compliance with Resolution number 420 by exporting Members based on data extracted from Certificates of Origin.

**Exports of all green coffee based on Certificates of Origin
October 2004 to June 2005**

(60-kg bags)

		Resolution No. 420					
Country of origin	Total green coffee	Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below defect & moisture targets "XDM"	Unspecified	% of Unspecified in total
Angola	3 540	0	0	0	0	3 540	100.00
Bolivia	46 622	46 622	0	0	0	0	0.00
Brazil	18 139 917	17 916 526	78 020	0	0	145 371	0.80
Burundi	384 972	0	0	0	0	384 972	100.00
Cameroon	279 415	0	0	0	0	279 415	100.00
Central African Rep.	37 914	0	0	0	0	37 914	100.00
Colombia	8 292 896	8 292 896	0	0	0	0	0.00
Congo, Dem. Rep. of	34 833	0	0	0	0	34 833	100.00
Costa Rica	1 048 960	998 099	2 407	5 837	0	42 617	4.06
Cuba	32 991	0	0	0	0	32 991	100.00
Dominican Republic	3 493	0	0	0	0	3 493	100.00
Ecuador	238 545	135 782	0	0	0	102 763	43.08
El Salvador	1 093 077	1 077 991	13 829	633	0	624	0.06
Ethiopia	1 973 482	1 973 482	0	0	0	0	0.00
Guatemala	2 776 108	0	0	0	0	2 776 108	100.00
Honduras	2 092 415	1 847 963	47 992	0	0	196 461	9.39
India	1 732 072	1 644 978	86 774	0	0	320	0.02
Indonesia	2 965 511	0	0	0	0	2 965 511	100.00
Jamaica	14 230	0	0	0	0	14 230	100.00
Kenya	518 921	0	0	0	0	518 921	100.00
Malawi	11 478	0	0	0	0	11 478	100.00
Mexico	598 979	597 341	0	0	0	1 638	0.27
Nicaragua	789 046	785 252	0	3 163	0	631	0.08
Papua New Guinea	609 666	457 005	151 942	0	0	719	0.12
Philippines	1 235	35	0	0	0	1 200	97.17
Rwanda	128 203	0	0	0	0	128 203	100.00
Tanzania	659 814	405 656	0	0	0	254 159	38.52
Togo	111 821	24 333	0	0	0	87 488	78.24
Uganda	475 542	0	0	0	0	475 542	100.00
Vietnam	10 991 200	0	0	0	0	10 991 200	100.00
Zambia	80 567	0	0	0	0	80 567	100.00
Total	56 167 465	36 203 961	380 964	9 633	0	19 572 909	
% on Total	100.00	64.46	0.68	0.02	0.00	34.85	

**Exports of green coffee by type based on Certificates of Origin
October 2004 to June 2005
(60-kg bags)**

ARABICA		Resolution No. 420					% of Unspecified in total Arabica
Country of origin	Total volume	Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below defect & moisture targets "XDM"	Unspecified	
Bolivia	46 622	46 622	0	0	0	0	0.00
Brazil	17 604 733	17 384 403	78 020	0	0	142 310	0.81
Burundi	384 972	0	0	0	0	384 972	100.00
Cameroon	76 445	0	0	0	0	76 445	100.00
Colombia	8 292 896	8 292 896	0	0	0	0	0.00
Congo, Dem. Rep. of	15 905	0	0	0	0	15 905	100.00
Costa Rica	1 048 960	998 099	2 407	5 837	0	42 617	4.06
Cuba	32 991	0	0	0	0	32 991	100.00
Dominican Republic	3 493	0	0	0	0	3 493	100.00
Ecuador	93 732	65 119	0	0	0	28 613	30.53
El Salvador	1 093 077	1 077 991	13 829	633	0	624	0.06
Ethiopia	1 973 482	1 973 482	0	0	0	0	0.00
Guatemala	2 766 981	0	0	0	0	2 766 981	100.00
Honduras	2 092 415	1 847 962	47 992	0	0	196 461	9.39
India	600 464	513 791	86 673	0	0	0	0.00
Indonesia	478 418	0	0	0	0	478 418	100.00
Jamaica	14 230	0	0	0	0	14 230	100.00
Kenya	518 921	0	0	0	0	518 921	100.00
Malawi	11 478	0	0	0	0	11 478	100.00
Mexico	593 635	592 980	0	0	0	655	0.11
Nicaragua	789 046	785 252	0	3 163	0	631	0.08
Papua New Guinea	608 079	455 468	151 892	0	0	719	0.12
Rwanda	128 203	0	0	0	0	128 203	100.00
Tanzania	502 579	301 714	0	0	0	200 865	39.97
Uganda	108 213	0	0	0	0	108 213	100.00
Zambia	80 567	0	0	0	0	80 567	100.00
Total Arabica	39 960 537	34 335 779	380 813	9 633	0	5 234 312	
% on Total	100.00	85.92	0.95	0.02	0.00	13.10	

