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Foreign Agricultural Service Washington D.C.

COFFEE
FCOF 4-70
October 1970

WORLD COFFEE PRODUCTION REDUCED THIS YEAR

Summary

The Foreign Agricultural Service's second (Sept.) estimate of the 1970-71 world coffee crop is a total production of 57.0 million bags,1/ and an exportable production of 39.1 million bags.2/ The 1970-71 crop is expected to be 13 percent below the 1969-70 level, which totaled 65.3 million bags.

A slight decline is expected this year for North America, and a large drop for South America, while increases are expected for Africa, Asia, and Oceania. The amount of the decline this year almost corresponds to the lower Brazilian production.

Production

North America.--Climatic conditions for the 1970-71 crop have been favorable for Costa Rica. Production, however, will probably be down slightly from the record 1969-70 level. Although there was a shortage of pickers during the past season, this apparently was not a major difficulty. However, coffee growers are continuing to press for a change in the school year so that more school-aged children would be available for picking when harvest begins in November.

The Dominican Republic is expected to have one of its best coffee harvests in recent history. Coffee flowering and setting of berries were reportedly good, and the harvest may be surpassed only by those of 1963-64 and 1964-65. Domestic consumption continues to grow, but exports for the coming year will probably increase from 1969-70, which showed a gain from 1968-69.

1/ All bags in text are 60 kg. (132.267 lb.).
2/ Exportable production is total production less estimated domestic consumption.

GREEN COFFEE: WORLD TOTAL HARVESTED PRODUCTION FOR THE MARKETING YEAR 1970-71, WITH COMPARISONS 1/

REGION AND COUNTRY	AVERAGE 1961/62-1965/66	1966-67	1967-68	1968-69	1969-70	1970-71
	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/
NORTH AMERICA:						
COSTA RICA	1,028	1,215	1,350	1,260	1,400	1,300
CUBA	597	450	450	500	500	550
DOMINICAN REPUBLIC	630	505	635	540	600	650
EL SALVADOR	1,886	1,960	2,400	1,900	2,500	2,000
GUADELOUPE	8	5	5	5	5	5
GUATEMALA	1,814	1,670	1,850	1,740	1,750	1,800
HAITI	594	465	500	480	450	420
HONDURAS	416	340	480	400	500	450
JAMAICA AND DEP	26	18	21	17	20	20
MARTINIQUE	6	4	4	4	4	4
MEXICO	2,611	2,650	2,900	2,850	3,050	3,200
NICARAGUA	487	480	550	540	570	550
PANAMA	77	84	86	75	90	80
TRINIDAD-TOBAGO	58	54	72	65	33	75
US-HAWAII	55	48	39	36	30	35
US-PUERTO RICO	263	220	325	280	300	300
TOTAL	10,556	10,168	11,667	10,692	11,802	11,439
SOUTH AMERICA:						
BOLIVIA	62	70	150	160	165	165
BRAZIL	27,580	20,000	23,000	16,500	19,000	10,000
COLOMBIA	7,860	7,600	8,000	7,900	8,100	8,200
ECUADOR 3/	808	975	1,175	1,000	700	1,000
GUYANA	9	19	19	20	20	20
PARAGUAY	54	25	40	65	50	25
PERU	802	875	880	860	940	950
SURINAM	12	7	7	7	7	7
VENEZUELA	814	725	700	750	750	800
TOTAL	38,000	30,296	33,971	27,262	29,732	21,167
AFRICA:						
ANGOLA	2,919	3,300	3,400	3,100	3,400	3,300
BURUNDI	204	240	315	275	240	300
CAMEROON	906	1,000	1,100	1,100	1,200	1,200
CAPE VERDE ISLANDS	2	2	2	2	2	2
CENT AFRICAN REP	156	140	175	160	150	150
COMORO ISLANDS	3	3	3	3	3	3
CONGO-BRAZZAVILLE	13	15	10	20	15	15
CONGO-KINSHASA	1,005	900	1,000	1,000	1,100	1,150
DAHOMEY	32	20	15	18	15	15
ETHIOPIA	1,539	1,750	1,750	2,045	2,000	2,300
GABON	18	15	15	20	20	20
GHANA	49	77	94	83	100	90
GUINEA	187	120	170	180	250	275
IVORY COAST	3,457	2,200	4,500	3,400	4,600	4,100
KENYA	687	935	650	800	815	875
LIBERIA	50	67	58	65	58	60
MALAGASY REPUBLIC	902	865	1,100	900	830	900
NIGERIA	31	34	51	53	50	55
RWANDA	156	155	190	200	145	225
SAO TOME-PRINCIPE	7	6	6	6	6	6
SIERRA LEONE	86	65	80	95	75	90
SPANISH AFRICA NEC	123	130	145	125	120	120
TANZANIA	535	990	740	950	800	1,000
TOGO	201	90	175	280	250	250
UGANDA	2,568	2,450	2,700	3,335	2,700	2,900
TOTAL	15,834	15,569	18,444	19,215	18,944	19,401
ASIA:						
INDIA	1,055	1,395	1,050	1,300	1,100	1,250
INDONESIA	2,016	1,850	2,150	2,000	2,200	2,200
MALAYSIA	101	135	135	135	100	100
PHILIPPINES	667	740	700	735	785	800
PORTUGUESE TIMOR	36	45	48	55	50	55
VIETNAM SOUTH	59	55	55	55	50	50
YEMEN	83	60	60	70	60	60
TOTAL	4,017	4,280	4,198	4,350	4,345	4,515
OCEANIA:						
NEW CALEDONIA	35	35	35	30	30	30
NEW GUINEA	87	225	243	318	453	492
NEW HEBRIDES	4	4	4	4	4	4
TOTAL	126	264	282	352	487	526
TOTAL WORLD	68,534	60,577	68,562	60,871	65,310	57,048

