



**Information requested from Members
by 1 June 2010:**

- **Costs of production 2000/01 to 2009/10**
- **Employment generated by the coffee sector**
- **MRLs for pesticides**
- **Mixtures and substitutes**
- **Obstacles to consumption**

The Executive Director presents his compliments and, as discussed during the 104th Session of the Council, wishes to request Members to provide information on the following issues. It would be appreciated if this information could be received **no later than 1 June 2010** so that studies and reports on these subjects can be prepared for consideration by the Council at its 105th Session from 20 to 24 September 2010.

- **Costs of production 2000/01 – 2009/10:** Exporting Members are requested to send estimates for the costs of production in their countries in each coffee year from 2000/01 to 2009/10, taking into account relevant factors including labour, fertilizers, post-harvest processing etc. It would also be appreciated if Members could send details of the methodology and variables used to calculate these costs.
- **Employment generated by the coffee sector:** All Members are requested to send the Executive Director data on employment generated by the coffee sector in their countries which should cover all relevant stages of the coffee value chain including cultivation, processing, marketing, logistics, trade and industrialization. If available, data on distribution of employment by gender would also be appreciated.
- **Maximum Residue Levels (MRLs) for pesticides:** Members are also requested to send the Executive Director:
 - details of MRLs for pesticides used in the coffee production process; and
 - details of the methodology used for calculating MRLs for pesticides, together with copies of studies and other relevant data, to enable other Members to review their tolerances for pesticides.

- **Mixtures and substitutes:** To assist the Executive Director in preparing a report on compliance with Article 36 of the 2001 Agreement (Mixtures and substitutes), all Members are requested to inform him of:
 - measures taken to prohibit the sale and advertisement of products under the name of coffee if such products contain less than the equivalent of 95% green coffee as the basic raw material; and
 - any difficulties encountered in enforcing such measures, together with the reasons for such difficulties and proposed ways of overcoming them.

- **Obstacles to consumption:** Article 33 of the 2001 Agreement provides that Members should recognize the utmost importance of achieving the greatest possible increase of coffee consumption as rapidly as possible, in particular through the progressive removal of any obstacles which may hinder such increase. Document ICC-103-5 Rev. 1 (see Annex II) was circulated in September 2009 containing the latest information available to the Organization on taxes and duties, laws and regulations applied to coffee exports and imports by Member countries. According to the Rules on Statistics (contained in document EB-3830/02) Members are required to keep the Organization up to date when revisions on this matter take place in their countries. All Members are requested to examine the information presented in this document with a view to updating their specific situation. Exporting Members, in particular, are requested to provide information on the Value Added Tax (VAT) and other consumption taxes applied on coffee in their countries.

Annexes:

Annex I: Article 36 (Mixtures and substitutes)

Annex II: Document ICC-103-5 Rev. 1 (Obstacles to consumption)

INTERNATIONAL COFFEE AGREEMENT 2001

ARTICLE 36

Mixtures and substitutes

- (1) Members shall not maintain any regulations requiring the mixing, processing or using of other products with coffee for commercial resale as coffee. Members shall endeavour to prohibit the sale and advertisement of products under the name of coffee if such products contain less than the equivalent of 95 percent green coffee as the basic raw material.
- (2) The Council may request any Member to take the steps necessary to ensure observance of the provisions of this Article.
- (3) The Executive Director shall submit to the Council a periodic report on compliance with the provisions of this Article.



INTERNATIONAL COFFEE ORGANIZATION
 ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
 ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
 ORGANISATION INTERNATIONALE DU CAFÉ

ICC 103-5 Rev. 1

30 September 2009

Original: English

E

Agreement

International Coffee Council
 103rd Session
 23 – 25 September 2009
 London, England

Obstacles to consumption

Background

1. In accordance with Article 33 of the International Coffee Agreement 2001 (attached as Annex I) Members should recognize the utmost importance of achieving the greatest possible increase of coffee consumption as rapidly as possible, in particular through the progressive removal of any obstacles which may hinder such increase.
2. This document contains the latest information received to enable the Council to assess compliance by Member countries with the provisions of Article 33.
3. Annex II contains information on taxes and duties, laws and regulations applied to coffee exports and imports by Member countries, as well as information on VAT in importing Members and in selected non-member countries where information is available. According to the Rules on Statistics (contained in document EB-3830/02) Members are required to keep the Organization up to date when revisions on this matter take place in their countries.
4. It should be noted that EU member states charge a Common Customs Tariff (CCT) applied on all goods imported from outside their borders. However, each EU member may apply excise duty and VAT at different levels. Detailed information on the CCT applied by EU members can be obtained from www.europa.eu.int.
5. Reports containing updated information received from Members on these issues are circulated to the Council regularly. All Members are requested to inform the Executive Director of any measures adopted in their countries in connection with the provisions of Article 33, and of any changes to current levels of taxes and duties on coffee exports and/or imports.