ROBUSTA		Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below defect & moisture targets "XDM"	Unspecified	% of Unspecified in total Robusta
Angola	3 540	0	0	0	0	3 540	100.00
Brazil	535 184	532 123	0	0	0	3 061	0.57
Cameroon	202 970	0	0	0	0	202 970	100.00
Central African Rep.	37 914	0	0	0	0	37 914	100.00
Congo, Dem. Rep. of	18 928	0	0	0	0	18 928	100.00
Ecuador	144 813	70 663	0	0	0	74 150	51.20
Guatemala	9 127	0	0	0	0	9 127	100.00
India	1 131 608	1 131 188	100	0	0	320	0.03
Indonesia	2 487 093	0	0	0	0	2 487 093	100.00
Mexico	5 344	4 361	0	0	0	983	18.39
Papua New Guinea	1 587	1 537	50	0	0	0	0.00
Philippines	1 235	35	0	0	0	1 200	97.17
Tanzania	157 235	103 941	0	0	0	53 294	33.89
Togo	111 821	24 333	0	0	0	87 488	78.24
Uganda	367 329	0	0	0	0	367 329	100.00
Vietnam	10 991 200	0	0	0	0	10 991 200	100.00
Total Robusta	16 206 928	1 868 181	150	0	0	14 338 597	
% on Total	100.00	11.53	0.00	0.00	0.00	88.47	

Table I-a
(types 0, 3 and 4)

TypeNo	(All)
PanelDate	Oct02-Jun03

Origin	Brazil	Cameroon	Central Afr. Rep.	Congo Dem. Rep. of	Cote d'Ivoire	Ghana	Guinea	India	Indonesia	Liberia	Madagascar	Nigeria	Sierra Leone	Tanzania	Thailand	Vietnam	Grand Total
Sum of 60-kg bags																	
Portld	116 167	0	83	417	1 000	9 667	25 917	167	17 750	0	5 667	83	0	4 667	5 750	653 333	840 667
Antwerp	1 583	0	0	0	0	0	0	0	0	0	250	0	0	0	0	583	2 417
Barcelona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1 250	1 250
Bremen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Felixtouve	1 583	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1 583
Genoa	47 667	0	0	0	0	0	17 833	0	0	0	0	0	0	0	0	0	65 500
Hamburg	0	0	250	83	83	0	1 583	83	83	3 833	0	2 083	0	0	4 583	49 083	61 667
Le Havre	250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250
Marselles	0	167	0	0	667	0	0	0	0	0	0	0	0	0	0	1 333	2 167
Rotterdam	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3 167	3 167
Trieste	1 833	0	0	0	0	1 250	0	0	0	0	0	0	0	0	0	9 333	12 417
Grand Total	169 083	167	83	667	1 750	10 917	45 333	250	17 833	3 833	5 917	83	2 083	4 667	10 333	718 083	991 083
% on total	17.06	0.02	0.01	0.07	0.18	1.10	4.57	0.03	1.80	0.39	0.60	0.01	0.21	0.47	1.04	72.45	100.00

Table I-b
(types 0, 3 and 4)

