



International Coffee Organization
Organización Internacional del Café
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Organisation Internationale du Café

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Executive Board
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**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 continued 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. 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 allows the Organization to monitor the level of compliance with the target standards based on the data received.
3. This document presents a summary for the last two full calendar years – 2004 and 2005 – of the London International Financial Futures and Options Exchange (LIFFE) Robusta gradings and for NYBOT Coffee “C” Gradings. It also contains information on progress on implementing the CQP under the provisions of Resolution number 420 in exporting Member countries during coffee year 2004/05 based on data extracted from Certificates of Origin. The previous report on the CQP is contained in document WP-Board No. 981/05.

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 exports. 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 coffee year 2004/05 – which may vary from country to country in accordance with the data received.

2. Data extracted from Certificates of Origin issued to cover coffee shipped from October 2004 to September 2005 (coffee year 2004/05) received by the Organization – in electronic format or physical documentation – indicate that 20 exporting Members have so far availed themselves of the option to fully implement Resolution number 420. These Members are: Angola, Bolivia, Brazil, Colombia, Costa Rica, Democratic Republic of Congo, Dominican Republic, Ecuador, El Salvador, Ethiopia, Guatemala, Honduras, India, Mexico, Nicaragua, Papua New Guinea, Philippines, Rwanda, Tanzania and Togo. Annex I gives details of the exports of all green coffee complying with the provisions of Resolution number 420.

3. Annex II gives information on the total volume of green coffee by type exported by those 20 countries complying with the provisions of Resolution number 420 in 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 of them 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. Annex III-A and III-B give a summary of these gradings – 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 – by port and by origin for calendar years 2004 and 2005, respectively. In calendar year 2005 the volume of coffee graded by LIFFE which is deemed to have failed to comply with the targets of Resolution number 420 amounts to 1.86 million bags. Of this total, nearly 54% failed the grading analysis in Antwerp and nearly 89% was produced in Vietnam. The volume recorded in 2005 represents a reduction of over 44% from the 3.33 million bags that failed gradings in 2004 when nearly 75% was recorded in Antwerp and nearly 78% was produced in Vietnam.

5. Regular reports on the Coffee “C” contract grading analysis are posted on the New York Board of Trade (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 reports indicate that, in calendar year 2005, 82% of the coffee graded by NYBOT (68% on the original grading and an additional 14% on appeal) passed the grading analysis – see Annex IV-A and IV-B for details. These percentage levels remain virtually unchanged from those recorded in 2004 when 81% of the coffee graded passed the analysis criteria.

6. The new chart introduced in International Standard ISO 10470 (Green coffee – Defect reference chart) 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

Additionally, a detailed chart gives definitions or characteristics 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 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 with a view to harmonising it within the parameters set out in Resolution number 420. A copy of the full text of ISO 10470-2004 can be purchased from the International Standards Organization at www.iso.org, or can be consulted in the ICO library.

7. Since Resolution number 420 came into effect in June 2004, some 96.36 million bags of green coffee have been exported – based on information extracted from Certificates of Origin. In coffee year 2004/5, this volume amounts to 71.24 million bags of which 50.58 million bags are Arabica (71%) and 20.66 million bags are Robusta (29%). The volume of coffee exported by the 20 exporting Members in full compliance with the Resolution represents 73% of the total volume exported in the period – of which nearly 98% has reached the quality standards.

8. The volume of Robusta coffee exported in coffee year 2004/05 reported by exporting Members in compliance with the Resolution – which amounts to 3.24 million bags – represents less than 16% of the total volume of green Robusta coffee exported (some 20.66 million bags). This continues to cause concern and has led to some uncertainty in respect of the practicalities of the parameters set out in Resolution number 420 for 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 classified in accordance with Resolution number 420

Coffee year 2004/05

Volume (60-kg bags)