Action

The Council is requested to consider this report.

INTERNATIONAL COFFEE AGREEMENT 2001

ARTICLE 33

Removal of obstacles to consumption

- (1) Members recognize the utmost importance of achieving the greatest possible increase of coffee consumption as rapidly as possible, in particular through the progressive removal of any obstacles which may hinder such increase.
- (2) Members recognize that there are at present in effect measures which may to a greater or lesser extent hinder the increase in consumption of coffee, in particular:
 - (a) import arrangements applicable to coffee, including preferential and other tariffs, quotas, operations of government monopolies and official purchasing agencies, and other administrative rules and commercial practices;
 - (b) export arrangements as regards direct or indirect subsidies and other administrative rules and commercial practices; and
 - (c) internal trade conditions and domestic and regional legal and administrative provisions which may affect consumption.
- (3) Having regard to the objectives stated above and to the provisions of paragraph (4) of this Article, Members shall endeavour to pursue tariff reductions on coffee or to take other action to remove obstacles to increased consumption.
- (4) Taking into account their mutual interest, Members undertake to seek ways and means by which the obstacles to increased trade and consumption referred to in paragraph (2) of this Article may be progressively reduced and eventually, wherever possible, eliminated, or by which the effects of such obstacles may be substantially diminished.
- (5) Taking into account any commitments undertaken under the provisions of paragraph (4) of this Article, Members shall inform the Council annually of all measures adopted with a view to implementing the provisions of this Article.
- (6) The Executive Director shall prepare periodically a survey of the obstacles to consumption to be reviewed by the Council.
- (7) The Council may, in order to further the purposes of this Article, make recommendations to Members which shall report as soon as possible to the Council on the measures adopted with a view to implementing such recommendations.

| Exporting countries | | | | | | |
|----------------------|----------------------------|---------|---------|--|-----------------------------------|--|
| | Taxes on exports of coffee | | | Taxes on imports of coffee | | |
| | Green | Roasted | Soluble | Green | Roasted | Soluble |
| Angola | 3% on FOB value | | | 30% | 30% | 30% |
| Benin | | | | 20% | 20% | 20% |
| Bolivia | | | | 10% | 10% | 10% |
| Brazil | no export taxes | | | 10% | 10% | 16% |
| Burundi | | | | | | |
| Cameroon | | | | 30% | 30% | 30% |
| Central African Rep. | | | | | | |
| Colombia | | | | 10% | 15% | 20% |
| Congo, Dem. Rep. of | | | | | | |
| Congo, Rep. of | | | | 10% | 30% | 30% |
| Costa Rica | | | | 9% | 14% | 14% |
| Côte d'Ivoire | | | | | | |
| Cuba | no export taxes | | | | | |
| Dominican Republic | no export taxes | | | no coffee imports (15-30% CIF+12% VAT) | | |
| Ecuador | 2% on FOB value | | 0% | 10% | 15%-20% | 20% |
| El Salvador | no export taxes | | | 10-15% | 15% | 15% |
| Equatorial Guinea | | | | | | |
| Ethiopia | | | | | | |
| Gabon | | | | | | |
| Ghana | | | | | | |
| Guatemala | | | | 10% | 15% | 15% |
| Guinea | | | | 20% | 20% | 20% |
| Haiti | | | | | | |
| Honduras | | | | 10% | 15% | 15% |
| India | | | | 100% | 100% | 30% |
| Indonesia | | | | 5% | 5% | 5% |
| Jamaica | no export taxes | | | 0% | 40% | - |
| Kenya | | | | 25% | 25% | 25% |
| Madagascar | | | | 25% | 25% | 25% |
| Malawi | no export taxes | | | 10% | 25% | 30% |
| Mexico | no export taxes | | | 23% | 72% | 72% |
| Nicaragua | no export taxes | | | 5%; 15% on decaf (10% if imported from Mexico) | 15% (10% if imported from Mexico) | 15% (non-Central America); 10% from Mexico; 0% Dom Rep |
| Nigeria | | | | | | |
| Panama | | | | 30% | 54% | 54% |
| Papua New Guinea | no export taxes | | | 30% | 30% | 30% |
| Paraguay | | | | 10% | 10% | 10% |
| Philippines | 40% | | | 30% | 35% | 40% |
| Rwanda | | | | | | |
| Uruguay | | | | 11.50% | 11.50% | 11.50% |
| Tanzania | no export taxes | | | no import taxes | | |
| Thailand | | | | 30% in quota; 90% out quota | | 40% in quota; 49% out quota |
| Togo | | | | 20% | 20% | 20% |
| Uganda | | | | 25% | 25% | 25% |
| Venezuela | | | | | | |
| Vietnam | no export taxes | | | 20% | 50% | 50% |
| Zambia | | | | 25% | 25% | 25% |
| Zimbabwe | | | | 40% | 40% | 40% |