TypeNo	(All)
PanelDate	Oct03-Jun04

Origin	Brazil	Cameroon	Congo Dem. Rep. of	Cote d'Ivoire	Ghana	Guinea	India	Indonesia	Madagascar	Nigeria	Thailand	Togo	Uganda	Vietnam	Grand Total
Sum of 60-kg bags															
Portld	28 750	3 167	1 167	223 167	4 000	35 083	22 417	11 750	7 667	917	7 667	3 167	4 917	1 045 667	1 391 833
Antwerp	0	1 417	0	0	0	0	583	1 333	0	0	0	0	0	4 750	8 083
Barcelona	0	0	0	0	0	0	0	0	0	0	0	0	0	7 333	7 333
Bremen	0	0	0	0	0	0	0	0	0	0	0	0	0	1 000	6 750
Genoa	1 250	0	0	4 167	0	333	0	0	0	0	0	0	0	0	78 250
Hamburg	0	0	0	7 750	0	0	8 333	0	19 250	0	0	0	0	42 917	78 250
Le Havre	0	2 417	250	8 583	0	0	83	0	0	0	0	0	0	9 667	21 000
London	0	0	0	0	0	0	83	0	0	0	0	0	0	4 000	4 083
Marselles	0	0	0	33 333	0	0	0	417	0	0	0	0	0	0	33 750
Rotterdam	0	0	0	0	0	0	0	0	0	0	0	0	0	97 083	97 083
Trieste	250	1 167	833	20 500	0	0	83	0	0	0	0	0	0	9 583	32 417
Grand Total	30 250	8 167	2 250	297 500	4 000	35 417	31 333	13 667	26 917	917	26 917	3 167	4 917	1 222 000	1 680 583
% on total	1.80	0.49	0.13	17.70	0.24	2.11	0.00	1.86	0.81	0.05	1.60	0.19	0.29	72.71	100.00

Table I-c
(types 0, 3 and 4)

TypeNo	(All)
PanelDate	Oct04-Jun05

Origin	Brazil	Cote d'Ivoire	Ghana	Guinea	India	Indonesia	Madagascar	Nigeria	Sierra Leone	Thailand	Vietnam	Grand Total
Sum of 60-kg bags												
Portld	1 750	0	4 750	42 917	0	24 000	333	917	0	12 250	941 083	1 028 000
Antwerp	0	0	0	0	0	0	0	0	0	0	0	333
Felixtouve	333	0	0	0	0	7 250	0	0	0	0	0	7 250
Genoa	0	0	0	0	0	0	0	0	0	21 583	13 167	34 833
Hamburg	0	83	0	0	0	0	0	0	0	0	0	1 167
Le Havre	0	0	0	1 167	0	0	0	0	0	0	0	1 167
London	0	0	500	0	250	417	0	0	0	0	0	1 167
Rotterdam	0	0	0	0	0	0	0	0	0	0	2 500	2 500
Trieste	0	0	1 250	0	0	0	0	0	0	83	107 667	109 000
Grand Total	2 083	83	6 500	44 083	250	31 667	333	917	83	33 833	1 064 417	1 184 250
% on total	0.18	0.01	0.55	3.72	0.02	2.67	0.03	0.08	0.01	2.86	89.88	100.00

**NYBOT: Coffee "C" gradings summary analysis
January to June 2005**

Country of origin	Original		Appeals			Total		Pass %
	Pass	Fail	Pass	Fail	Total	Pass	Fail	
Burundi	39	21	6	7	13	45	15	75.00
Colombia	351	151	73	67	140	424	93	82.01
Costa Rica	0	1	0	0	0	0	1	0.00
Dominican Republic	0	0	0	0	0	0	0	0.00
Ecuador	0	0	0	0	0	0	0	0.00
Guatemala	103	60	22	34	56	125	54	69.83
Honduras	448	187	69	92	161	517	141	78.57
India	28	14	6	6	12	34	11	75.56
Kenya	0	0	0	0	0	0	0	0.00
Mexico	1	7	2	2	4	3	5	37.50
Nicaragua	42	19	9	9	18	51	15	77.27
Peru	480	214	122	81	203	602	102	85.51
Rwanda	21	24	5	12	17	26	24	52.00
El Salvador	344	79	40	30	70	384	66	85.33
Tanzania	4	6	0	2	2	4	6	40.00
Uganda	60	53	15	19	34	75	48	60.98
Venezuela	0	0	0	0	0	0	0	0.00
Panama	0	0	0	0	0	0	0	0.00
Total	1 921	836	369	361	730	2 290	467	83.06

	Original		Appeals					
	Pass	Fail	Total	Pass %	Pass	Fail	Total	Pass %
Grade	2 590	167	2 757	93.94%	583	147	730	79.86%
Cup	2 042	715	2 757	74.07%	535	195	730	73.29%
Colour	2 714	43	2 757	98.44%	704	26	730	96.44%

ORIGINAL GRADING: These statistics for original gradings are based on individual grading of cup, color, grade and other imperfections such as odor and/or bean size graded between 03/01/05 and 30/06/05

APPEAL GRADING: The owner of the coffee submitted as an original grading may appeal for any decision of the graders, for cup, color, grade and any other imperfections such as odor and/or bean size and represents appeal gradings between 03/01/05 and 30/06/05 regardless of the date of original grade.

Note from ICO: Date format converted to dd/mm/yy