Promotion and Market Development Committee
6th meeting
9 September 2013
Belo Horizonte, Brazil

Progress report on the implementation of the Coffee Quality-Improvement Programme (CQP)
Calendar years 2005 to 2012 and January to June 2013

Background

1. Resolution 420 requests exporting Members to indicate in box 17 of all Certificates of Origin, on a voluntary basis, information on the quality of the coffee exported in respect of defects and moisture content, in order to permit the monitoring of the level of compliance with the target standards set out in the Resolution.

2. Participation in the CQP has varied considerably since its inception in June 2004 when Resolution 420 came into effect, as Members that have volunteered the information on quality either joined the programme or temporarily ceased providing data during this period. In addition, membership of the Organization has also changed since 2004 when the ICA 2007 came into effect in February 2011. This report has been simplified in order to allow a clearer analysis of the data presented. The previous progress report on the CQP is contained in document PM-23/13.

3. The Rules on Statistics – Certificates of Origin – contained in document ICC-102-9, request that exporting Members provide, on a voluntary basis, in box 17a of each Certificate of Origin issued, information on the quality of the coffee covered thereby. It is expected that exporting Members comply with this request in order to ensure greater market transparency.

Action

The Promotion and Market Development Committee is requested to take note of this report.
PROGRESS REPORT ON THE IMPLEMENTATION OF THE COFFEE QUALITY-IMPROVEMENT PROGRAMME (CQP) CALENDAR YEARS 2005 TO 2012 AND JANUARY-JUNE 2005 TO 2013

1. Since Resolution 420 came into effect, 32 exporting countries have provided full or partial information on the quality of their coffee through Certificates of Origin. Under the current membership of the ICA 2007, 25 out of the 38 exporting Members fully implemented the Resolution in their countries and have provided information on quality regularly since June 2004.

2. For January to June 2013, the 38 exporting Members under the current membership can be grouped into five categories regarding the information on quality extracted from Certificates of Origin issued:

   a. Members providing data regularly: 13 Members
   b. Members yet to issue Certificates of Origin: 16 Members
   c. Members that appear to have opted not to issue Certificates of Origin\(^1\): 1 Member
   d. Members providing partial data: 7 Members
   e. Members not providing data on quality: 1 Member

   In addition, there are three exporting countries that send information on quality that are still to become Members of the ICO under the ICA 2007: the Democratic Republic of Congo, Dominican Republic and Jamaica.

3. The total volume of green coffee exported in the first six months of 2013 by the 23 exporting countries providing information on quality – based on Certificates of Origin – amounts to 34.1 million bags – equivalent to 65.2% of the total volume of 52.4 million bags exported by all producing countries. Graph 1 shows the volume of green coffee exported by all exporting countries and those participating in the CQP during calendar years 2005 to 2012. Graph 2 displays the same for the six months January-June 2005 to 2013.

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\(^1\) Paragraph 4 of Article 33 of ICA 2007 allows exporting Members to use an alternative method to convey data contained on Certificates of Origin to the Organization. No official request to this effect has been received from this Member.
Graph 1: Volume of green coffee exported by exporting countries (showing participation in the CQP) Calendar years 2005 to 2012

Graph 2: Volume of green coffee exported by exporting countries (showing participation in the CQP) January-June 2005 to 2013
4. Table 1 provides a summary of the volume of green coffee exported by all Members participating in the CQP in calendar years 2005 to 2012. Table 1A provides a summary for January-June 2005 to 2013. Information is shown by each of the categories specified in Resolution 420 as follows:

- Coffee in full compliance with defect and moisture standards – “S”
- Coffee not in conformity with the defect standards – “XD”
- Coffee not in conformity with the moisture standards – “XM”
- Coffee not in conformity with either defect and moisture standards – “XDM”
- Unspecified

Table 1
Volume of green coffee exported by the countries participating in the CQP in accordance with Resolution 420 – Calendar years 2005 to 2012
(60-kg bags)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>“S”</td>
<td>50 948 280</td>
<td>55 624 488</td>
<td>56 439 889</td>
<td>58 229 395</td>
<td>54 280 982</td>
<td>59 701 183</td>
<td>62 795 112</td>
<td>60 412 457</td>
</tr>
<tr>
<td>“XD”</td>
<td>384 330</td>
<td>262 523</td>
<td>159 322</td>
<td>166 680</td>
<td>176 034</td>
<td>160 564</td>
<td>246 865</td>
<td>435 324</td>
</tr>
<tr>
<td>“XM”</td>
<td>7 706</td>
<td>15 101</td>
<td>23 473</td>
<td>8 786</td>
<td>1 786</td>
<td>9 901</td>
<td>7 887</td>
<td>0</td>
</tr>
<tr>
<td>“XDM”</td>
<td>7 244</td>
<td>10 661</td>
<td>30 516</td>
<td>4 958</td>
<td>1 984</td>
<td>690</td>
<td>6 670</td>
<td>4 054</td>
</tr>
<tr>
<td>Unspecified</td>
<td>8 645 158</td>
<td>4 400 966</td>
<td>5 229 711</td>
<td>5 779 008</td>
<td>8 641 446</td>
<td>4 693 062</td>
<td>2 311 483</td>
<td>4 994 564</td>
</tr>
</tbody>
</table>

Total in CQP: 59 992 717

Total volume of green coffee exported: 80 909 881

Total not in CQP: 20 917 164

Table 1A
Volume of green coffee exported by the countries participating in the CQP in accordance with Resolution 420 – January to June 2005 to 2013
(60-kg bags)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>“S”</td>
<td>28 711 810</td>
<td>27 821 480</td>
<td>30 172 353</td>
<td>30 739 223</td>
<td>30 643 226</td>
<td>29 875 401</td>
<td>35 414 233</td>
<td>30 537 521</td>
<td>32 012 282</td>
</tr>
<tr>
<td>“XD”</td>
<td>193 770</td>
<td>183 540</td>
<td>72 011</td>
<td>74 952</td>
<td>64 130</td>
<td>92 059</td>
<td>111 624</td>
<td>230 737</td>
<td>122 895</td>
</tr>
<tr>
<td>“XM”</td>
<td>4 077</td>
<td>2 336</td>
<td>9 361</td>
<td>1 600</td>
<td>0</td>
<td>4 719</td>
<td>316</td>
<td>0</td>
<td>3 920</td>
</tr>
<tr>
<td>“XDM”</td>
<td>0</td>
<td>1 035</td>
<td>10 334</td>
<td>0</td>
<td>650</td>
<td>0</td>
<td>0</td>
<td>3 738</td>
<td>1 035</td>
</tr>
<tr>
<td>Unspecified</td>
<td>4 086 499</td>
<td>2 820 296</td>
<td>2 101 893</td>
<td>2 668 440</td>
<td>2 879 093</td>
<td>2 469 554</td>
<td>2 273 047</td>
<td>2 142 708</td>
<td>2 006 239</td>
</tr>
</tbody>
</table>

Total in CQP: 32 996 156

Total volume of green coffee exported: 44 048 515

Total not in CQP: 11 052 360
6. Based on the data received from October 2005 to June 2013, the volume of green coffee exported in full compliance with Resolution 420 ("S") stands at 63.5% of the total volume exported throughout the period. Shipments for which there is no available information on quality are equivalent to 36.2% with the balance of 0.3% covering exports of green coffee that does not comply with the defects and moisture standards set out by the Resolution.

7. The Organization will continue to monitor compliance with Resolution 420 by exporting Members.