



Statistics Committee  
15<sup>th</sup> Meeting  
19 September 2018  
London, United Kingdom

**Compliance constraints faced by Members  
and actions taken to improve their  
performance**

**Background**

1. The Programme of Activities for the Organization for coffee year 2017/18 ([ICC-120-12](#)) was approved by the Council during its 120<sup>th</sup> Session in September 2017 and covers the activities to be undertaken in order to achieve the Organization's Strategic Goals. The first Strategic Goal outlined in the Action Plan is 'Delivering world-class data, analysis and information to the industry and policy-makers'.

2. The Programme for coffee year 2017/18 contains two activities relating to Member compliance with the Rules on Statistics: 1) 'Identify reasons for poor compliance with the Rules on Statistics by Member countries' and 2) 'Address constraints resulting in poor compliance by Member countries'. This report presents the steps taken with a focus on the constraints faced by Members and actions taken to address poor compliance.

**Action**

3. The Statistics Committee is requested to note this report.

## **COMPLIANCE CONSTRAINTS FACED BY MEMBERS AND ACTIONS TAKEN TO IMPROVE THEIR PERFORMANCE**

### **Introduction**

1. The Rules on Statistics for data provided by Members are contained in [ICC-102-10](#) and [ICC 102-9 Rev. 1](#). The Secretariat regularly assesses the level of Member compliance with the ICO Rules on Statistics, resulting in a report presented to the Statistics Committee. It has generally found that importing Members submit timely and nearly complete data to the Secretariat, while compliance among exporting Members shows higher variance. Some exporting Members provide most of the variables requested within the prescribed time limits, while others have not submitted any data for several years. Of the exporting Members that do provide data, the variables related to trade are most frequently submitted, while newer variables requested since 2011, e.g. total area or retail prices, are frequently missing. For a complete analysis of Members' compliance with the Rules of the most recently completed coffee year see document [SC-80/18](#) (Compliance with the provision of statistical data – Coffee years 2010/11 to 2016/17 and October to December 2017).

2. This report will focus on the barriers that Members face in complying with the Rules, many of which were discussed during the Statistical Workshop held on 25 September 2017 in Yamoussoukro, Côte d'Ivoire. It then examines the measures that the Secretariat has taken or plans to take to address these constraints.

### **Constraints to complying with the Rules on Statistics**

3. In assessing compliance, the Secretariat primarily looks at the completeness and timeliness of data submissions. A number of constraints were identified during the Statistical Workshop, but generally insufficient capabilities, both in terms of personnel and financial resources, tended to be the most important constraints for Members in complying with the Rules on Statistics.

### **Missing or inaccessible data**

4. Some of the required variables, such as monthly retail prices or total number of coffee trees, are not gathered by Members due to the cost of obtaining and processing the data, which is a barrier that is not limited to data on the coffee sector. Data collection can be especially costly for Members that have numerous small-scale farmers who are not well-organized or who require some form of support in return for the provision of data. Cost is more significant when a country has a limited budget for collecting national statistics, of which the coffee sector data is a small part.

5. During the Statistical Workshop, several exporting Members noted the existence of informal trade of coffee across their borders, and government officials were unable to capture these figures. Such missing data can then lead to either under- or overestimation of a country's trade, production or consumption.

6. Another issue raised in the Workshop was the existence of data in places that were unable to be accessed by the ICO statistical contact. This can occur where the private sector regularly collects data, such as consumption volume or retail prices, but is unwilling to provide this data to the country statistical entity. Another case is where data is collected by another government agency, but cannot be easily or quickly accessed by the agency in charge of submitting data to the ICO. This may be due to extensive bureaucratic processes or an unwillingness or limitations to share between government institutions. For example, in a number of exporting Members, import data is not collected by the ICO statistical contact, but instead by a customs or revenue authority. There are often delays in receiving this data, which leads to untimely submission. In addition, the extensive procedures required to obtain the data makes them burdensome to collect frequently, and therefore they are not likely to be submitted regularly.

#### **Burdensome data submission requirements**

7. The current Rules on Statistics require the submission of a large number of variables, particularly for exporting Members, as well as frequent submission of such data (most variables are to be provided on a monthly basis). However, as noted in the Statistical Workshop, many coffee boards and/or organizations responsible for submitting data have become weaker in recent years, which has increased the obstacles for Members to submit data. This development has resulted in fewer resources available for collecting, preparing and submitting coffee sector data to the Secretariat. Difficulties in submitting data can be exacerbated by frequent changes in staff, particularly when institutional knowledge is not transferred to new staff members.

8. Currently, the Secretariat accepts data by fax, courier and email, with many Members submitting data in electronic spreadsheets as attachments by email. However, some countries have newer systems that cannot be directly linked to the ICO database for automatic submission. For other Members, data is published directly on their websites or as linked documents on their websites. In both instances, Members are currently asked to provide the data in the format required by the Rules rather than what is used nationally, creating additional work for the staff responsible for submitting data to the Secretariat.

