



Statistics Committee
17th Meeting
25 September 2019
London, United Kingdom

**Results of the survey on conversion factors
for roasted, decaffeinated, liquid and soluble
coffee**

Background

1. In accordance with the provisions of Article 2 of the International Coffee Agreement 2007, the Council shall, as soon as possible after the Agreement enters into force, and again at intervals of three years after such date, review the conversion factors for the types of coffee listed in sub-paragraphs (d), (e), (f) and (g) of the Article. The last such review took place in March 2016, in consultation with the Private Sector Consultative Board (PSCB), as described in document [SC-91/19](#).
2. The conversion factors refer to a range of ratios that are used to convert coffee data collected by the Secretariat of the International Coffee Organization (ICO) to green bean equivalent. The use of appropriate conversion factors allows for harmonization of non-standardized data and for useful comparisons of trade volumes of coffee across countries.
3. At the request of the Statistics Committee at its 16th meeting in March 2019, the Secretariat developed and distributed a survey, document [ED-2306/19](#), to collect feedback on existing conversion factors. The results of the survey indicate that the conversion factors currently in use should remain in place. This document provides the details of the survey and its results.

Action

This document will be reviewed by the Statistics Committee before being passed, with its recommendation, to the International Coffee Council.

RESULTS OF THE SURVEY ON CONVERSION FACTORS FOR ROASTED, DECAFFEINATED, LIQUID AND SOLUBLE COFFEE

Introduction

The current values of the conversion factors used by the ICO for roasted, liquid and soluble coffee date back to the International Coffee Agreement 1983, while the conversion factor for decaffeinated coffee was last revised following a proposal at the March 2009 meeting of the Statistics Committee. Subsequent reviews by the International Coffee Council found the conversion factors to be consistent with the observations of the coffee sector.

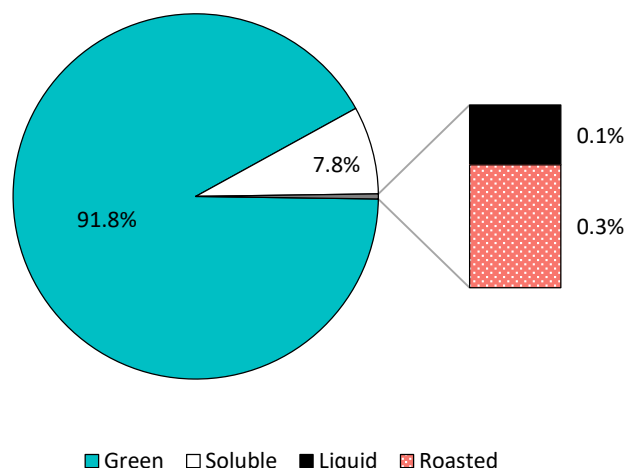
The following table lists the conversion factors currently used by the Secretariat to convert different forms of coffee to green bean equivalent.

<i>Roasted coffee</i> , meaning green coffee roasted to any degree and including ground coffee	multiply the net weight of roasted coffee by 1.19
<i>Decaffeinated coffee</i> meaning green, roasted or soluble coffee from which caffeine has been extracted	multiply the net weight of the green decaffeinated coffee by 1.05
<i>Liquid coffee</i> meaning the water-soluble solids derived from roasted coffee and put into liquid form (such as ready-to-drink coffees)	multiply the net weight of the dried coffee solids contained in the liquid coffee by 2.6
<i>Soluble coffee</i> meaning the dried water-soluble solids derived from roasted coffee	multiply the net weight of the soluble coffee by 2.6

Typically, there is some regional variation in the appropriate conversion factors to be used across different forms of coffee. If there is a difference in the rates, Members can notify the Secretariat so that by country-specific conversion factor can be applied by the Organization's statistical database.

Under current trends in the global trade of coffee, a change in conversion factors would affect under 10% of the total volume of exports (Figure 1) as the majority of coffee is still exported as green coffee. In the ten-year period between 2009 and 2018, exports of green coffee accounted for nearly 92% of total coffee exports, soluble for almost 8%, while liquid and roasted coffee jointly contributed to under 0.5%. For the same period, exports of decaffeinated coffee across all forms of coffee were approximately 0.3% of total coffee exports.

