INTERNATIONAL COFFEE ORGANIZATION

ICC 105-17 Add. 3

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Rules on Statistics
Indicator prices

Share of markets and their weightings in the calculation of group and composite prices from 1 October 2017

Background

1.   The Rules on Statistics – Indicator Prices – of the International Coffee Organization contained in document ICC-105-17 were formally approved by the International Coffee Council at its 106th Session in March 2011. These Rules came into effect on 1 March 2011 after the entry into force of the International Coffee Agreement 2007 on 2 February 2011. The market shares and group weightings were subsequently revised in document ICC-105-17 Add. 1, with effect from 1 October 2013 and again in document ICC-105-17 Add. 2, with effect from 1 October 2015.

2.   In accordance with the established Procedures, the Statistics Committee has analysed the pattern of trade in the period 2013 to 2016 and concluded that the calculation of prices should be revised in order to reflect the reality of the markets. At its 119th Session on 16 March 2017 the Council approved revised shares of the markets in each group of coffee and their weightings for the calculation of group and composite indicator prices as from **1 October 2017**.

3.   It should be noted that all other terms and conditions set out in document ICC-105-17 – Rules on Statistics – Indicator Prices, which also contains the procedures for the collection, transmission, calculation and publication of group and composite prices, remain unchanged.

4.   The attached Annex containing details of the new methodology replaces Annex I of document ICC-105-17 Add. 2, with effect from **1 October 2017**.

SHARE OF THE MARKETS IN EACH GROUP OF COFFEE
AND THEIR WEIGHTING IN THE CALCULATION
OF THE ICO COMPOSITE INDICATOR PRICE
FROM 1 OCTOBER 2017

The procedures set out in these Rules take into account the following principles:

(a)   the agents in the three main markets (France, Germany and the USA) and their respective costs for collection and transmission are unchanged;

(b)   the share in each group is based on the average export performance to the USA and to the European Union in calendar years 2013 to 2016; and

(c)   the weighting of each group is to be reviewed every two years.

The share of each market in the four groups is as follows:

	EU	USA
• Colombian Milds:	45%	55%
• Other Milds:	56%	44%
• Brazilian Naturals:	74%	26%
• Robustas:	82%	18%

The calculation of the ICO composite indicator price is weighted as follows:

• Colombian Milds:	11%
• Other Milds:	20%
• Brazilian Naturals:	31%
• Robustas:	38%