Background

1. The Programme of Activities for the Organization for coffee year 2017/18 (ICC-120-12) was approved by the Council during its 120th Session in September 2017 and covers the activities to be undertaken in order to achieve the Organization’s Strategic Goals. One of the expected outputs under strategic goal one (Delivering world-class data, analysis and information to the industry and policy-makers) was to develop new indicators measuring Members’ compliance with the Rules on Statistics.

2. New indicators will be used to replace previous reports on Member compliance, allowing Members to quickly ascertain compliance both at the overall level as well as at the country level. This information will also enable the ICO to identify areas for improving compliance and thus, the overall quality of the ICO statistical database and compare better performance over time. The previous reports had compliance information presented in multiple spreadsheets, whereas the new indicators assign a single number to a country, which will be aggregated to a score for each group (importing, exporting or global).

3. The methodology for the new indicator and a sample calculation is contained in the attached slides.

4. The first report based on the new compliance indicators will be presented to the Statistics Committee at the time of the 123rd Council Session.

Action

4. The Statistics Committee is requested to note this report.
Compliance indicators for statistical data provided by ICO Members
### Reporting requirements according to the Rules on Statistics

<table>
<thead>
<tr>
<th><strong>Exporting Members</strong></th>
<th><strong>Importing Members</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Monthly</strong></td>
<td></td>
</tr>
<tr>
<td>1. Preliminary totals of monthly exports</td>
<td>1. Imports</td>
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<tr>
<td>2. Report on exports</td>
<td>2. Re-exports</td>
</tr>
<tr>
<td>4. Certificates of Origin</td>
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<td>5. Prices paid to growers</td>
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<tr>
<td>6. Retail prices</td>
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<td><strong>Annual</strong></td>
<td><strong>Annual/Quarterly</strong></td>
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<tr>
<td>7. Opening stocks</td>
<td>4. Roastings</td>
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<tr>
<td>8. Production</td>
<td>5. Inventories</td>
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<td>9. Domestic consumption</td>
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<tr>
<td>10. Crop percentage distribution</td>
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<td>11. Area under coffee</td>
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Use of new compliance indicators

• Compliance would be measured on a scale from 0 to 100 with 100 indicating full compliance.

• The following indicators would be published in an annual Compliance Report for the most recently completed coffee year:
  • Total for both importing and exporting Members
  • Total for all exporting Members
  • Total for all importing Members
  • Individual score for each Member
Basic dimensions of compliance for indicator

1. Timeliness: Are reports submitted on time?
   ▪ On time = 1
   ▪ Late submission = 0

2. Completeness: Are individual reports provided?
   ▪ Report provided = 1
   ▪ Report not provided = 0
Example: Exporting Member A

### 2016/17 Certificates of Origin

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<thead>
<tr>
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<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
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### Total score exporting Member A

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\[
0.705 \times 100 = 70.5
\]

<table>
<thead>
<tr>
<th>Certificate of Origin</th>
<th>Preliminary exports</th>
<th>Exports</th>
<th>Price to growers</th>
<th>Imports</th>
<th>Retail prices</th>
<th>Opening stocks</th>
<th>Production</th>
<th>Domestic consumption</th>
<th>Crop % distribution</th>
<th>Area</th>
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</thead>
<tbody>
<tr>
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<td>.71</td>
<td>.92</td>
<td>.71</td>
<td>.71</td>
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Compliance
Group of exporting Members

\[ \text{Score}_e = \frac{\sum_{i}^{n} \text{Score}_{ie}}{n} \]

\( n \) = number of exporting Members
\( ie \) = Exporting country
Importing Members

Annual

Imports

Retail prices

Monthly

Imports

January

Compliance x 1/2+
Timeliness x 1/2

Imports

February

...

Imports

March

...

Imports

Completeness

0/1

Imports

Timeliness

0/1

Score_{ii}

n = number of reports
ii = Importing Member

1/5

1/5

1/5

1/5

Imports

Compliance x 1/2+
Timeliness x 1/2

Imports

Roastings

Compliance

0/1

Imports

Timeliness

0/1

Roastings

Inventories

Monthly reports
Imports & re-exports / Retail prices

Annual reports
Roastings / inventories
Compliance

Group of importing Members

\[ Score_i = \frac{\sum_i^n Score_{ii}}{n} \]

- \( n \) = number of importing Members
- \( ii \) = Importing Members
Compliance
Aggregated for all ICO Members

\[ \text{Score}_{total} = \frac{\text{Score}_e + \text{Score}_i}{2} \]