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U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.



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COFFEE
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CURRENT SERIAL RECORDS

1965-66 WORLD COFFEE CROP

IS NEAR RECORD

The Foreign Agricultural Service's fourth estimate of the 1965-66 world coffee crop is for a near-record crop of 78.8 million bags ^{1/}, of which 63.8 million bags is exportable production. ^{2/} This estimate is up 600,000 bags from that of December, primarily because of an increased estimate for Brazil. Production in the principal African producing countries is now thought to be lower than previously estimated. Stocks in producing countries are not as heavy as previously thought. Because of increased supplies reaching the market, plus the reduction of minimum export prices in Brazil, prices have weakened slightly since the last quarter of 1965 and export waivers granted in December were partially rescinded at the end of March. Overproduction continues to be the biggest threat to the International Coffee Agreement.

Production

Latin America: Coffee production in Brazil in 1965-66 now appears to have been greater than previously estimated and the total is up by 1.0 million bags. This is an amazing recovery from the frost-and drought-devastated crop of 1964-65 when total output was less than a third of the present crop. Furthermore, first indications are that the 1966-67 crop will be another good one, though not equal to the current level.

^{1/} All bags in text and table equal 132.276 pounds.

^{2/} Exportable production: Total production minus estimated domestic consumption.

GREEN COFFEE: World total production for the marketing year 1965-66, with comparisons 1/

Continent and country	Average	1962-63	1963-64	1964-65	4th
	1955/56- 1959/60				estimate 1965-66
	1,000 bags 2/	1,000 bags 2/	1,000 bags 2/	1,000 bags 2/	1,000 bags 2/
North America:					
Costa Rica	734	1,050	1,100	825	1,000
Cuba	713	650	475	600	475
Dominican Republic	549	570	690	675	700
El Salvador	1,436	1,650	2,000	2,060	1,800
Guatemala	1,357	1,900	1,790	1,630	2,000
Haiti	600	590	530	550	605
Honduras	321	410	395	450	470
Mexico	1,716	2,200	2,855	2,680	3,000
Nicaragua	376	505	450	575	550
Panama	3/ 27	73	80	75	70
Trinidad & Tobago	44	60	75	75	70
Other 4/	427	416	314	325	345
Total North America	8,300	10,074	10,754	10,520	11,085
South America:					
Brazil	28,300	27,000	28,200	10,000	35,000
Colombia	7,360	7,500	8,200	7,600	8,000
Ecuador	521	800	700	935	1,000
Peru	324	770	815	880	880
Venezuela	835	850	890	790	825
Other 5/	63	124	128	128	128
Total South America	37,403	37,044	38,933	20,333	45,833
Africa:					
Angola	1,443	3,100	2,800	3,100	3,000
Burundi 6/	7/	110	250	200	225
Cameroon 8/	405	825	800	900	980
Central African Republic	3/ 41	105	210	150	175
Congo (Leopoldville)	1,195	1,100	1,100	950	1,000
Ethiopia	1,100	1,490	1,600	1,650	1,600
Guinea	9/ 114	215	175	150	150
Ivory Coast	2,130	3,350	4,350	3,400	4,600
Kenya	415	635	740	660	800
Malagasy Republic	902	1,000	835	1,050	885
Rwanda 6/	7/	85	145	175	200
Tanzania 10/	375	470	545	610	615
Togo	122	177	230	200	225
Uganda	1,508	2,945	2,900	2,450	2,750
Other 11/	332	400	429	432	439
Total Africa	10,082	16,007	17,109	16,077	17,644
Asia and Oceania:					
India	712	1,020	1,240	1,100	1,090
Indonesia	1,343	2,330	1,900	2,200	2,000
Philippines	199	550	655	710	725
Yemen	88	82	80	90	100
Other 12/	179	280	319	337	337
Total Asia and Oceania	2,521	4,262	4,194	4,437	4,252
World total production	58,306	67,387	70,990	51,367	78,814