A blank denotes that the information is not available

| Importing countries | | | | | | |
|---------------------|--|--|--|--|--|---|
| | Import duty | | | | | |
| | 090111000 - Green coffee not decaffeinated | 090112000- Green coffee decaffeinated | 090121000-Roasted coffee not decaffeinated | 090122000- Roasted coffee decaffeinated | 090190100 - Coffee husks and skins | 090190200 2- Coffee substitutes containing coffee |
| EU members | MFN GATT bound 0%; MFN statutory 0% | MFN GATT bound 8.3%; MFN statutory 8.3% | MFN GATT bound 7.5%; MFN statutory 7.5% | MFN GATT bound 9%; MFN statutory 9% | MFN GATT bound 0%; MFN statutory 0% | MFN GATT bound 11.5%; MFN statutory 11.5% |
| Austria | EU legislation applies | | | | | |
| Belgium | | | | | | |
| Bulgaria | | | | | | |
| Cyprus | | | | | | |
| Czech Republic | | | | | | |
| Denmark | | | | | | |
| Estonia | | | | | | |
| Finland | | | | | | |
| France | | | | | | |
| Germany | | | | | | |
| Greece | | | | | | |
| Hungary | | | | | | |
| Ireland | | | | | | |
| Italy | | | | | | |
| Latvia | | | | | | |
| Lithuania | | | | | | |
| Luxembourg | | | | | | |
| Malta | | | | | | |
| Netherlands | | | | | | |
| Poland | | | | | | |
| Portugal | | | | | | |
| Romania | | | | | | |
| Slovakia | | | | | | |
| Slovenia | | | | | | |
| Spain | | | | | | |
| Sweden | | | | | | |
| United Kingdom | | | | | | |

| Importing countries | | | | | | |
|-----------------------|---|---|--|--|---|---|
| | Import duty | | | | | |
| | 090111000 - Green coffee not decaffeinated | 090112000- Green coffee decaffeinated | 090121000-Roasted coffee not decaffeinated | 090122000- Roasted coffee decaffeinated | 090190100 - Coffee husks and skins | 090190200 2- Coffee substitutes containing coffee |
| Japan | 0% | 0% | MFN GATT bound 12% - MFN Statutory 12% - GSP 10% - LDC 0% - General 20% | MFN GATT bound 12% - MFN Statutory 12% - GSP 10% - LDC 0% - General 20% | 0% | MFN GATT bound 12% - MFN Statutory 12% - GSP 10% - LDC 0% - General 20% |
| Norway | 0% | 0% | MFN GATT bound 999.9% & specific duty=0.43 Kr per kg MFN Statutory 0% | MFN GATT bound 999.9% & specific duty=0.43 Kr per kg MFN Statutory 0% | MFN GATT bound 999.9% & specific duty=0.15 Kr per kg MFN Statutory 0% | MFN GATT bound 999.9% & specific duty=0.15 Kr per kg MFN Statutory 0% |
| Switzerland | 0% | 0% | MFN Statutory 999.9% & specific duty=63.00Fr per 100 kg ; GSP999.9%&46.75Fr per 100 kg; LDC 0% | MFN Statutory 999.9% & specific duty=63.00Fr per 100 kg ; GSP999.9%&46.75Fr per 100 kg; LDC 0% | MFN Statutory 999.9% & specific duty=100Fr per 100 kg; LDC 0% | 0 |
| USA | 0 | 0 | 0 | 0 | MFN statutory 0% - General 10% | 0 |
| Importing non-members | | | | | | |
| Australia | 0 | 0 | 0 | 0 | 0 | 0 |
| Canada | 0 | 0 | 0 | 0 | 0 | 0 |
| China | MFN GATT bound 8%;MFN Statutory 8%; General 50% | MFN GATT bound 8%;MFN Statutory 8%; General 50% | MFN GATT bound 15%;MFN Statutory 15%; General 80% | MFN GATT bound 15%;MFN Statutory 15%; General 80% | MFN GATT bound 10%;MFN Statutory 10%; General 30% | MFN GATT bound 30%;MFN Statutory 30%; General 80% |
| Turkey | MFN statutory 13%; Free-trade area 11%; other 0% | MFN statutory 13%; Free-trade area 11%; other 0% | MFN statutory 13%; Free-trade area 11%; other 0% | MFN statutory 13%; Free-trade area 11%; other 0% | MFN statutory 13%; Free-trade area 11%; other 0% | MFN statutory 13%; Free-trade area 11%; other 0% |
| Korea, Rep. of | MFN GATT bound 54%; MFN statutory 2%; Other pref.1.2%; LDC 0% | MFN GATT bound 54%; MFN statutory 2%; Other pref.1.2% | MFN GATT bound 29.5%; MFN statutory 8% | MFN GATT bound 29.5%; MFN statutory 8% | MFN GATT bound 54%; MFN statutory 3%; Other pref. 1.8% | MFN GATT bound 29.5; MFN statutory 8%; Other pref. 5% |
| Singapore | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% |
| Serbia | MFN statutory 3% | MFN statutory 3% | MFN statutory 15% | MFN statutory 15% | MFN statutory 15% | MFN statutory 15% |
| Georgia | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% | MFN statutory 0% |
| Croatia | MFN statutory 2% | MFN statutory 2% | MFN statutory 7%; Other 3.5% | MFN statutory 10%; Other 5% | MFN statutory 10% | MFN statutory 10% |