Exporting country / Origin	Total exports of green coffee	Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below moisture & defect targets "XDM"	Unspecified
Angola	4 980	2 100	2 295	300	0	285
Bolivia	46 628	46 628	0	0	0	0
Brazil	23 250 556	23 003 084	92 800	0	0	154 672
Colombia	10 354 544	10 354 544	0	0	0	0
Congo, Dem. Rep. of	82 589	27 097	0	0	0	55 492
Costa Rica	1 217 832	1 163 719	5 598	5 895	0	42 620
Dominican Republic	38 012	13 055	0	0	0	24 957
Ecuador	364 015	183 717	0	0	0	180 298
El Salvador	1 309 014	1 279 773	21 736	2 301	4 313	891
Ethiopia	2 615 181	2 615 181	0	0	0	0
Guatemala	3 443 242	3 443 242	0	0	0	0
Honduras	2 395 228	2 126 022	72 746	0	0	196 460
India	2 330 111	2 224 656	105 135	0	0	320
Mexico	1 309 311	1 307 672	0	0	0	1 639
Nicaragua	959 077	955 281	0	3 163	0	633
Papua New Guinea	1 119 544	1 070 274	49 270	0	0	0
Philippines	1 519	319	0	0	0	1 200
Rwanda	197 093	158 283	15 920	0	0	22 890
Tanzania	723 825	511 364	0	0	0	212 461
Togo	149 587	144 871	0	0	0	4 716
Total	51 911 888	50 630 882	365 500	11 659	4 313	899 534
% in each classification in Total	100.00	97.53	0.70	0.02	0.01	1.73
Percentage share						
Exporting country / Origin	Share in total	% of "S" in total by origin	% of "XD" in total by origin	% of "XM" in total by origin	% of "XDM" in total by origin	% of Unspecified in total by origin
Angola	0.01	42.17	46.08	6.02	0.00	5.72
Bolivia	0.09	100.00	0.00	0.00	0.00	0.00
Brazil	44.79	98.94	0.40	0.00	0.00	0.67
Colombia	19.95	100.00	0.00	0.00	0.00	0.00
Congo, Dem. Rep. of	0.16	32.81	0.00	0.00	0.00	67.19
Costa Rica	2.35	95.56	0.46	0.48	0.00	3.50
Dominican Republic	0.07	34.34	0.00	0.00	0.00	65.66
Ecuador	0.70	50.47	0.00	0.00	0.00	49.53
El Salvador	2.52	97.77	1.66	0.18	0.33	0.07
Ethiopia	5.04	100.00	0.00	0.00	0.00	0.00
Guatemala	6.63	100.00	0.00	0.00	0.00	0.00
Honduras	4.61	88.76	3.04	0.00	0.00	8.20
India	4.49	95.47	4.51	0.00	0.00	0.01
Mexico	2.52	99.87	0.00	0.00	0.00	0.13
Nicaragua	1.85	99.60	0.00	0.33	0.00	0.07
Papua New Guinea	2.16	95.60	4.40	0.00	0.00	0.00
Philippines	0.00	21.00	0.00	0.00	0.00	79.00
Rwanda	0.38	80.31	8.08	0.00	0.00	11.61
Tanzania	1.39	70.65	0.00	0.00	0.00	29.35
Togo	0.29	96.85	0.00	0.00	0.00	3.15
Total	100.00					

Exports of green Arabica coffee classified in accordance with Resolution number 420

Coffee year 2004/05

Volume (60-kg bags)

Exporting country / Origin	Total exports of green coffee	Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below moisture & defect targets "XDM"	Unspecified
Bolivia	46 628	46 628	0	0	0	0
Brazil	22 243 175	22 001 185	92 800	0	0	149 190
Colombia	10 354 544	10 354 544	0	0	0	0
Congo, Dem. Rep. of	33 825	13 100	0	0	0	20 725
Costa Rica	1 217 832	1 163 719	5 598	5 895	0	42 620
Dominican Republic	38 012	13 055	0	0	0	24 957
Ecuador	137 783	109 170	0	0	0	28 613
El Salvador	1 309 014	1 279 773	21 736	2 301	4 313	891
Ethiopia	2 615 181	2 615 181	0	0	0	0
Guatemala	3 432 558	3 432 558	0	0	0	0
Honduras	2 395 228	2 126 022	72 746	0	0	196 460
India	753 377	648 343	105 034	0	0	0
Mexico	1 296 087	1 295 748	0	0	0	339
Nicaragua	959 077	955 281	0	3 163	0	633
Papua New Guinea	1 117 117	1 067 847	49 270	0	0	0
Rwanda	197 093	158 283	15 920	0	0	22 890
Tanzania	527 540	366 996	0	0	0	160 544
Total	48 674 071	47 647 433	363 104	11 359	4 313	647 862
% in each classification in Total	100.00	97.89	0.75	0.02	0.01	1.33

Exports of green Robusta coffee classified in accordance with Resolution number 420

Coffee year 2004/05

Volume (60-kg bags)

