



International Coffee Organization
Organización Internacional del Café
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**Progress report on the implementation
of the Coffee Quality-Improvement
Programme (CQP)
Calendar year 2007**

Background

1. One of the main objectives of the Coffee Quality-Improvement Programme (CQP) is the promotion of quality as a means to enhance the sustainability of the coffee economy. Exporting and importing Members have continued their commitment to improving quality through the CQP which was adopted in its current form when Resolution 420 was approved by the Council in May 2004.
2. Resolution 420 requests exporting Members, on a voluntary basis, to indicate in box 17 of all Certificates of Origin issued from 1 June 2004, information on the quality of the coffee exported by defects and moisture content. This allows the Organization to monitor the level of compliance with the target standards based on the data received.
3. This document is based on the information extracted from Certificates of Origin issued during calendar year 2007, the London International Financial Futures and Options Exchange (LIFFE) Robusta gradings and the Inter-Continental Exchange (ICE) Coffee Futures “C” Contract Gradings. It also contains information on progress in the implementation of the CQP in exporting Member countries in the same period based on data extracted from Certificates of Origin since Resolution 420 came into effect. The previous report on the CQP is contained in document EB-3941/08.

Action

The Executive Board is requested to take note of this report.

**PROGRESS REPORT ON THE IMPLEMENTATION OF THE
COFFEE QUALITY-IMPROVEMENT PROGRAMME (CQP)
JANUARY-DECEMBER 2007**

1. There are now 28 exporting Members providing information on the quality of the coffee they export, through Certificates of Origin. These 28 exporting Members accounted for nearly 68% of world exports in calendar year 2007.
2. During calendar year 2007, the volume of green coffee exported by the 28 Members providing information on the quality of their exports amounted to nearly 56.7 million bags, of which over 55.9 million bags (98%) were classified under “S” – within the Resolution’s defects and moisture targets. Of the coffee classified under “S”, 92.5% was Arabica, and 7.5% was Robusta. Graph 1 shows the volume of green coffee classified under “S” in the last three calendar years: from 2005 to 2007. Detailed information on the total volume of green coffee exported by the 28 exporting Members in accordance with the parameters set out in Resolution 420 is given in Tables 1.
3. Total exports of green coffee in calendar year 2007 amounted to 88.6 million bags, of which 58.5 million bags of Arabica (65.9%) and 30.3 million bags of Robusta (34.1%). In view of the information given in paragraph 2, the total volume of green coffee in full compliance with Resolution 420 amounts to nearly 63% of all green coffee traded. Table 2 shows the volume of green coffee exported by all exporting countries and of the green coffee exported in full compliance with Resolution 420 as a percentage of the total green exported.
4. The volume of coffee graded by LIFFE which was deemed to have failed to comply with the targets of Resolution 420 from January to December 2007 amounted to 1.72 million bags. This represents an increase of over 6% compared to calendar year 2006, when 1.62 million bags failed LIFFE gradings standards and a decrease of over 7% compared to 2005. In 2007, over 45% failed the grading analysis in Antwerp and over 19% in Trieste. According to LIFFE data, nearly 66% of this coffee was shipped from Vietnam (see Table 3 for the volume of the coffee that failed LIFFE gradings in calendar year 2007 by origin and by port). Graph 2 gives the volume of LIFFE gradings deemed to fall below the CQP target standards in calendar years 2005 to 2007.
5. The delay in introducing the new quality standards in Vietnam appears to be a contributing factor to the high volume of coffee that is still being rejected at LIFFE gradings. When the new standards are fully implemented, it is expected that this volume will gradually decrease over the following years. Of the 1.72 million bags that failed LIFFE gradings in 2007, nearly 1.14 million bags were from Vietnam.
6. Regular reports on the Coffee “C” contract grading analysis are posted on the ICE website, showing the monthly summary and year to date results on the pass/fail results by origin. Based on these reports, for calendar 2007, over 82% of the coffee graded by ICE passed the original gradings analysis. The original analysis on grade and cup quality achieved “pass” levels of 92% and 97%, respectively – see Table 4.
7. The Organization will continue to monitor LIFFE and ICE gradings as well as compliance with Resolution 420 by exporting Members.