1/ Coffee marketing year begins about July in some countries and in others about October. 2/ Of 60 kilograms each. 3/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Hence, the crop harvested principally during June-October 1970 in that country is shown as production for the 1970-71 marketing year. In Ecuador, however, this is referred to as the 1969-70 crop.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U. S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

GREEN COFFEE: WORLD EXPORTABLE PRODUCTION FOR THE MARKETING YEAR 1970-71, WITH COMPARISONS 1/

REGION AND COUNTRY	AVERAGE 1961/62-1965/66	1966-67	1967-68	1968-69	1969-70	1970-71
	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/	1,000 BAGS 2/
NORTH AMERICA:						
COSTA RICA	906	1,080	1,210	1,115	1,250	1,145
CUBA	50	---	---	---	---	---
DOMINICAN REPUBLIC	477	340	465	365	415	460
EL SALVADOR	1,770	1,825	2,260	1,755	2,350	1,845
GUADELOUPE	3	(3)	(3)	(3)	(3)	(3)
GUATEMALA	1,607	1,450	1,625	1,505	1,510	1,555
HAITI	421	290	320	295	265	230
HONDURAS	338	250	390	305	400	345
JAMAICA AND DEP	13	6	9	4	6	6
MARTINIQUE	---	---	---	---	---	---
MEXICO	1,591	1,350	1,500	1,400	1,550	1,650
NICARAGUA	439	420	490	495	500	488
PANAMA	24	24	24	11	26	16
TRINIDAD-TOBAGO	50	42	59	51	25	67
US-HAWAII	13	10	10	26	20	25
US-PUERTO RICO	42	14	---	---	---	---
TOTAL	7,743	7.101	8.362	7.327	8,317	7.832
SOUTH AMERICA:						
BOLIVIA	23	35	50	55	55	50
BRAZIL	20,480	12,000	14,745	8,000	10,250	2,000
COLOMBIA	6,800	6,350	6,700	5,570	6,730	6,790
ECUADOR 4/	624	780	975	795	490	785
GUYANA	3	1	1	2	2	2
PARAGUAY	44	15	29	40	25	---
PERU	627	675	670	645	720	725
SURINAM	7	2	2	3	3	3
VENEZUELA	321	175	130	160	160	190
TOTAL	28,929	20,033	23,302	16,270	18,435	10,545
AFRICA:						
ANGOLA	2,864	3,240	3,340	3,040	3,300	3,200
BURUNDI	190	235	310	270	235	295
CAMEROON	882	970	1,070	1,070	1,170	1,170
CAPE VERDE ISLANDS	2	2	2	2	2	2
CENT AFRICAN REP	151	135	170	155	145	145
COMORO ISLANDS	1	1	1	1	1	1
CONGO-BRAZZAVILLE	16	14	9	19	14	14
CONGO-KINSHASA	955	850	950	950	1,025	1,075
DAHOMEY	29	18	13	16	13	13
ETHIOPIA	1,194	1,385	1,380	1,420	1,375	1,575
GABON	18	13	13	18	18	18
GHANA	38	75	92	70	86	76
GUINEA	172	105	155	175	240	265
IVORY COAST	3,405	2,145	4,445	3,350	4,535	4,035
KENYA	667	915	630	780	795	855
LIBERIA	48	65	56	63	56	58
MALAGASY REPUBLIC	802	760	990	785	710	775
NIGERIA	34	32	49	43	40	45