1/ The coffee marketing season begins during the second half of the calendar year starting in some countries like Brazil as early as July 1 and in other countries about October 1. Exportable production represents total production minus consumption, except for Brazil prior to 1959-60 which was based on "registrations" of current crop minus port consumption and coastwise shipments. 2/ 132,276 pounds each. 3/ 2-year average. 4/ Includes Guadeloupe, Hawaii, Jamaica, and Puerto Rico. 5/ Includes Bolivia, British Guiana, Paraguay and Surinam. 6/ Prior to 1962-63, was shown as Ruanda-Urundi. 7/ Shown in Congo (Leopoldville) prior to 1959-60. Combined exports for Rwanda and Burundi in 1959-60 totaled 160,000 bags. 8/ Beginning with 1961-62 includes West Cameroon. Prior to 1961-62 this area was identified as Southern Cameroon and its production was included with Nigeria. 9/ 3-year average. 10/ Prior to 1964-65 year was shown as Tanganyika. Now includes Zanzibar as well. 11/ Includes Cape Verde, Comoro Islands, Dahomey, Gabon, Ghana, Liberia, Nigeria, Congo (Brazzaville), Sao Tome and Principe, Sierra Leone, and Spanish Guinea. 12/ Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor and Vietnam.

GREEN COFFEE: World exportable production for the marketing year 1965-66, with comparisons ^{1/}

Continent and country	Average	1962-63	1963-64	1964-65	4th estimate
	1955/56-1959/60				1965-66
	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}	1,000 bags ^{2/}
North America:					
Costa Rica	658	930	970	685	855
Cuba	207	50	---	---	---
Dominican Republic	421	420	540	525	545
El Salvador	1,327	1,540	1,885	1,935	1,670
Guatemala	1,158	1,700	1,580	1,420	1,785
Haiti	435	425	365	385	435
Honduras	262	335	320	365	380
Mexico	1,369	1,250	1,855	1,580	1,800
Nicaragua	334	460	405	525	495
Panama	^{3/} 10	19	26	25	25
Trinidad & Tobago	37	53	68	65	60
Other ^{4/}	171	122	55	59	64
Total North America	6,389	7,304	8,069	7,569	8,114
South America:					
Brazil	23,360	20,000	21,200	3,000	27,800
Colombia	6,550	6,500	7,200	6,500	6,800
Ecuador	422	630	525	750	810
Peru	251	605	630	680	675
Venezuela	472	370	395	275	300
Other ^{5/}	44	73	77	72	72
Total South America	31,099	28,178	30,027	11,277	36,457
Africa:					
Angola	1,427	3,050	2,750	3,045	2,940
Burundi ^{6/}	^{7/}	105	245	195	220
Cameroon ^{8/}	396	805	775	870	950
Central African Republic	^{3/} 37	100	205	145	170
Congo (Leopoldville)	1,164	1,050	1,050	900	950
Ethiopia	850	1,150	1,250	1,300	1,245
Guinea	^{9/} 105	200	160	135	135
Ivory Coast	2,063	3,300	4,300	3,350	4,550
Kenya	399	615	720	640	780
Malagasy Republic	812	900	735	950	785
Rwanda ^{6/}	^{7/}	80	140	170	195
Tanzania ^{10/}	369	455	530	595	600
Togo	121	175	225	195	220
Uganda	1,454	2,930	2,885	2,440	2,740
Other ^{11/}	308	367	396	398	405
Total Africa	9,505	15,282	16,366	15,328	16,885
Asia and Oceania:					
India	223	365	620	460	500
Indonesia	1,120	2,080	1,600	1,850	1,650
Philippines	---	---	---	---	---
Yemen	74	72	70	80	90
Other ^{12/}	63	135	139	147	147
Total Asia and Oceania	1,480	2,652	2,429	2,537	2,387
World exportable production	48,473	53,416	56,891	36,711	63,843

