



INTERNATIONAL COFFEE ORGANIZATION
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**Gradings results for Arabica and
Robusta coffees
Calendar years 2005 to 2010 and
January to June 2011**

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 target 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 Inter-Continental Exchange (ICE) for Arabica coffee and on the NYSE Euronext (Liffe) exchange for Robusta in calendar years 2005 to 2010 and in the first six months of 2011 – January to June.
3. The previous progress report on the gradings results for Arabica and Robusta coffees in the New York and London futures markets is contained in document PM-3/11.

Action

The Promotion and Market Development Committee is requested to take note of this report.

**GRADINGS RESULTS FOR ARABICA AND ROBUSTA COFFEE
CALENDAR YEARS 2005 TO 2010 AND JANUARY TO JUNE 2011**

1. The Organization has systematically monitored progress in the gradings results posted on the ICE website for Arabica coffee and on the NYSE Euronext website for Robusta coffee. This report gives the results of these gradings analyses for the six complete calendar years since the CQP was established back in June 2004 and in the first six months of 2011.

Gradings results for Arabica coffee

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

**Table 1: ICE analysis results – percentage pass on original gradings
Calendar years 2005 to 2010 and January to June 2011**

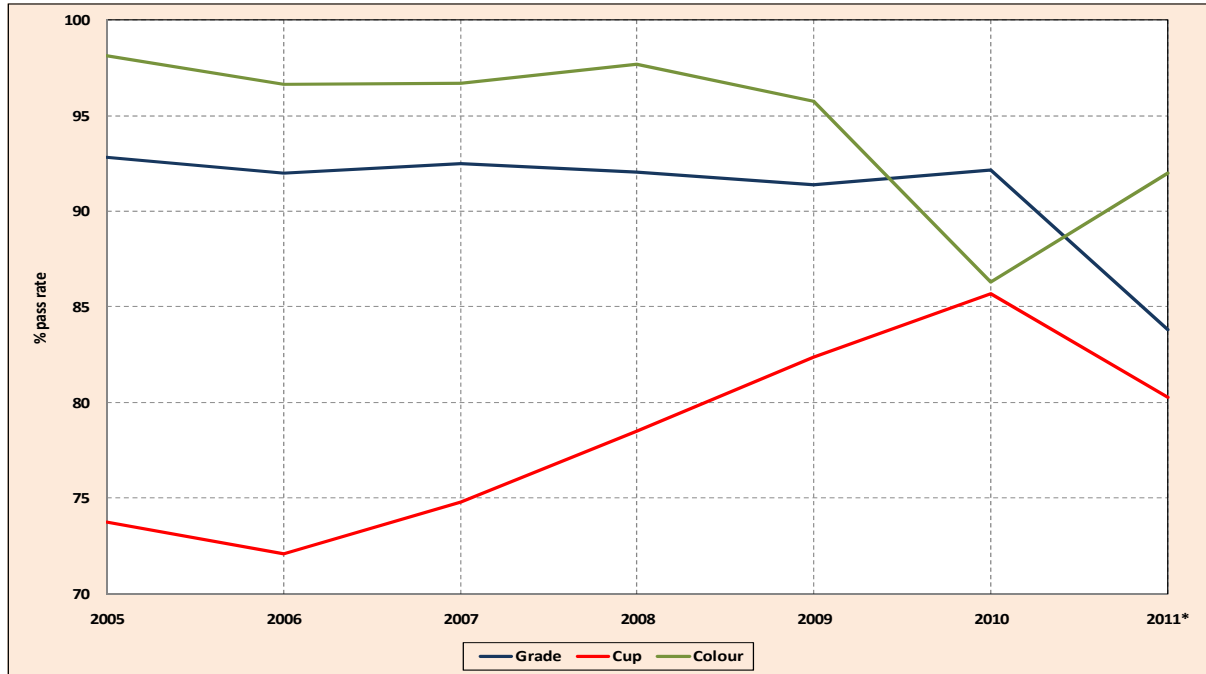
	Original pass rates (%)		
	Grade	Cup	Colour
2005	92.82	73.78	98.15
2006	92.01	72.10	96.68
2007	92.48	74.80	96.73
2008	92.05	78.50	97.70
2009	91.38	82.38	95.76
2010	92.18	85.68	86.31
2011*	83.83	80.27	92.01

* January to June

3. Graph 1 shows the percentage pass in the original gradings for colour, grade and cup analysis in the period covered by this report. The results on grade and colour have obtained “pass” levels over 90% over the last six years. It should be noted that the “pass” levels of the analysis on colour dropped from its highest rate of over 98% in 2005 to just over 86% in 2010. The “pass” levels on the grade analysis have been consistently uniform achieving an average of 92% in the period. The results on cup analysis, however, have shown an improved performance from 72% “pass” levels in 2006 to over 85% in 2010.

4. There appears to be a drop in performance on grade and cup analysis in the first six months of 2011. This could be the result of higher volumes that have been subject to gradings analysis. In contrast to these two, colour analysis appears to have improved in the same period.