RWANDA	148	150	180	190	135	215
SAO TOME-PRINCIPE	5	5	5	3	3	3
SIERRA LEONE	76	55	70	85	65	80
SPANISH AFRICA NEC	113	120	135	115	110	110
TANZANIA	521	975	725	935	785	985
TOGO	197	85	170	275	245	245
UGANDA	2,555	2,435	2,685	3,320	2,685	2,885
TOTAL	15,083	14,785	17,645	17,150	17,788	18,140
ASIA:						
INDIA	445	700	350	560	360	500
INDONESIA	1,726	1,490	1,650	1,500	1,500	1,500
MALAYSIA	---	---	---	---	---	---
PHILIPPINES	---	---	---	---	---	---
PORTUGUESE TIMOR	30	40	43	50	45	50
VIETNAM SOUTH	3	(3)	(3)	(3)	(3)	(3)
YEMEN	75	50	50	60	50	50
TOTAL	2,285	2,280	2,093	2,170	1,955	2,100
OCEANIA:						
NEW CALEDONIA	30	30	30	20	20	20
NEW GUINEA	72	210	240	315	450	488
NEW HEBRIDES	4	4	4	3	3	3
TOTAL	106	244	274	338	473	511
TOTAL WORLD	54,145	44,443	51,676	43,255	46,968	39,128

1/ Coffee marketing year begins about July in some countries and in others about October. Exportable production represents total harvested production minus estimated domestic consumption. 2/ Of 60 kilograms. 3/ Negligible. 4/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Hence, the crop harvested principally during June-October 1970 in that country is shown as production for the 1970-71 marketing year. In Ecuador, however, this is referred to as the 1969-70 crop.

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There will be a decline in coffee production in 1970-71 for El Salvador. The 1969-70 crop was a bumper one. Despite a decline this season, coffee trees in most parts of the country appear to be heavy with berries, and producers are fairly optimistic about the crop.

The 1970-71 Guatemalan crop will be about the same as in the previous year. However, late rains during the flowering period and excessive rainfall in mid-June and July may result in a difficult year for the new crop. The consensus among coffee producers is that yields should be increased rather than area decreased, and the marginal lands are being diversified.

It is currently expected that Mexico will have a slightly larger crop in 1970-71 than in 1969-70. Total exports for 1970-71 have been forecast at 111,000 metric tons (1,850,000 bags).

Weather conditions for the 1970-71 Panamanian crop have not been particularly favorable, and production could decline. Production in 1969-70 was substantially above 1968-69. Exports have been stimulated by the Government.