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| Importing countries | | | | | |
|-------------------------|----------------------|--------------|--------------------|----------------------------------|--|
| Tax/levy applied | VAT | | | | Excise duty |
| | Standard rate | Reduced rate | Super reduced rate | Roasted coffee non-decaffeinated | |
| EU member states | | | | | |
| Austria | 20% | 10% | None | 10% | |
| Belgium | 21% | 12% | 6% | 6% | Green: €0.1983/kg; Roasted: €0.2479/kg |
| Bulgaria | 20% | 7% | None | 20% | |
| Cyprus | 15% | 8% | 5% | 0% | |
| Czech Republic | 19% | 9% | None | 19% | |
| Denmark | 25% | None | None | 25% | DKK 6.54/kg |
| Estonia | 20% | 9% | None | 18% | |
| Finland | 23% | 17% | 8% | 17% | |
| France | 19.6% | 5.5% | 2.1% | 5.5% | |
| Germany | 19% | 7% | None | 7% | Roasted: €2.19/kg; Soluble: 4.78/kg |
| Greece | 19% | 9% | 5% | 9% | |
| Hungary | 25% | 5% | None | 20% | |
| Ireland | 21.5% | 13.5% | 4.8% | 0.0% | |
| Italy | 20% | 10% | 4% | 20% | |
| Latvia | 21% | 10% | None | 18% | LVL 50/100kg pure coffee |
| Lithuania | 19% | 0% | None | 18% | |
| Luxembourg | 15% | 12% | 6% | 3% | |
| Malta | 18% | 5% | None | 0% | |
| Netherlands | 19% | 6% | None | 6% | |
| Poland | 22% | 7% | 3% | 22% | |
| Portugal | 19% | 12% | 5% | 12% | |
| Romania | 19% | 9% | None | 19% | €675/ton |
| Slovakia | 19% | 10% | None | 19% | |
| Slovenia | 20% | 8.5% | None | 8.5% | |
| Spain | 16% | 7% | 4% | 7% | |
| Sweden | 25% | 12% | 6% | 12% | |
| United Kingdom | 15% | 5% | None | 0% | |
| | | | | | |
| Japan | 5% (consumption tax) | | | | |
| Norway | 23% | 14% | | | |
| Switzerland | 7.6% | 3.6% | | 2% | |
| USA | | | | | |
| | | | | | |
| Australia | | | | | |
| Canada | | | | | |
| China | 20% | | | | |
| Turkey | | | | | |
| Korea, Rep. of | | | | | |
| Singapore | | | | | |
| Serbia | | | | | |
| Georgia | | | | | |
| Croatia | | | | | Green: HRK 5; Roasted: HRK 12; Other: HRK 20 |

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