**Graph 1: Colour, cup and grade analysis results by ICE
2005 to 2011**



* January-June only

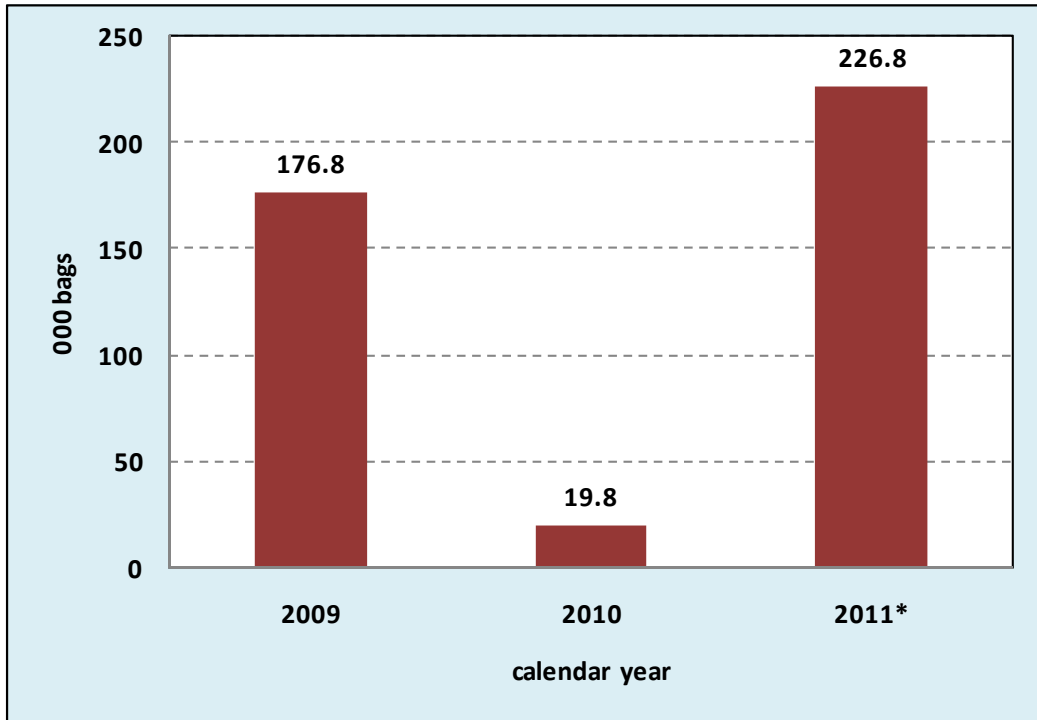
Gradings results for Robusta coffee

5. The total volume of coffee graded by NYSE Euronext from January 2005 to June 2011 amounts to 18.36 million bags. The volume of coffee deemed to be below the standards set out in Resolution 420 amounts to 8.32 million bags – equivalent to 45.3% of the total. This volume excludes the new grade that was introduced in 2009 to coffee that exceeds the usual classification standards grades 0 to 4.

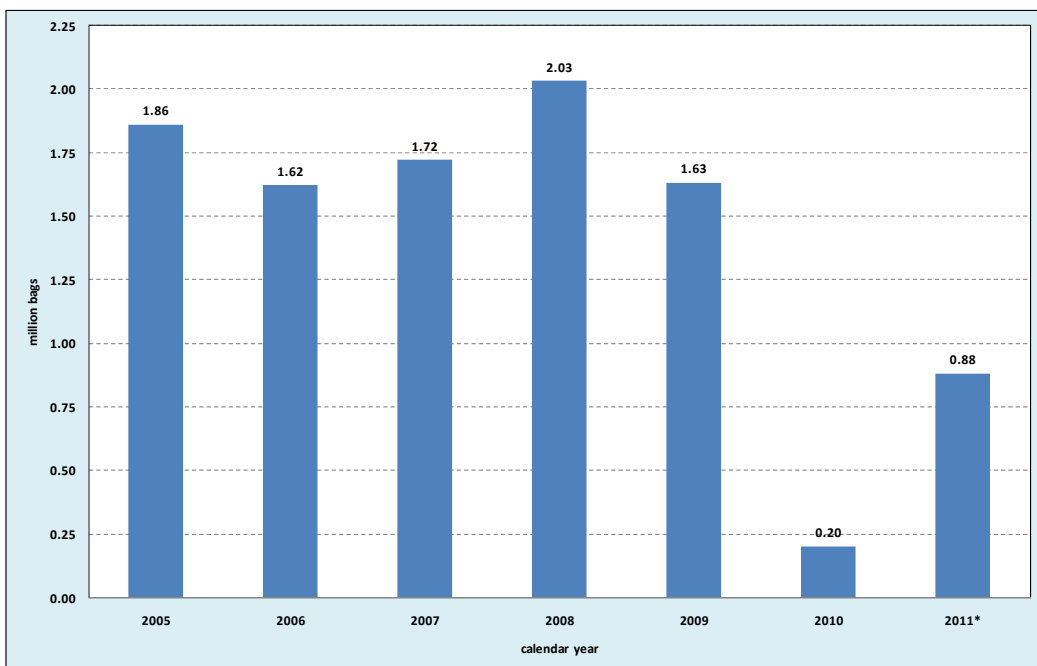
6. The introduction of a “P” premium grade in 2009 for coffee that exceeds the usual classification standards resulted in 423,500 bags receiving this grade. Graph 2 shows the volume of coffee that received this grade (“P”) since 2009. Vietnam, India and Uganda are the three origins that together retain 88.8% of this premium graded coffee.