TABLE 1
RESOLUTION 420: CLASSIFICATION OF GREEN COFFEE BY TYPE
CALENDAR YEAR 2007

	ARABICA					
Exporting Member	TOTAL	"S"	"XD"	"XM"	"XDM"	Unspecified
Brazil	23 289 503	23 278 517	960	9 706	0	320
Cameroon	53 969	32 044	0	0	0	21 925
Colombia	10 701 008	10 607 543	0	0	0	93 465
Congo, Dem. Rep. of	55 223	54 903	0	0	0	320
Costa Rica	1 347 814	1 334 461	3 519	5 365	1 466	3 003
Cuba	15 640	15 640	0	0	0	0
Dominican Republic	35 124	35 124	0	0	0	0
Ecuador	146 834	145 886	0	0	0	949
El Salvador	1 208 681	1 132 568	47 121	7 188	21 804	0
Ethiopia	2 604 008	2 604 008	0	0	0	0
Guatemala	3 692 371	3 692 371	0	0	0	0
Honduras	3 312 008	3 312 008	0	0	0	0
India	701 907	606 102	89 259	0	0	6 546
Jamaica	21 107	21 086	0	0	0	21
Malawi	18 875	18 875	0	0	0	0
Mexico	2 185 001	2 185 001	0	0	0	0
Nicaragua	1 202 209	1 202 209	0	0	0	0
Papua New Guinea	901 305	889 885	11 420	0	0	0
Tanzania	523 444	523 444	0	0	0	0
Togo	0	0	0	0	0	0
Uganda	77 994	16 469	0	0	0	61 525
Zambia	36 268	36 268	0	0	0	0
Total	52 130 293	51 744 412	152 279	22 259	23 270	188 074

	ROBUSTA					
Exporting Member	TOTAL	"S"	"XD"	"XM"	"XDM"	Unspecified
Angola	3 916	1 126	2 505	0	285	0
Brazil	1 396 835	1 391 269	0	0	0	5 566
Cameroon	505 923	331 737	0	0	0	174 186
Congo, Dem. Rep. of	79 727	69 690	1 212	1 215	6 961	649
Ecuador	94 677	92 914	0	0	0	1 763
Gabon	403	216	0	0	0	187
Guatemala	27 318	27 318	0	0	0	0
India	1 797 148	1 774 501	1 544	0	0	21 103
Mexico	88 384	87 534	0	0	0	850
Papua New Guinea	6 141	6 141	0	0	0	0
Philippines	266	196	0	0	0	70
Tanzania	218 278	218 278	0	0	0	0
Togo	154 907	154 085	822	0	0	0
Uganda	184 079	5 873	0	0	0	178 206
Total	4 558 001	4 160 878	6 083	1 215	7 246	382 579

"S" = coffee is in full compliance with defect and moisture standards

"XD" = coffee does not conform with the target defects standard

"XM" = coffee does not conform with the target moisture standard

"XDM" = coffee does not conform with either standard (target defect or moisture)

TABLE 2

VOLUME OF GREEN COFFEE EXPORTED UNDER "S" COMPARED TO THE
VOLUME OF TOTAL GREEN COFFEE AND ITS PERCENTAGE IN THE TOTAL

CALENDAR YEAR 2007

(60-kg bags)

Exporting country	Total green coffee exported	Total green coffee in full compliance with defect and moisture standards ("S")	Green coffee under "S" as a % of total green exported
<i>Angola</i>	3 916	1 126	28.75
<i>Bolivia</i>	86 000	0	0.00
<i>Brazil</i>	24 686 338	24 669 786	99.93
<i>Burundi</i>	291 805	0	0.00
<i>Cameroon</i>	717 176	363 781	50.72
Central African Rep.	71 566	0	0.00
<i>Colombia</i>	10 701 008	10 607 543	99.13
<i>Congo, Dem. Rep. of</i>	167 561	124 593	74.36
<i>Costa Rica</i>	1 357 188	1 334 461	98.33
Côte d'Ivoire	1 735 036	0	0.00
<i>Cuba</i>	15 640	15 640	100.00
<i>Dominican Republic</i>	35 124	35 124	100.00
<i>Ecuador</i>	241 511	238 800	98.88
<i>El Salvador</i>	1 208 681	1 132 568	93.70
<i>Ethiopia</i>	2 604 008	2 604 008	100.00
<i>Gabon</i>	403	216	53.60
Ghana	29 916	0	0.00
<i>Guatemala</i>	3 719 689	3 719 689	100.00
Guinea	278 952	0	0.00
Haiti	22 020	0	0.00
<i>Honduras</i>	3 312 009	3 312 008	100.00
<i>India</i>	2 471 435	2 380 603	96.32
Indonesia	3 999 894	0	0.00
<i>Jamaica</i>	22 157	21 086	95.16
Kenya	817 466	0	0.00
Madagascar	106 850	0	0.00
<i>Malawi</i>	18 875	18 875	100.00
<i>Mexico</i>	2 273 385	2 272 535	99.96
<i>Nicaragua</i>	1 202 210	1 202 209	100.00
Nigeria	3 688	0	0.00
Panama	96 027	0	0.00
<i>Papua New Guinea</i>	907 444	896 026	98.74
Paraguay	7 000	0	0.00
Peru *	3 144 658	0	0.00
<i>Philippines</i>	266	196	73.65
<i>Rwanda</i>	222 167	0	0.00
Sierra Leone *	20 000	0	0.00
Sri Lanka *	1 832	0	0.00
<i>Tanzania</i>	745 911	741 722	99.44
Thailand	339 034	0	0.00
<i>Togo</i>	154 908	154 085	99.47
<i>Uganda</i>	2 693 197	22 342	0.83
Venezuela, Bol. Rep. of	38 852	0	0.00
Vietnam	17 911 385	0	0.00
<i>Zambia</i>	63 268	36 268	57.32
Zimbabwe	33 078	0	0.00
TOTAL	88 580 531	55 905 290	63.11