^{1/} The coffee marketing season begins during the second half of the calendar year starting in some countries like Brazil as early as July 1 and in other countries about October 1. Exportable production represents total production minus consumption, except for Brazil prior to 1959-60 which was based on "registrations" of current crop minus port consumption and coastwise shipments. ^{2/} 132,276 pounds each. ^{3/} 2-year average. ^{4/} Includes Guadeloupe, Hawaii, Jamaica, and Puerto Rico. ^{5/} Includes Bolivia, British Guiana, Paraguay and Surinam. ^{6/} Prior to 1962-63, was shown as Ruanda Urundi. ^{7/} Shown in Congo (Leopoldville) prior to 1959-60. Combined exports for Rwanda and Burundi in 1959-60 totaled 160,000 bags. ^{8/} Beginning with 1961-62 includes West Cameroon. Prior to 1961-62 this area was identified as Southern Cameroon and its production was included with Nigeria. ^{9/} 3-year average. ^{10/} Prior to 1964-65 year was shown as Tanganyika. Now includes Zanzibar as well. ^{11/} Includes Cape Verde, Comoro Islands, Dahomey, Gabon, Ghana, Liberia, Nigeria, Congo (Brazzaville), Sao Tome and Principe, Sierra Leone, and Spanish Guinea. ^{12/} Includes Malaysia, New Caledonia, New Hebrides, Papua and New Guinea, Portuguese Timor and Vietnam.

This rise means, however, that the 1965-66 crop in Brazil will add another 10 million bags to its already sizable stockpile and that anticipation was probably a big factor in Brazil's more aggressive selling policy in the early months of 1966. Reported adverse weather conditions were responsible for a lower estimate for El Salvador. Production in Panama is below expectations for 1965-66, but a continuing program to increase production is expected to bring some gain in future. Favorable weather has reportedly led to a good crop in Ecuador.

Africa: Estimates of production in the larger robusta-producing countries have been generally lowered, as it appears that the early official estimates in the individual countries tended to be overly optimistic. In Ethiopia, production appears to be slightly higher than previously estimated. If prices remain comparatively firm, production in this country can be expected to increase gradually as a result of natural coffee areas, from which more coffee can be harvested.

Asia and Oceania: The production situation in this area remains largely unchanged.

Trade

Probably the most important aspect of world trade in coffee in the past year has been the considerable movement of non-ICA^{3/}quota coffee. Some of this was shipped from ICA-member producing countries to "new markets;"^{4/} from these much of it found its way to major consuming countries. Some was reportedly shipped from nonmember producing countries or from member countries which could not fill their own quotas. The net effect of this movement was to increase supplies without increasing ICA quotas. It also helped to relieve the pressure on the producing countries that were holding large stocks in order to meet ICA obligations, in that it siphoned off some of those stocks. It also relieves some of the pressure on the ICA which is threatening its very existence. The principal problem of the ICA--overproduction--has still to be met. Recent changes in regulations which make ICA certificates of origin a requirement on all coffee from producing member countries, even though it moves through nonmember countries, will undoubtedly solve part of the problem, but it might also have the effect of sealing one of the safety valves that have helped the ICA to keep functioning.

^{3/} International Coffee Agreement.

^{4/} "New markets" are listed by the ICA. They are those countries which traditionally import very little coffee.

U. S. purchases from Brazil continued to decline percentagewise and those from Africa to increase in 1965, as can be seen in an accompanying table. For the first time, imports from "Africa and Asia" (mostly Africa) topped Brazil by supplying 33 percent of our imports of green coffee, as compared to 27 percent for the latter. The respective figures in 1964 were 29 percent and 31 percent. Imports from other areas changed only slightly.

Total coffee imports into the United States were the lowest since 1958 and reflect declining per capita consumption.

Other Developments

Stocks--Stocks of coffee in producing countries are not as heavy as previously thought, due largely to the above-mentioned movement of nonquota coffee, but they are still more than adequate in Brazil and some of the other larger producing countries. Available supplies are, however, more normally distributed between producing and consuming countries than might have been the case. If the ICA finds an effective way to stop the movement of the nonquota coffees, then the problem of stocks would become increasingly difficult unless some method is found to limit production.

