

SC 63/16

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Statistics Committee 10th Meeting 9 March 2016 Addis Ababa, Ethiopia Gradings results for Arabica and Robusta coffees Calendar years 2005 to 2015

Background

1. The promotion of quality as a means to enhance sustainability of the coffee economy by increasing consumption, by adding value and providing consumer satisfaction is a primary objective of the Coffee Quality-Improvement Programme – CQP – (see document ICC-90-9).

2. In order to provide additional information on the quality of coffee exports, the Organization monitors the results of gradings on futures exchanges. This document shows these results based on the information extracted from the websites of the Intercontinental Exchange (ICE) for Arabica and Robusta coffees in calendar years 2005 to 2015.

3. The previous report on the gradings results for Arabica and Robusta coffees in the New York and London futures markets is contained in document <u>SC-57/15</u>.

Action

The Statistics Committee is requested to take note of this report.

GRADINGS RESULTS FOR ARABICA AND ROBUSTA COFFEES CALENDAR YEARS 2005 TO 2015

1. The gradings results for Arabica and Robusta coffees on the Intercontinental Exchange (ICE) are systematically monitored by the Organization through the results posted on the website. This report gives the results of these gradings analyses for the last eleven calendar years since the CQP was established back in June 2004.

Gradings results for Arabica coffee

2. Reports on the Coffee 'C' contract gradings analysis are regularly posted on the ICE Futures US website showing the monthly summary and year-to-date data on the pass/fail results by origin. The analysis also shows the percentage pass in the original gradings, in addition to the overall pass on grade, cup and colour quality achieved. Table 1 shows a summary of the results for each category in calendar years 2005 to 2015.

Table 1: ICE analysis resultsCalendar years 2005 to 2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
% pass in original	82.46%	79.72%	82.07%	84.05%	87.31%	85.18%	70.04%	78.83%	81.16%	77.40%	77.85%
gradings	02.40%	/9./2%	82.07%	64.05%	07.51%	05.10%	70.04%	/0.05%	81.10%	77.40%	11.05%
Grade	92.82%	92.01%	92.48%	92.05%	91.38%	92.18%	79.23%	88.78%	92.64%	92.17%	91.21%
Cup	73.78%	72.10%	74.80%	78.50%	82.38%	85.68%	78.87%	77.53%	79.09%	76.93%	76.77%
Colour	98.15%	96.68%	96.73%	97.70%	95.76%	86.31%	89.75%	91.52%	91.89%	88.67%	90.70%

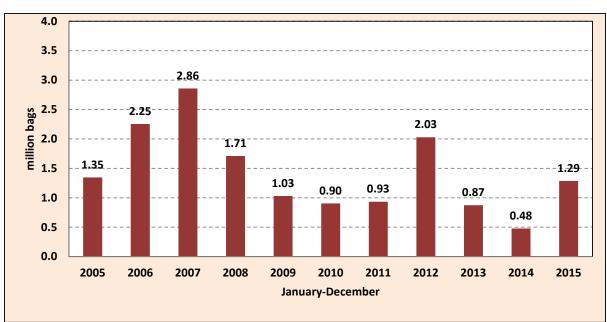
3. The period-average rates achieved in the analysis by category can be summarised as follows:

Table 2: ICE analysis – average	% pass in	original gradings
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	2005-2015 average	
Overall pass in original gradings	80.6%	
Grade	90.6%	
Сир	77.9%	
Colour	93.1%	



4. Graph 2 shows the volume graded by ICE during calendar years 2005 to 2015. It should be noted that a record volume of 2.86 million bags were graded in 2007 whereas the lowest volume graded in the period took place in 2014.



Graph 2: ICE gradings by volume (60-Kg bags) Calendar years 2005 to 2015

Graph 1: ICE analysis results Calendar years 2005 to 2015

Gradings results for Robusta coffee

5. Table 3 shows the volume of coffee graded by ICE Futures Europe during the eleven calendar years (2005 to 2015) since the introduction of the CQP in June 2004.

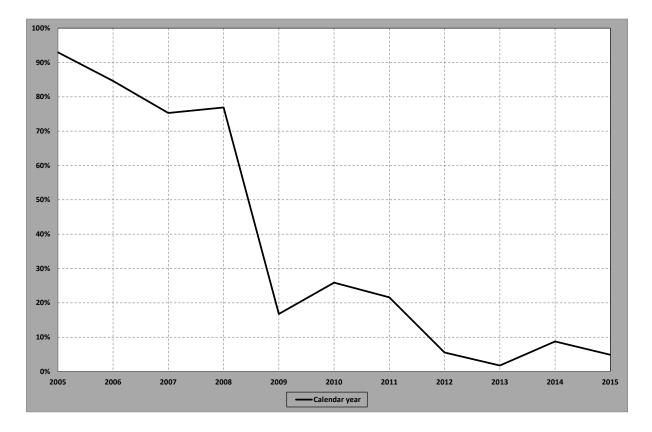
	January-December					
	total graded	below CQP	% out CQP			
2005	2 002 083	1 860 833	92.9%			
2006	1 916 417	1 621 500	84.6%			
2007	2 287 167	1 721 833	75.3%			
2008	2 643 000	2 032 250	76.9%			
2009	3 667 167	614 333	16.8%			
2010	776 500	201 000	25.9%			
2011	4 129 333	893 000	21.6%			
2012	722 167	40 000	5.5%			
2013	807 500	14 333	1.8%			
2014	2 113 833	185 500	8.8%			
2015	1 690 500	82 667	4.9%			
Total	22 755 666	9 267 250	40.7%			
Average	2 068 697	842 477	40.7%			

Table 3: ICE Futures Europe analysis results – volume in 60-Kg bagsCalendar years 2005 to 2015

6. The volume deemed to be below the CQP standards graded from 2005 to 2015 amounts to 9.27 million bags, equivalent to 40.7% of the total volume graded.

7. Graph 3 shows the percentage gradings deemed to fall outside the CQP standards in calendar years 2005 to 2015. It should be noted that the volume deemed to be below the Resolution standards since 2012 has stabilised to levels below 10% which appears to indicate an improvement in the quality of the Robusta coffee graded.

8. In 2009 the premium grade 'P' for coffee that exceeds the usual classification standards from grades '0' to '4' was introduced. Some 550,167 bags have been awarded this premium grade since the introduction of this classification. In 2013 no coffee was classified as 'premium grade'.



Graph 3: ICE Futures Europe gradings Percentage graded deemed to be below the CQP

9. The Organization will continue to monitor the gradings results for Arabica and Robusta coffee as posted on the ICE website.