



International Coffee Organization
Organización Internacional del Café
Organização Internacional do Café
Organisation Internationale du Café

EB 3776/01 Rev. 1 Add. 3

2 October 2007
Original: English

Rules on Statistics
Indicator prices

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**Share of markets and their weightings in
the calculation of group and composite
prices from 1 October 2007**

Background

1. The Procedures for the collection, transmission, calculation and publication of group and composite prices contained in document EB-3776/01 Rev. 1 were originally approved by the International Coffee Council at its 83rd Session on 23 May 2001. These Procedures apply for the duration of the International Coffee Agreement 2001 subject to periodic reviews of the pattern of trade.
2. In accordance with the established Procedures, the Statistics Committee has analysed the pattern of trade in the period 2003 to 2006 and concluded that the calculation of prices should be changed in order to reflect the reality of the markets. At its 98th Session on 28 September 2007 the Council approved revised shares of the markets in each group of coffee and their weightings for the calculation of group and composite prices as from **1 October 2007** (see Item 9 of document ICC-98-4).
3. It should be noted that all other terms and conditions set out in document EB-3776/01 Rev. 1 – Rules on Statistics – Indicator prices, which also contains the procedures for the collection, transmission, calculation and publication of group and composite prices, remain unchanged.
4. It may be noted that the previous revision to the shares of markets in each group and their weightings is contained in document EB-3776/01 Rev. 1 Add. 2.
5. The attached Annex containing details of the new methodology replaces Annex I of document EB-3776/01 Rev. 1 with effect from **1 October 2007**.

**SHARE OF THE MARKETS IN EACH GROUP OF COFFEE
AND THEIR WEIGHTING IN THE CALCULATION
OF THE ICO COMPOSITE INDICATOR PRICE
FROM 1 OCTOBER 2007**

The procedures set out in these Rules take into account the following principles:

- (a) the agents in the three main markets (France, Germany and the USA) and their respective costs for collection and transmission are unchanged;
- (b) the share of each group is based on the average export performance to the USA and to the European Union in calendar years 2003 to 2006; and
- (c) the weighting of each group is to be reviewed every two years.

The share of each market in the four groups is as follows:

- Colombian Milds: 44% New York – 56% Germany
- Other Milds: 42% New York – 58% Germany
- Brazilian Naturals: 23% New York – 77% Germany
- Robustas: 18% New York – 82% France

The calculation of the ICO composite indicator price is weighted as follows:

- Colombian Milds: 14%
- Other Milds: 20%
- Brazilian Naturals: 31%
- Robustas: 35%