7. The analyses show that Vietnam was the origin of the highest volume of coffee graded below the CQP standards at the ports of discharge, totalling 5.88 million bags – or 70.7% of all the coffee deemed to be below the CQP standards since 2005. Coincidentally, in the first six months of 2011, Vietnamese coffee also accounts for 70.7% of the coffee deemed to be below CQP standards. Total gradings in Antwerp amounted to 4.52 million bags – or 54.3% of all the coffee graded from January 2005 to June 2011. Graph 3 shows the volume of coffee deemed to be below the CQP standards every year since 2005. Tables 2 and 3 give the NYSE gradings results by origin and by port, respectively, from 2005 to 2010 and for the first six months of 2011.

**Graph 2: Gradings analysis by NYSE
Premium graded coffee
2009 to 2011**



**Graph 3: Gradings analysis by NYSE
(deemed to be below CQP standards)
2005 to 2011**



* January-June only

**Table 2: NYSE gradings results by origin (deemed to be below CQP standards)
Calendar years 2005 to 2011**

Origin	Calendar year						
	2005	2006	2007	2008	2009	2010	2011*
Brazil	55 833	99 583	83 000	82 833	58 667	0	54 167
Cameroon	83	38 000	59 333	13 250	28 500	1 667	1 833
Congo, Dem. Rep. of	0	500	3 750	17 500	250	1 500	1 833
Congo, Rep. of	0	0	0	0	1 000	1 500	0
Côte d'Ivoire	0	258 333	215 667	73 417	30 333	37 333	3 500
Ecuador	0	0	0	1 583	0	0	0
Ghana	7 417	5 250	1 667	333	2 500	0	333
Guinea	68 333	51 250	60 250	8 083	22 833	7 667	30 667
India	0	5 000	1 167	2 333	12 250	0	4 667
Indonesia	24 000	4 667	32 333	308 167	162 333	20 667	94 333
Lao, People's Dem. Rep. of	0	0	0	0	4 833	333	2 000
Liberia	0	0	250	333	0	0	0
Madagascar	4 750	32 583	11 417	31 167	4 667	3 333	5 667
Nigeria	250	500	167	0	0	0	0
Sierra Leone	2 333	2 417	14 667	13 167	19 333	5 500	167
Tanzania	0	5 250	6 583	22 833	24 500	2 667	6 833
Thailand	25 917	51 333	35 667	6 083	0	0	0
Togo	0	27 417	51 583	3 833	28 333	100 667	49 000
Uganda	0	14 750	8 250	39 167	33 500	2 167	3 000
Vietnam	1 671 917	1 024 667	1 136 083	1 408 167	1 199 000	16 000	623 333
Grand Total	1 860 833	1 621 500	1 721 833	2 032 250	1 632 833	201 000	881 333

**Table 3: NYSE gradings results by port (deemed to be below CQP standards)
Calendar years 2005 to 2011**

Port of discharge	2005	2006	2007	2008	2009	2010	2011*
Amsterdam	0	15 833	0	1 000	52 750	0	45 000
Antwerp	1 001 667	899 083	783 583	1 114 250	1 043 333	159 500	561 667
Barcelona	0	23 417	44 417	28 250	14 250	12 667	10 833
Bremen	0	333	43 000	35 917	10 333	0	167
Genoa	0	125 583	130 417	49 583	66 250	2 000	58 333
Hamburg	58 417	51 333	116 833	40 750	31 583	0	18 833
Le Havre	1 167	66 667	46 917	8 917	12 750	16 000	9 667
London	9 250	4 583	5 333	4 167	10 167	333	7 333
Marseilles	0	0	12 167	10 500	17 417	7 833	0
New York	0	0	0	1 083	8 833	0	0
Norwich	0	0	55 000	6 250	5 500	0	12 833
Rotterdam	170 500	56 333	154 500	155 167	46 583	0	45 500
Trieste	619 833	378 333	329 667	576 417	313 083	2 667	111 167
Grand Total	1 860 833	1 621 500	1 721 833	2 032 250	1 632 833	201 000	881 333
% change from previous year	n.a.	-12.9%	6.2%	18.0%	-19.7%	-87.7%	338.5%

* January to June

8. As mentioned in paragraph 6 above, 423,500 bags graded by NYSE received a “P” premium grade, of which 176,833 bags were graded in 2009, 19,833 bags in 2010 and 226,833 in the first six months of 2011 – representing an increase of 1,043.7% over the whole year of 2010. The analyses show that some 54.2% of this coffee is from Vietnam, 24.5% from India, 10.1% from Uganda. The remainder comes from other origins such as Brazil, Cameroon, Côte d’Ivoire, Indonesia, People’s Democratic Republic of Lao, Madagascar, Tanzania and Togo.

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