

PM 39/14

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Promotion and Market Development Committee 8th meeting
24 September 2014
London, United Kingdom

Progress report on the implementation of the Coffee Quality-Improvement Programme (CQP)
Calendar years 2005 to 2013 and January to June 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-34/14.
- 3. The Rules on Statistics Certificates of Origin contained in document ICC-102-9, 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 Promotion and Market Development Committee is requested <u>to take note</u> of this report.

PROGRESS REPORT ON THE IMPLEMENTATION OF THE COFFEE QUALITY-IMPROVEMENT PROGRAMME (CQP) CALENDAR YEARS 2005 TO 2013 AND JANUARY-JUNE 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 39 exporting Members fully or partially implemented the Resolution in their countries and 24 out of 39 have generally provided information on quality regularly since June 2004.
- 2. For **January-June 2014**, the 39 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: 4 Members
 - c. Members not providing data on quality: 2 Members
 - d. Members that have ceased providing Certificates of Origin: 12 Members
 - e. Members yet to issue Certificates of Origin: 7 Members
 - f. Members that appear to have opted not to issue Certificates of Origin¹:

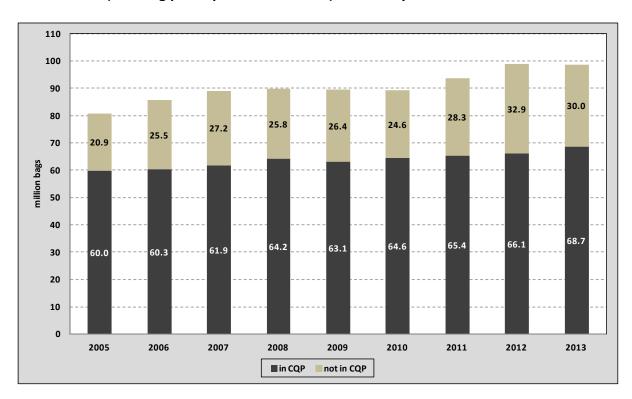
 1 Member

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.

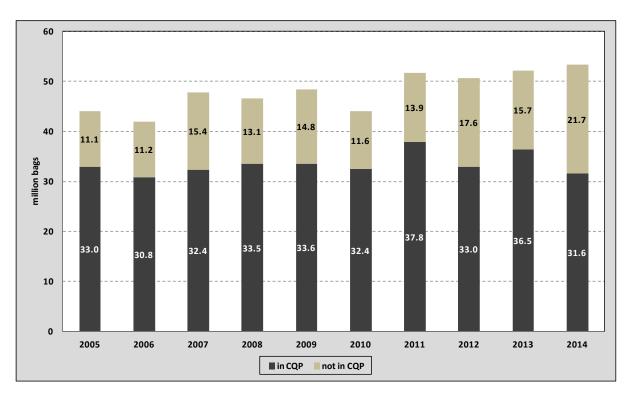
3. The total volume of green coffee exported in the first six months of 2014 by the 19 exporting countries providing information on quality – based on Certificates of Origin – amounts to 31.6 million bags – equivalent to 59.3% of the total volume of 53.3 million bags exported by all producing countries. Graph 1 shows the volume of green coffee exported by all exporting countries and those participating in the CQP during calendar years 2005 to 2013. Graph 2 displays the same for the six months January-June 2005 to 2014.

¹ 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 2013



Graph 2: Volume of green coffee exported by exporting countries (showing participation in the CQP) January-June 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 2013. Table 1A provides a summary for January-June 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 2013

(60-kg bags)

(60-кg радs)												
	2005	2006	2007	2008	2009	2010	2011	2012	2013			
"S"	50 948 280	55 624 488	56 439 889	58 232 995	54 280 982	59 701 183	62 842 482	60 590 464	57 677 420			
"XD"	384 330	262 523	159 322	166 680	176 034	160 564	246 865	446 611	246 654			
"XM"	7 706	15 101	23 473	8 786	1 786	9 901	7 887	0	24 717			
"XDM"	7 244	10 661	30 516	4 958	1 984	690	6 670	4 054	14 256			
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			
Total in CQP	59 992 717	60 313 738	61 882 910	64 192 426	63 102 232	64 565 400	65 415 707	66 122 171	68 730 862			
Total volume of green coffee exported	80 909 881	85 830 428	89 042 475	89 972 354	89 489 714	89 174 857	93 689 446	99 019 475	98 756 458			
Total not in CQP	20 917 164	25 516 689	27 159 565	25 779 929	26 387 482	24 609 457	28 273 739	32 897 304	30 025 597			
(percent)												
	2005	2006	2007	2008	2009	2010	2011	2012	2013			
"S"	63.0%	64.8%	63.4%	64.7%	60.7%	66.9%	67.1%	61.2%	58.4%			
"XD"	0.5%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%	0.5%	0.2%			
"XM"	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%			
Unspecified	10.7%	5.1%	5.9%	6.4%	9.7%	5.3%	2.5%	5.1%	10.9%			
Total in CQP	74.1%	70.3%	69.5%	71.3%	70.5%	72.4%	69.8%	66.8%	69.6%			
Total not in CQP	25.9%	29.7%	30.5%	28.7%	29.5%	27.6%	30.2%	33.2%	30.4%			

Table 1A

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
"S"	28 711 810	27 821 480	30 172 353	30 739 223	30 643 226	29 875 401	35 451 643	30 631 211	32 538 431	27 429 521	
"XD"	193 770	183 540	72 011	74 992	64 130	92 059	111 624	239 074	150 864	55 250	
"XM"	4 077	2 336	9 361	1 600	0	4 719	316	0	11 440	0	
"XDM"	0	1 035	10 334	0	650	0	0	3 738	1 035	633	
Unspecified	4 086 499	2 820 296	2 101 893	2 668 440	2 879 093	2 469 554	2 273 367	2 143 978	3 753 920	4 126 044	
Total in CQP	32 996 156	30 828 686	32 365 951	33 484 255	33 587 099	32 441 732	37 836 950	33 018 000	36 455 689	31 611 448	
Total volume of green coffee exported	44 048 515	42 006 716	47 792 625	46 561 665	48 386 426	44 043 475	51 765 443	50 657 553	52 185 294	53 299 170	
Total not in CQP	11 052 360	11 178 030	15 426 673	13 077 410	14 799 327	11 601 742	13 928 493	17 639 553	15 729 605	21 687 722	
(percent)											
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
"S"	65.2%	66.2%	63.1%	66.0%	63.3%	67.8%	68.5%	60.5%	62.4%	51.5%	
"XD"	0.4%	0.4%	0.2%	0.2%	0.1%	0.2%	0.2%	0.5%	0.3%	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	9.3%	6.7%	4.4%	5.7%	6.0%	5.6%	4.4%	4.2%	7.2%	7.7%	
Total in CQP	74.9%	73.4%	67.7%	71.9%	69.4%	73.7%	73.1%	65.2%	69.9%	59.3%	
Total not in CQP	25.1%	26.6%	32.3%	28.1%	30.6%	26.3%	26.9%	34.8%	30.1%	40.7%	

- 5. Based on the data received from October 2005 to June 2014, the volume of green coffee exported in full compliance with Resolution 420 ("S") stands at 63.2% of the total volume exported throughout the period. Shipments for which there is no available information on quality are equivalent to 36.5% 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 will take place at both the PSCB and Statistics Committee meetings during the week of 22 to 26 September 2014. The Promotion and Market Development Committee is invited to contribute suggestions towards reviewing and improving the CQP. Unless decided otherwise, the Organization will continue to monitor and provide occasional updates on the compliance by exporting Members with Resolution 420.