Figure 1: Share of each form of coffee in 10-year average of exports



Survey methodology

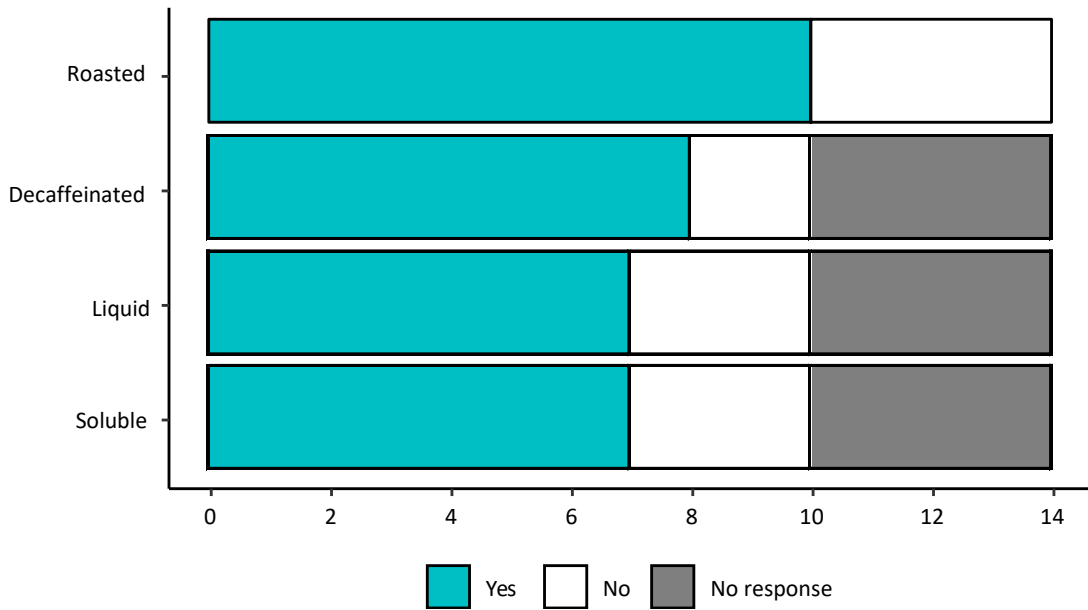
An online survey was launched on 25 June 2019 requesting participation from members of the PSCB, private sector coffee industry representatives and Members as well as third parties that could provide expert opinions. In addition, the survey was made available as a document on the ICO's website and social media. It was accessible to Members and third parties in the four official languages of the ICO. The survey was closed on 23 August 2019 and the Secretariat received 14 valid responses. Responses came from 12 countries, namely Belgium, Brazil, Burundi, China, Costa Rica, El Salvador, Germany, India, Japan, Nicaragua, Norway and the United Kingdom. Of the responses, four were from Members' representatives, seven were from coffee industry associations and three were from private sector companies.

The conversion factors requested in the survey relate to two areas: (1) the form of coffee, i.e. decaffeinated, roasted, liquid or soluble; and (2) the net weight of dried coffee solids in coffee preparations, including ready-to-drink and 3-in-1 coffee preparations.

Summary of responses

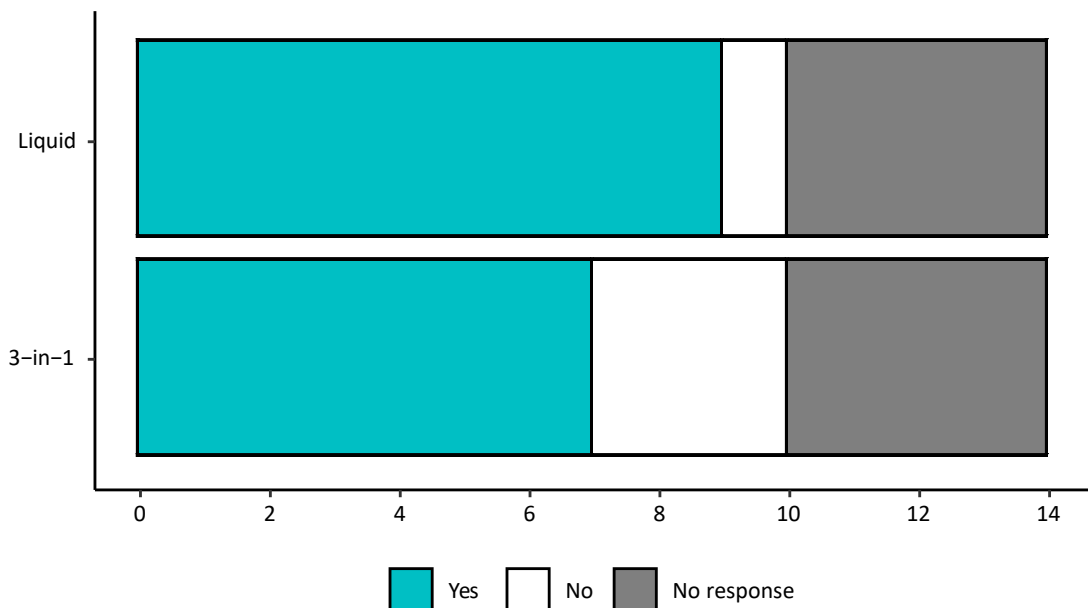
Figure 2 summarizes the recommendations made by the survey participants on the factors used to convert different forms of coffee to their green bean equivalent. For all forms of coffee and excluding non-responses, a majority of the responses recommended keeping the conversion factors for roasted (71%), decaffeinated (80%), liquid (70%) and soluble coffee (70%) at their current levels.

Figure 2: Should the Secretariat keep the conversion factors at their current levels?



The replies for factors used to calculate the net weight of dried coffee solids in preparations were similar (Figure 3), with 90% of the responses recommending no change in the factor currently in use for liquid preparations, and 70% recommending no change in the factor for soluble preparations (such as 3-in-1s).

Figure 3: Should the Secretariat keep the factors used to calculate weight of dried coffee solids at their current levels?



Responses where changes were recommended did not vary significantly from the current rates. In fact, the average across all responses was the same as the current rates with regards to liquid, soluble, and roasted as well as the dried net weight for liquids. For decaffeinated coffee, the only differences were cases where the respondents do not apply any conversion rate. The largest variation occurs among replies for the dried weight of coffee in 3-in-1 preparations. There was one outlier that was much higher than the rest of the responses, but this is a case where, if appropriate, the Secretariat could apply a conversion rate specific to that region.

In summary, the responses to the ICO's survey noted:

- The majority of respondents recommend continuing to apply the conversion factors currently used by the Secretariat for the different forms of coffee.
- There was no clear consensus for alternative conversion factors that could be applied from the respondents who recommended changes.

Given the consensus from the survey responses, the Secretariat proposes not to change the conversion factors it uses to convert roasted, liquid and soluble coffee into their green bean equivalent.