Countries in bold italics are those participating in the CQP programme applying Resolution 420

An asterisk indicates non-members

TABLE 3

**Volume of Robusta coffee gradings by LIFFE deemed to be below the CQP standards
by country of origin and by port of discharge
Calendar year 2007**

Year	2007
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Sum of 60-kg bags	Port											Grand Total	% by origin
Origin	Antwerp	Barcelona	Bremen	Genoa	Hamburg	Le Havre	London	Marseilles	Norwich	Rotterdam	Trieste		
Brazil	45 167	0	0	9 083	0	0	3 000	0	25 750	0	0	83 000	4.82
Cameroon	15 333	1 250	1 000	12 000	333	4 167	83	167	0	0	25 000	59 333	3.45
Congo, Dem. Rep. of	3 250	0	0	0	0	0	0	0	0	0	500	3 750	0.22
Côte d'Ivoire	74 083	20 583	0	81 917	3 833	3 500	0	10 083	0	0	21 667	215 667	12.53
Ghana	1 667	0	0	0	0	0	0	0	0	0	0	1 667	0.10
Guinea	27 500	750	6 750	3 667	8 250	1 500	0	1 583	0	0	10 250	60 250	3.50
India	500	83	0	0	0	0	83	83	0	0	417	1 167	0.07
Indonesia	1 917	0	2 083	250	2 083	0	0	0	1 583	0	24 417	32 333	1.88
Liberia	250	0	0	0	0	0	0	0	0	0	0	250	0.01
Madagascar	4 500	0	0	0	500	6 333	0	0	0	0	83	11 417	0.66
Nigeria	167	0	0	0	0	0	0	0	0	0	0	167	0.01
Sierra Leone	11 750	0	0	0	667	0	0	250	0	0	2 000	14 667	0.85
Tanzania	2 500	0	0	3 417	0	0	0	0	0	0	667	6 583	0.38
Thailand	35 667	0	0	0	0	0	0	0	0	0	0	35 667	2.07
Togo	27 917	0	0	333	9 500	8 917	0	0	0	0	4 917	51 583	3.00
Uganda	2 167	1 833	0	250	1 333	0	83	0	750	0	1 833	8 250	0.48
Vietnam	529 250	19 917	33 167	19 500	90 333	22 500	2 083	0	26 917	154 500	237 917	1 136 083	65.98
Grand Total	783 583	44 417	43 000	130 417	116 833	46 917	5 333	12 167	55 000	154 500	329 667	1 721 833	
% by port	45.51	2.58	2.50	7.57	6.79	2.72	0.31	0.71	3.19	8.97	19.15		

TABLE 4

**ICE Futures: Coffee "C" gradings summary analysis
CALENDAR YEAR 2007**

Country of origin	Original		Appeals			Total		Pass %
	Pass	Fail	Pass	Fail	Total	Pass	Fail	
Burundi	10	19	8	3	11	18	11	62.07
Colombia	956	393	189	173	362	1 145	204	84.88
Costa Rica	37	14	1	13	14	38	13	74.51
Dominican Republic	0	1	0	1	1	0	1	0.00
Ecuador	7	1	0	1	1	7	1	87.50
El Salvador	704	153	83	65	148	787	70	91.83
Guatemala	241	110	44	59	103	285	66	81.20
Honduras	2 082	1 004	475	465	940	2 557	529	82.86
India	75	21	14	11	25	89	7	92.71
Kenya	0	0	0	0	0	0	0	0.00
Mexico	1 162	719	396	321	717	1 558	323	82.83
Nicaragua	471	168	113	57	170	584	55	91.39
Panama	1	0	0	0	0	1	0	0.00
Papua New Guinea	0	0	0	0	0	0	0	0.00
Peru	858	609	289	348	637	1 147	320	78.19
Rwanda	9	112	4	53	57	13	108	10.74
Tanzania	3	13	0	1	1	3	13	0.00
Uganda	32	84	6	46	52	38	78	32.76
Venezuela	0	8	0	0	0	0	8	0.00
Total	6 648	3 429	1 622	1 617	3 239	8 270	1 807	82.07

