

**Report of the Statistics Committee
on its meeting of 5 March 2014**

1. The Statistics Committee held its sixth meeting under the International Coffee Agreement 2007 in London on 5 March 2014.

Item 1: Adoption of the Agenda

2. The Committee adopted the Agenda contained in document [SC-31/13 Rev. 2](#).

Item 2: Election of the Chairperson and Vice-Chairperson for 2013/14

3. Mr Brendan Lynch of United States of America was elected Chairperson and Mr José Cassule Mahinga of Angola was elected Vice-Chairperson for coffee year 2013/14.

Item 3: Report on the meeting of 6 March 2013

4. The Committee approved the report of the fifth meeting held in March 2013, which is contained in document SC-30/13.

Item 4: Compliance with statistical rules

5. The Head of Operations introduced document [SC-32/14](#) containing information on the status of compliance by Members with the Rules on Statistics from coffee years 2001/02 to 2012/13 and October to December 2013. The Committee took note of the report. The Committee also considered the establishment of a task force to improve statistical compliance, as provided for in the Programme of Activities for 2013/14. Members were requested to express an interest if they wished to become part of this task force, which was not yet operational.

Item 5: Exports to exporting countries

6. The Head of Operations introduced document [SC-33/14](#) containing a report on exports of all forms of coffee to exporting countries from calendar years 2000 to 2013. The Committee took note of this information.

Item 6: Exports of organic and differentiated coffees

7. The Head of Operations introduced document [SC-34/14](#) containing information obtained on exports of organic coffee and differentiated coffees from calendar years 2005 to 2013. He noted that the ICO intends to increase its coverage of the international trade of such coffees, but that the statistical software needed to be upgraded first. The Committee took note of this document.

Item 7: Monitoring the inventories and stocks of green coffee

8. The Head of Operations introduced document [SC-35/14](#) containing information on inventories and stocks of green coffee in importing countries from calendar years 2005 to 2013. The Committee took note of this information.

Item 8: Technical assistance

9. The Committee was informed that the ICO had offered several technical workshops in the past in exporting countries in order to assist with statistical compliance. The most recent such workshop had been held in Vietnam, and the Organization was keen to organize more in the future, particularly in new Member countries, to ensure the provision of accurate statistics.

Item 9: Other business

10. The Head of Operations reported on the work conducted in the last few months of an informal round table of statistical experts, discussing the provision and accuracy of ICO statistical data. He referred to the report of the meeting of the Statistics Committee on 7 March 2012, that "Members have requested that, in order to enhance market transparency, the Organization should consult statistical experts to comment on official estimates that may present large discrepancies from those provided by other sources. The importance of consulting a balance of opinions on both sides of the market (consumers and producers) was emphasised. When specific issues are to be discussed by the Committee, experts could be invited to attend these discussions. It was requested that the Organization should take caution when publishing official estimates that differ significantly from other

sources". To that end, the ICO had engaged with experts, who had previously worked with the International Cocoa Organization (ICCO), to discuss an alignment and revision of historical statistical data, with the aim of making ICO statistics the benchmark for historical coffee data. The Committee received two presentations from members of this informal statistical round table on their findings.

11. Mr Steve Wateridge, from Tropical Research Services (TRS), discussed the difference in price volatility between the cocoa and coffee markets. With the exception of 2011, when civil war disrupted production in Côte d'Ivoire, the norm was for the coffee market to be significantly more volatile than cocoa. This was attributed to the difference in the way the two markets were analysed. He reported that twenty years ago the International Cocoa Organization had instigated a process of reviewing their statistical data, which had been very successful, with these meetings now attended by the entire cocoa trade. ICCO statistics were now the benchmark for the international cocoa market. It was hoped that this process could be replicated at the ICO.

12. Mr Euan Mann, of Complete Commodity Solutions (CCS), then reported on the specific differences in data and methodology between the ICO and the statistical experts. Focusing on consumption data, it was reported that the ICO figures for North America were very much aligned with the experts' data, with minor discrepancies. However, in the EU, much more substantial differences were observed. As a result of differences in the methodologies, ICO consumption data were a cumulative 10 million bags lower than the experts' data over the last five years. He emphasized that these numbers were complicated, and could be difficult to interpret. It was hoped that through collaboration market transparency could be increased and volatility reduced.

13. The Committee took note of these presentations, and broadly endorsed the work of the statistics round table. It was emphasized that the group was open to any participant; the only conditions being that numbers are kept confidential within the meeting and any participant must be prepared to share their own data. The Committee also reiterated that it is an obligation of Members to provide timely and accurate data to the Secretariat, in the interest of increasing market transparency. As a result of these discussions, it was agreed that the ICO will adjust the way it assesses consumption, and that the work of the statistics round table will be formalized going forward.

Item 10: Future meetings

14. The next meeting of the Statistics Committee will take in place in London during the 113th Council Session in September 2014.