Exporting country / Origin	Total exports of green coffee	Full compliance "S"	Below defect target "XD"	Below moisture target "XM"	Below moisture & defect targets "XDM"	Unspecified
Angola	4 980	2 100	2 295	300	0	285
Brazil	1 007 381	1 001 899	0	0	0	5 482
Congo, Dem. Rep. of	48 764	13 997	0	0	0	34 767
Ecuador	226 232	74 546	0	0	0	151 686
Guatemala	10 684	10 684	0	0	0	0
India	1 576 734	1 576 314	100	0	0	320
Mexico	13 224	11 908	0	0	0	1 316
Papua New Guinea	2 427	2 427	0	0	0	0
Philippines	1 519	319	0	0	0	1 200
Tanzania	196 285	144 368	0	0	0	51 917
Togo	149 587	144 871	0	0	0	4 716
Total	3 237 817	2 983 433	2 395	300	0	251 689
% in each classification in Total	100.00	92.14	0.07	0.01	0.00	7.77

Volume of LIFFE Robusta Gradings - calendar year 2004

(deemed to fall below the target standards of Resolution 420) - (60-kg bags)

Grade	(All)	Sum of Volume													Grand Total	% of origin in Grand Total
Origin	Port of destination	Antwerp	Barcelona	Bremen	Felixtowe	Genoa	Hamburg	Le Havre	London	Marseilles	Rotterdam	Trieste	Grand Total	% of origin in Grand Total		
Brazil		58 750	2 583	0	333	52 083	0	0	4 917	0	0	25 250	143 917	4.32		
Cameroon		4 167	1 417	0	0	0	0	2 417	0	0	0	2 583	10 583	0.32		
Central Afr. Rep.		83	0	0	0	0	0	0	0	0	0	0	83	0.00		
Congo, Dem. Rep. of		1 167	0	0	0	0	0	250	0	0	0	0	1 417	0.04		
Cote d'Ivoire		183 333	0	0	0	33 083	9 417	8 583	0	37 250	0	20 500	292 167	8.77		
Ghana		6 667	0	0	0	0	0	0	0	0	0	0	6 667	0.20		
Guinea		55 250	0	0	0	15 833	1 667	0	0	0	0	0	72 750	2.18		
India		0	0	0	0	0	0	0	250	0	0	0	250	0.01		
Indonesia		54 417	583	1 917	0	7 250	36 417	0	417	0	0	0	101 000	3.03		
Madagascar		17 750	1 333	0	0	0	0	1 500	0	417	0	0	21 000	0.63		
Nigeria		2 083	0	0	0	0	0	0	0	0	0	0	2 083	0.06		
Sierra Leone		6 083	0	0	0	0	0	0	0	0	4 000	3 750	13 833	0.42		
Tanzania		0	0	0	0	0	0	0	0	167	0	0	167	0.01		
Thailand		43 083	0	0	0	0	21 667	0	0	0	0	0	64 750	1.94		
Togo		4 417	0	0	0	0	0	0	0	0	0	0	4 417	0.13		
Uganda		5 000	0	0	0	83	0	0	0	0	0	0	5 083	0.15		
Vietnam		2 054 167	4 750	27 250	0	1 000	196 750	9 667	46 750	0	187 083	62 667	2 590 083	77.77		
Grand Total		2 496 417	10 667	29 167	333	109 333	265 917	22 417	52 333	37 833	191 083	114 750	3 330 250			
% of port in Grand Total		74.96	0.32	0.88	0.01	3.28	7.98	0.67	1.57	1.14	5.74	3.45				

Volume of LIFFE Robusta Gratings - calendar year 2005
(deemed to fall below the target standards of Resolution 420) - (60-kg bags)

Grade	(All)	Port of destination										% of origin in Grand Total
Sum of Volume	Origin	Antwerp	Hamburg	Le Havre	London	Rotterdam	Trieste	Grand Total				% of origin in Grand Total
Brazil	55 833	0	0	0	0	0	0	55 833				3.00
Cameroon	83	0	0	0	0	0	0	83				0.00
Ghana	5 667	0	0	0	500	0	1 250	7 417				0.40
Guinea	49 250	0	0	1 167	0	0	17 917	68 333				3.67
Indonesia	24 000	0	0	0	0	0	0	24 000				1.29
Madagascar	4 750	0	0	0	0	0	0	4 750				0.26
Nigeria	250	0	0	0	0	0	0	250				0.01
Sierra Leone	2 167	0	0	0	0	0	167	2 333				0.13
Thailand	4 333	21 583	0	0	0	0	0	25 917				1.39
Vietnam	18 083	0	0	0	0	5 167	0	23 250				1.25
Vietnam	837 250	36 833	0	0	8 750	165 333	600 500	1 648 667				88.60
Grand Total	1 001 667	58 417	1 167	9 250	170 500	619 833	33,31	1 860 833				
% of port in Grand Total	53.83	3.14	0.06	0.50	9.16	33.31						