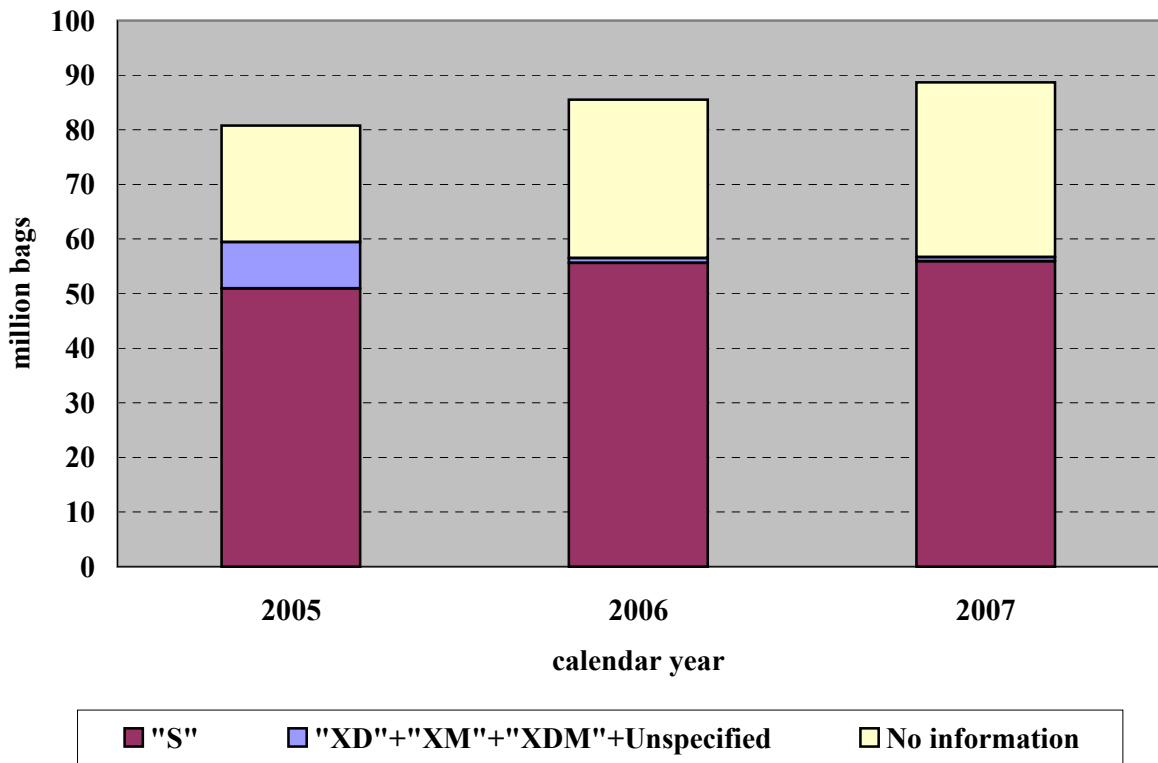
	Original		Appeals	
	Pass	Fail	Total	Pass %
Grade	9 319	758	10 077	92.48%
Cup	7 538	2 539	10 077	74.80%
Colour	9 747	330	10 077	96.73%

ORIGINAL GRADING: These statistics for original gradings are based on individual grading of cup, colour, grade and other imperfections such as odour and/or bean size graded between 01/01/07 and 31/12/07

APPEAL GRADING: The owner of the coffee submitted as an original grading may appeal for any decision of the graders, for cup, colour, grade and any other imperfections such as odour and/or bean size and represents appeal gradings between 01/01/07 and 31/12/07 regardless of the date of original grading

Note from ICO: Date format converted to dd/mm/yy

**Graph 1: Exports of green coffee classified under Resolution 420
Calendar years 2005 to 2007**



**Graph 2: LIFFE Robusta gradings deemed to fall below the CQP
standards
Calendar years 2005 to 2007**

