

SC 65/16

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Report of the Statistics Committee on the meeting held on 9 March 2016

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1. The Statistics Committee held its tenth meeting on 9 March 2016 in Addis Ababa, Ethiopia.

Item 1: Adoption of the Agenda

2. The Committee adopted the draft Agenda contained in document <u>SC-61/15 Rev. 1</u>.

Item 2: Election of the Chairman and Vice-Chairman for 2015/16

3. The Committee appointed Mr Piotr Krawczyk of EU-Poland as Chairman.

Item 3: Report on the meeting of 29 September 2015

4. The Committee approved the report of the ninth meeting held in September 2015, contained in document $\frac{SC-60/15}{1}$.

Item 4: Compliance with Statistical Rules

- 5. The Head of Operations introduced document <u>SC-62/15</u> containing information on the status of compliance with Statistical Rules. At the previous meeting of the Statistics Committee in September 2015, the Secretariat had presented an additional table (Annex 10A) which included data received in compliance with Statistical Rules outside the dates stipulated in the Rules, which showed that the late receipt of date from exporting Members significantly enhanced the overall percentage of data received by more than 10% of the average of total exports over the previous four calendar years. Since document <u>SC-62/15</u> had been issued, data had been received outside the dates stipulated in the Rules, and this latest situation as of Tuesday 3 March 2016 was presented to the Committee.
- 6. Of the 42 exporting Members in the current membership of the Agreement, only 4 (representing 41.3% of total exports) generally complied fully, while 9 (15.6%) had good compliance, and 5 countries (1.5%) had partial compliance. Seventeen exporting Members (28.1%) entirely failed to comply with their statistical obligations, while another seven Members had poor compliance.
- 7. Annex 10A included data received outside the dates stipulated in the Rules, which showed that 8 exporting Members complied fully, while another 15 had good compliance. Five countries had partial compliance while 14 were either non-compliant or had poor compliance. When including data received late and outside the dates stipulated in the Rules, 91% of Members were categorised as being in almost full compliance or as good compliance.

- 8. Since the last Statistics Committee, the Secretariat was pleased to report that usable statistical data had been received from Côte d'Ivoire, Ghana, Indonesia, Uganda and Vietnam, although none of these countries could yet be classified as fully compliant.
- 9. Regarding the compliance of importing Members, Annex 11 showed full compliance by 34 importing Members representing 99.6% of average annual imports by all importing Members in the four coffee years 2011/12 to 2014/15. Tunisia had provided annual data on their coffee trade up to calendar year 2014 and for the period January to November 2015.
- 10. Members who encountered difficulties in implementing the Rules on Statistics in their countries were invited to contact the Executive Director with a view to seeking a solution on how timely reports and data can be prepared in accordance with the requirements specified. The Secretariat was also prepared to implement workshops to assist Members in the preparation of monthly and quarterly reports.

Item 5: Statistics Roundtable

11. The Head of Operations stated that before reconvening the Statistics Roundtable, the Secretariat intended to conduct further consultations with Members in order to establish the best course of action to improve ICO statistics. It was emphasised by the Committee that statistics are one of the most important services that the ICO offers to the market, and that this initiative was fully supported.

Item 6: Conversion factors for roasted, decaffeinated, liquid and soluble coffee

- 12. At the March 2015 meeting of the Statistics Committee, Members had requested the Secretariat to contact soluble coffee manufacturers regarding conversion factors. The Secretariat had therefore sent a letter to Members of the PSCB on this matter. Reponses were received from the European Coffee Federation (ECF) and from ABICS (the Brazilian Soluble Coffee Association); the ECF requested the conversion factor for soluble coffee be maintained at 2.6, while ABICS expressed a preference for 2.5. On 17 February 2016, the Secretariat subsequently wrote to Members of the Statistics Committee and the PSCB again asking for recommendations; a reply had been received from the All Japan Coffee Association (AJCA) also recommending maintaining the current conversion factor of 2.6.
- 13. Following a question from the floor, the Head of Operations elaborated on the reasoning behind using conversion factors in order to allow for a comparison of all forms of coffee in the same unit. The Committee subsequently agreed to recommend to the Council that the conversion factors for coffee be maintained at their current levels for another three years.

Item 7: Implementation of the Coffee Quality-Improvement Programme (CQP)

- 14. The Head of Operations introduced documents <u>SC-63/16</u> and <u>SC-64/16</u> containing a report on Gradings for Arabica and Robusta coffee, and the implementation of the CQP, respectively. For Arabica coffee, 77.9% of gradings had achieved a 'pass' in 2015 compared to 77.4% in 2014. For Robusta, 4.9% of coffee graded in 2015 was below CQP standards, down from 8.8% in 2014.
- 15. Regarding the implementation of the CQP, since Resolution 420 came into effect, 32 exporting countries had provided full or partial information on the quality of their coffee through Certificates of Origin. Under the current and expanded membership of the ICA 2007, 29 out of 42 exporting Members either fully or partially implemented the Resolution, and 23 out of 42 generally provided information on quality since June 2004.
- 16. The current total volume of green coffee exported in calendar year 2015 by the 18 exporting countries providing information on quality amounted to 61.7 million bags (59.6% of the total volume of exports). By including data from Certificates received late, the result represented a significant improvement on the figure of 49.1% reported in document SC-64/16. However, the revised figure for calendar year 2015 still highlighted a further fall of 5.5% in participation in the CQP compared to 2014, as exporting Members that had previously voluntarily provided information on quality ceased providing data during 2015.

Item 8: Other business

17. The Chairman noted that the Secretariat had managed to double its income from the sale of information and statistical services, and this effort was commended.

Item 9: Date of next meeting

18. The Committee noted that the next meeting of the Statistics Committee would take place during the 117th Session of the Council to be held in London in September 2016.