Prices--Prices weakened slightly toward the end of the first quarter of calendar 1966. There is some speculation that the nonquota coffees were largely responsible, but the lowering of minimum export prices in Brazil, the largest producer, was obviously also a factor. Some coffeemen feel, however, that some weakening is desirable. They point to the fact that attractive prices to producers will tend to thwart or cancel out any efforts individual countries might make to limit or cut back production.

GREEN COFFEE: Value of exports by specified producing countries,
1958-1964 ^{1/}

Countries	1958	1959	1960	1961	1962	1963	1964 ^{2/}
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.	U.S.
	dol.	dol.	dol.	dol.	dol.	dol.	dol.
Costa Rica	51	40	44	43	48	46	48
Dominican Republic	24	18	23	14	20	19	27
El Salvador	84	71	77	70	74	75	93
Guatemala	78	76	79	69	74	78	71
Haiti	29	15	17	13	21	16	19
Honduras	11	12	12	9	11	14	17
Mexico	79	69	72	73	71	49	95
Nicaragua	24	14	19	17	15	17	21
Brazil	688	733	713	710	643	747	760
Colombia	355	363	334	308	332	303	394
Ecuador	26	18	22	14	21	18	22
Peru	15	16	19	21	24	26	37
Venezuela	40	26	21	26	15	17	18
Angola	54	48	44	48	65	66	96
Ethiopia	34	30	38	43	43	44	64
Ivory Coast	90	65	76	82	77	100	129
Uganda	60	53	48	39	56	76	99
Kenya	33	34	29	29	30	31	43
Tanzania	22	17	21	19	18	19	31
India	15	13	14	20	16	16	17
Indonesia	7	6	14	14	12	20	N.A.
Total specified countries	1,819	1,737	1,736	1,681	1,686	1,797	2,101

^{1/} Coffee exports of specified countries represent around 90 percent of total world exports.

^{2/} Preliminary.

N.A. = Not available.

Foreign Agricultural Service. Compiled from official statistics of foreign governments, reports of Agricultural Attaches and Foreign Service Officers, trade reports, and other related source materials.

GREEN COFFEE: U. S. imports, 1961-1965

Continent and country	1961	1962	1963	1964 ^{1/}	1965 ^{2/}
	Bags ^{3/}	Bags ^{3/}	Bags ^{3/}	Bags ^{3/}	Bags ^{3/}
North America:					
Costa Rica	369,203	384,573	287,035	292,943	305,404
Cuba	411	---	---	---	---
Dominican Republic	262,708	417,735	367,505	531,792	309,716
El Salvador	582,724	842,728	762,544	682,885	713,788
Guatemala	949,476	966,535	1,079,815	788,844	903,830
Haiti	75,531	154,105	122,271	122,260	100,381
Honduras	144,399	159,645	218,377	200,612	290,138
Mexico	1,253,946	1,342,043	810,686	1,425,790	1,138,635
Nicaragua	224,944	190,494	224,283	170,106	250,949
Panama	5,942	763	27,502	3,316	1,960
Other	46,899	19,725	37,396	39,488	26,360
Total North America	3,916,183	4,478,346	3,937,414	4,258,036	4,041,161
South America:					
Brazil	8,576,091	9,091,956	9,265,380	7,213,818	5,742,684
Colombia	4,078,426	4,330,463	3,939,738	3,698,949	3,299,853
Ecuador	202,222	369,209	293,615	230,381	502,484
Peru	382,482	474,370	490,738	541,253	454,235
Venezuela	343,976	271,510	312,686	261,652	236,607
Other	43,109	34,795	35,256	45,133	65,294
Total South America	13,626,306	14,572,303	14,337,413	11,991,186	10,301,157
Africa:					
Angola	1,024,401	1,483,337	1,121,705	1,230,823	1,278,522
British East Africa	1,246,232	1,387,960	1,497,122	1,384,290	1,348,916
Cameroon	70,994	123,633	120,640	151,421	147,083
Congo (Leopoldville)	592,532	497,322	447,985	196,189	145,745
Ethiopia	679,191	660,583	815,398	923,759	1,158,095
Ivory Coast	735,857	606,849	705,636	1,191,664	840,669
Malagasy Republic	113,957	164,719	207,079	169,604	404,927
Other	115,924	170,370	145,495	822,818	838,645
Total Africa	4,579,088	5,094,773	5,061,060	6,070,568	6,162,602
Asia and Oceania:					
India	47,357	11,779	23,893	76,458	73,398
Indonesia	138,002	301,436	453,939	391,760	643,263
Other	23,344	20,710	21,358	34,308	66,927
Total Asia and Oceania ...	208,703	333,925	499,190	502,526	783,588
Other countries	2,237	835	2	---	1,917
Grand total	22,332,517	24,480,182	23,835,079	22,822,316	21,290,425