**NYBOT: Coffee "C" gradings summary analysis
January to December 2004**

Country of origin	Original		Appeals			Total		Pass %
	Pass	Fail	Pass	Fail	Total	Pass	Fail	
Burundi	47	20	9	8	17	56	11	83.58
Colombia	1 005	590	253	295	548	1 258	337	78.87
Costa Rica	73	26	14	9	23	87	12	87.88
Dominican Republic	0	0	0	0	0	0	0	0.00
Ecuador	4	15	6	6	12	10	9	0.00
Guatemala	252	141	43	79	122	295	98	75.06
Honduras	1 299	615	310	294	604	1 609	305	84.06
India	375	206	78	86	164	453	128	77.97
Kenya	13	42	0	5	5	13	42	23.64
Mexico	524	306	130	160	290	654	176	78.80
Nicaragua	270	105	64	53	117	334	41	89.07
Peru	771	407	190	197	387	961	217	81.58
Rwanda	110	73	24	32	56	134	49	73.22
El Salvador	777	156	105	57	162	882	51	94.53
Tanzania	47	47	17	29	46	64	30	68.09
Uganda	242	164	44	67	111	286	120	70.44
Venezuela	16	53	9	19	28	25	44	36.23
Panama	0	1	0	1	1	0	1	0.00
Total	5 825	2 967	1 296	1 397	2 693	7 121	1 671	80.99

	Original				Appeals			
	Pass	Fail	Total	Pass %	Pass	Fail	Total	Pass %
Grade	8 235	557	8 792	93.66%	2 493	200	2 693	92.57%
Cup	6 262	2 530	8 792	71.22%	1 522	1 171	2 693	56.52%
Colour	8 549	243	8 792	97.24%	2 591	102	2 693	96.21%

ORIGINAL GRADING: These statistics for original gradings are based on individual grading of cup, colour, grade and other imperfections such as odour and/or bean size graded between 03/01/04 and 30/12/04

APPEAL GRADING: The owner of the coffee submitted as an original grading may appeal for any decision of the graders, for cup, colour, grade and any other imperfections such as odour and/or bean size and represents appeal gradings between 03/01/04 and 30/12/04 regardless of the date of original grade.

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

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

Country of origin	Original		Appeals			Total		Pass %
	Pass	Fail	Pass	Fail	Total	Pass	Fail	
Burundi	50	39	13	17	30	63	26	70.79
Colombia	681	317	160	143	303	841	172	83.02
Costa Rica	1	1	1	0	1	2	0	100.00
Dominican Republic								
Ecuador								
Guatemala	143	88	30	52	82	173	74	70.04
Honduras	679	373	153	208	361	832	243	77.40
India	82	39	15	19	34	97	27	78.23
Kenya								
Mexico	193	108	40	49	89	233	68	77.41
Nicaragua	113	35	17	17	34	130	23	84.97
Peru	590	247	136	104	240	726	121	85.71
Rwanda	54	40	12	17	29	66	33	66.67
El Salvador	581	125	77	49	126	658	75	89.77
Tanzania	4	7	0	2	2	4	7	36.36
Uganda	71	84	20	24	44	91	74	55.15
Venezuela								
Panama								
Papua New Guinea		4					4	0.00
Total	3 242	1 507	674	701	1 375	3 916	833	82.46

	Original		Appeals					
	Pass	Fail	Total	Pass %	Pass	Fail	Total	Pass %
Grade	4 408	341	4 749	92.82%	1 133	242	1 375	82.40%
Cup	3 504	1 245	4 749	73.78%	917	458	1 375	66.69%
Colour	4 661	88	4 749	98.15%	1 336	39	1 375	97.16%

ORIGINAL GRADING: These statistics for original gradings are based on individual grading of cup, colour, grade and other imperfections such as odour and/or bean size graded between 03/01/05 and 30/12/05

APPEAL GRADING: The owner of the coffee submitted as an original grading may appeal for any decision of the graders, for cup, colour, grade and any other imperfections such as odour and/or bean size and represents appeal gradings between 03/01/05 and 30/12/05 regardless of the date of original grade.

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