

Statistics No. 106/06

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

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Report

Report of the Statistics Committee on the meeting of 27 September 2006

The 21st meeting of the Statistics Committee took place on 27 September 2006. The meeting was chaired by Mr. David Hallam of the Food and Agriculture Organization of the United Nations (FAO).

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document WP-Statistics No. 101/06 Rev. 1.

Item 2: **Report of the Statistics Committee** on the meeting of 24 May 2006

3. The Committee approved the report on the meeting of 24 May 2006 contained in document WP-Statistics No. 100/06.

Item 3: **Compliance with statistical rules**

4. The Statistician introduced document WP-Statistics No. 105/06 containing information on the latest status of compliance by Members with the Rules on Statistics during the life of the International Coffee Agreement (ICA) 2001: coffee years 2001/02 to 2004/05 and from October 2005 to June 2006. Based on average trade data for four calendar years (2002 to 2005) full and satisfactory compliance by exporting Members was just over 82% while that of importing Members was just under 99%.

5. The Committee requested the Secretariat to include in the next report a graph indicating the historical progress of compliance by each group during the ICA 2001. The report should also include a definition of each category of compliance in order to avoid misinterpretation by those unfamiliar with the classifications.

Item 4: Technical assistance

- 6. The Statistician informed the Committee that, as recommended at the previous meeting, the Executive Director had written to selected exporting countries with good performance on compliance, requesting their views on regional workshops to assist neighbouring countries where technical difficulties were encountered. In the light of the replies received, the Secretariat would now request these countries to prepare a manual of best practice using their experience on efficiency in supplying the data. This might provide a basis for training through seminars and/or workshops as part of a regional approach and, it should also assist countries where compliance was poor or non-existent.
- 7. Contacts would also be made with two countries with a view to setting up pilot regional workshops: one in West Africa and another in Latin America to assist those countries in the region with difficulties in complying with their statistical obligations.

Item 5: Inventories and stocks

- 8. The Statistician provided the Committee with the latest information on the stocks survey available from the European Coffee Federation (ECF) website which included data up to June 2006.
- 9. The ECF representative, Mr. Roel Vaessen, informed the Committee that there should be no distinction between stocks held at major EU ports and stocks held in free-ports since country borders within the EU were removed. Consequently, the ICO series on inventories and stocks should be adapted to reflect this procedure.
- 10. The Committee noted that, as suggested in May, the Executive Director had written to the authorities in importing countries where information on inventories was no longer collected, to obtain their formal agreement to allow the Organization to use the ECF data. This would ensure market transparency on consumption.

Item 6: Organic coffee

11. The Statistician introduced document WP-Statistics No. 104/06 containing a table showing exports of organic coffee based on information extracted from Certificates of Origin and monthly reports in the period October 2005 to June 2006.

12. The Committee noted that as the information on values obtained from monthly reports was limited, the Secretariat should request exporting Members to provide reports which were as detailed as possible in order to improve the Organization's databases and to facilitate the preparation of reports which would benefit Members and market analysts. In addition, a special request should be made to three importing countries, namely France and/or Germany, Japan and the USA to provide retail prices of organic coffee. Based on the replies received the Committee might decide to recommend that the collection of these data be expanded in the future.

Item 7: Preparations and concentrates

- 13. The Statistician introduced document WP-Statistics No. 102/06 containing data on imports of soluble coffee based on import returns classified under two specific Harmonized System (HS) codes (210.112.92 and 210.112.98) in calendar years 1996 to 2004, including data from Norway, Switzerland and USA.
- 14. The Committee noted that as reported at the meeting in May, products imported under these two HS codes contained, on average, 10% of coffee. It decided to recommend to the Council that adjustments be made to the Organization's historical series on the trade of soluble coffee classified under these two HS codes in order to reflect this situation.

Item 8: Exports to exporting countries

- 15. The Statistician introduced document WP-Statistics no. 103/06 containing data on exports of all forms of coffee from all origins to exporting countries.
- 16. The Committee took note of the results presented and requested that in the next report on this item, the table should indicate a breakdown by form of coffee on exports to exporting countries and an additional table should be prepared based on the official import returns received from exporting Members.

Item 9: Future statistical priorities

- 17. The Chairman introduced document WP-Council No. 140/06 Rev. 4 containing a summary of proposals from Member countries on the future of the Agreement, which included proposals for statistical priorities.
- 18. The Committee noted that Members had recognized the importance of the ICO's work in promoting market transparency and the need for timely and accurate statistics, and had suggested expanding coverage to include trends such as niche markets. Statistics was a core activity of the Organization and should be recognized as such. The Committee discussed issues such as the quantity of information on countries, the range of variables, prices and

niche markets, and noted the importance of the quality, timeliness and accuracy of data. The Organization's statistical data was subject to a process of continual improvement. An expansion of the current data series would have cost implications, the Committee agreed that it would be useful to have details about the costs of providing statistical services to enable it to assess what was feasible. It noted the importance of trade statistics and data on exports and the need to monitor areas such as consumption in producing countries, the growing trade in organic coffee and other market trends. The ICO should continue to prioritise and strengthen provision of trade data without neglecting other areas. The Committee considered that there was a role for private sector organizations in supplying information and welcomed the cooperation with the ECF on stocks as an example of collaboration that it would like to see more of. Finally, the Committee noted that information provided by the ICO was only as good as that provided by Members and emphasized the need for timely and accurate information from Members to enhance market transparency.

Item 10: New statistical software at the ICO

19. The Statistician reported on progress on upgrading the statistical system since the visit of the programmers in June 2006. Considerable advances had been made on the Trade module which was nearing completion. The Votes module had been completed and implemented at this Council session. It was expected that work on the statistical system, including the Economic module should be completed by May 2007.

Item 11: Report to the International Coffee Council

and

Item 12: Other Business

20. The Chairman briefed the Committee on his report to the Council (see Item 9 above). Mr. Roel Vaessen informed the Committee that this would be his last formal participation in the meetings as he would have to devote more time to meetings of the PSCB. The Chairman thanked Mr. Vaessen for his valuable contribution to the work of the Committee over the past few years and hoped that he would continue collaborating as an "informal consultant" to the Committee.

Item 13: Future meetings

21. The Committee noted that its next meeting would take place in May 2007, at the time of meetings of the Council and Executive Board. However, if in the light of the discussions on the future of the Agreement important issues were raised outside the regular agenda items which required its input, it could be useful for the Committee to meet during the meetings of the Executive Board in January 2007. It noted that the Secretariat would confirm the date of the next meeting after this meeting.