1/ Revised.
2/ Preliminary.
3/ 132.276 pounds each.

GREEN COFFEE: U. S. gross imports for consumption by months, 1961-1965

Calendar year	1961	1962	1963	1964	1965 ^{1/}
	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}	Bags ^{2/}
January	1,951,110	2,294,540	1,241,088	1,977,276	460,698
February	1,715,463	2,310,778	2,238,665	1,969,568	1,295,938
March	2,234,714	1,828,026	2,157,406	2,476,132	2,446,165
April	1,771,045	1,859,220	2,245,754	2,459,757	1,658,847
May	1,719,310	2,006,712	1,797,858	1,597,003	1,553,587
June	2,044,567	1,550,237	1,332,142	1,343,896	1,830,766
January - June	11,436,209	11,849,513	11,012,913	11,823,632	9,246,001
July	1,633,002	1,678,724	1,956,858	1,552,377	1,206,105
August	1,775,779	2,003,959	1,887,944	1,428,029	1,556,237
September	1,864,476	2,074,355	2,166,907	1,659,684	1,812,125
October	1,934,063	2,074,786	2,486,099	1,960,222	2,666,075
November	1,604,276	2,256,432	2,181,114	2,329,666	2,549,383
December	2,084,712	2,542,413	2,143,244	2,068,706	2,254,499
July - December ...	10,896,308	12,630,669	12,822,166	10,998,684	12,044,424
Calendar year total:	22,332,517	24,480,182	23,835,079	22,822,316	21,290,425
Fiscal year total ^{3/} :	22,777,048	22,745,821	23,643,582	24,645,798	20,244,685

^{1/} Preliminary.

^{2/} 132.276 pounds each.

^{3/} Twelve months, ending June 30 of year shown.

GREEN COFFEE: U. S. gross imports by country or area of origin,
average 1955-59, annual 1962-65

Area of origin	Average		1962		1963		1964		1965 <u>1/</u>	
	Mil.	Per-	Mil.	Per-	Mil.	Per-	Mil.	Per-	Mil.	Per-
	bags	cent	bags	cent	bags	cent	bags	cent	bags	cent
	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>
Brazil	8.91	42	9.09	37	9.27	39	7.21	31	5.74	27
Africa and Asia	2.86	14	5.43	22	5.56	23	6.57	29	6.95	33
Mild coffees:										
Colombia	4.54	22	4.33	18	3.94	17	3.70	16	3.30	15
Other South America ..	.84	4	1.15	5	1.13	5	1.08	5	1.26	6
Mexico and Central America	3.30	15	3.91	16	3.41	14	3.57	16	3.60	17
Caribbean55	3	.57	2	.53	2	.69	3	.44	2
Total milds	9.23	44	9.96	41	9.01	38	9.04	40	8.60	40
Total world	21.00	100	24.48	100	23.84	100	22.82	100	21.29	100

1/ Preliminary.

2/ 132.276 pounds each.

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