9. Although the Secretariat carried out an analysis of submitted data for accuracy, it does not consider this aspect when assessing compliance. However, inaccurate data can significantly delay or exclude data from being processed and entered into the ICO statistical

database. This in turn leads to an incomplete database for Members. These inaccuracies often result from a lack of resources or inaccurate data being provided to statistical contacts. For example, a monthly export report may contain HS codes that do not match the form and type of coffee reported. Resolving these issues takes additional time from Member country staff. In some cases, issues remain unresolved, again leading to incomplete data or failure to include this data into the statistical database.

### **Addressing constraints**

10. The Secretariat has already implemented some measures to address a portion of the constraints Members face in complying with the Rules on Statistics, while others will be implemented in the near future. These measures are intended to improve the quality and regularity of data submitted to the ICO when such data is available from Members, and fall into three broad categories: training and capacity-building; facilitation of data submission; and leveraging cooperation with other institutions.

### **Training and capacity-building**

11. The Secretariat offers training on the Rules on Statistics to Members upon request. Training is available in-person at the ICO headquarters, through teleconferencing, and occasionally within a Member country. To make the training more accessible, the Secretariat created several videos on completing the monthly statistical reports and certificates of origin. These can be viewed in all four languages on the ICO website. These videos provide an overview of the requirements for the reports and how to fill them in. The Secretariat also trained representatives from two Member countries at ICO headquarters in coffee year 2017/18. These one-on-one trainings allow the Secretariat to understand better the barriers specific Members face in complying with the Rules. The Secretariat works with these Members to address their issues, as well as to clarify further requirements.

12. In the next two coffee years, the Secretariat will focus on creating a more comprehensive training package that would cover the requirements in more detail and offer different options for accessing the training. Regional trainings/workshops were mentioned by several Members at the Statistical Workshop as a useful tool to improve data management capacity and compliance. One such workshop is planned to occur during the 2019 meeting of the African Fine Coffees Association (AFCA).

13. Capacity-building can also be provided by sharing best practices or the steps taken to improve compliance among Members that are currently compliant, particularly those that have shown significant improvement in the recent past. Sharing these practices from a variety of Members can offer different methodologies, so that Members who have difficulties with

compliance can adopt solutions that best suit their needs. This could be especially useful for new Members that are not familiar with submitting data to ICO or Members that have lost institutional knowledge over time and need to rebuild.

#### **Facilitation of data submission**

14. Under the current Rules, Members are required to submit a large number of items to the Secretariat on a regular basis. This becomes more burdensome when the agency responsible for submitting data lacks resources. However, measures can be taken to facilitate data submission.

15. One way to expedite procedures for Members can be the amendment of the Rules on Statistics. One such amendment on the Rules on Statistics – Certificates of Origin was approved at the 121<sup>st</sup> Council Session in April 2018. This modification accommodated changing production patterns in domestic coffee sectors and the technical upgrades in export reporting systems by authorities, which in turn can improve compliance.

16. The Rules on Statistics define the information required to be reported and request that this information is sent using a specified spreadsheet format. In order to ease data submission, the Secretariat can find ways to extract information from reports produced regularly by Members for internal use rather than asking Members to reformat their reports to conform with the format requested by the Secretariat. By using the reports that are produced regularly rather than asking for this report to be reformatted, the reporting burden on Members would be reduced. As an example, the Rules on Certificates of Origin note that Members can use alternative documents to the ICO Certificate of Origin, providing they contain similar information.

17. Given the frequency of data to be collected and the competing priorities of statistical contacts, the Secretariat is also planning to send out regular email reminders of due dates for the different reports. This would also improve communication between the Secretariat and the designated statistical contacts to ensure that contact information is kept up-to-date.

18. Mechanisms and schemes to reward and certify Members' statistical officers will also be developed during coffee year 2018/19.

#### **Leveraging of cooperation with other organizations**

19. Some barriers may be better addressed by leveraging cooperation with other institutions. For example, the ICO signed a Memorandum of Understanding (MoU) with AFCA, one of whose goals is the improvement of statistical data from Africa. One step towards achieving this goal is the workshop planned for AFCA 2019. Cooperation could also be explored with other International Commodity Bodies to build technical capacity, particularly for Members that collect data on more than one commodity.

## **Conclusion**

20. Lack of financial and personnel resources is a major barrier to Members in complying with the Rules on Statistics. As a result of these resource constraints, some Members do not provide data or submit incomplete reports. Insufficient resources also mean that meeting the requirements laid out in the Rules on Statistics can be quite burdensome for Members. As a result, reports are often submitted after the deadline or are incomplete.

21. In order to address these constraints, the Secretariat has already implemented several measures, while others are expected to be put in place in coming years. Some of the measures already implemented are training statistical staff of Member countries, amending the Rules on Statistics to improve efficiencies, working with other organizations to facilitate data submission and implementing sections of MoUs that relate to statistics. Among the measures to be implemented in the next few years are sharing best practices for collecting and submitting data; sending regular reminders about deadlines for data submission; reviewing current process to verify the existence of additional ways to simplify data submission; and establishing a scheme to certify/reward Members' statistical officers. The Secretariat welcomes further suggestions from Members for improving these processes.