South America.--The 1970-71 Brazilian coffee crop was reduced almost by half from the previous year. While this was due primarily to severe frost damage in the State of Paraná in July 1969, drought in the State of São Paulo also contributed to a decline in production. A cost-of-production study during 1969-70 carried out by the São Paulo Department of Agriculture showed that plantations of 50,000 trees (using April 1970 prices) would have a loss if they produced only 6.3 bags of coffee per 1,000 trees (2.5 acres). If 12.5 bags were produced, there would be a profit of $93; if 18.7 bags were produced, there would be a profit of $233; and if 25 bags were produced, a profit of $364, or $146 per acre. Depending on productivity, it appears that coffee compares rather favorably with other crops in returns per acre. At the time of the study, on the average, cotton brought a net profit of $23 per acre; castor beans, $29; corn, $23; and soybeans, $13. Brazil is gradually eliminating the subsidy to domestic coffee consumption. The price of green coffee to roasters has been increased substantially in the past few months and now amounts to about 10 U.S. cents per pound.

The 1970-71 Colombian crop is expected to be about the same as in the previous year. Although 1969-70 was an "up" year in the production cycle, more fertilizer is being used by producers; this and other improved cultivation practices could offset the expected "down" year and should increase production in the future. In the past year Colombia has shipped more coffee to Europe as there has been a strong demand from Western Europe.

The outlook for 1970-71 in Peru is for a record crop, even though only slightly above 1969-70. Small producers are increasing their coffee yields through better agricultural practices. These include increasing interest in fertilization, control of the Broca, pruning, cultural practices, etc. In addition, picking of the 1970-71 crop has been timely and thorough. Crop diversification programs have been initiated, mainly to replace marginal areas. The cooperative movement has been continuing, and currently some 60 coffee cooperatives are organized.

Africa.--Burundi is having its best coffee year since 1967. Probably a factor in the larger crop is that the 300,000 or so farmers will receive 1.3 cents more per pound than last year. There may be some difficulty in exporting due to the size of the ICO quota, but this is not considered serious.

Production of coffee in Guinea apparently has risen rapidly during the past 2 years due to the extensive replanting program undertaken during the mid-1960's. Yields have risen due to reasonably good weather during the growing seasons. Domestic consumption accounts for only about 10,000 bags; therefore, most production can be exported. Coffee production in Guinea was at a much higher level prior to 1963-64, when some 4.5 million trees were destroyed because they became diseased. The Government then embarked on an extensive replanting program, using disease-resistant trees. These new trees were expected to begin to bear about 1970, and Guinea officials had predicted that coffee production would eventually rise to 40,000 metric tons annually.

Although the 1970-71 crop in the Ivory Coast is estimated at the high level of 4.1 million bags, this is considerably below the 1969-70 crop. Continued lack of rain this year could significantly reduce the crop. Both government and trade officials expect the export quotas to be met.

The 1970-71 coffee crop in Kenya will probably be somewhat above that for 1969-70. In spite of heavy rains over much of Kenya during April and May, there have been no important incidents of coffee berry disease.

Uganda will probably have a somewhat larger crop in 1970-71 than in the previous year. The Ugandan Coffee Marketing Board's purchase prices were raised from 11 to 23 percent in early May. These are the prices that the Board pays the cooperative societies. Producer prices would be roughly 75 percent of these prices.

Asia and Oceania.--An increase in production for 1970-71 is expected for the Philippines as increased plantings in recent years come into production. The Philippines does not officially export coffee, and imports are banned. Consumption in 1969-70 recovered from the previous year's as a result of larger supplies and lower prices in the latter part of the year. The trend toward greater consumption of soluble coffee continued last year, and it is estimated that over half of the consumption is in this form.

Other Developments

At the International Coffee Council meetings in London in August, initial quotas for the 1970-71 (Oct.-Sept.) year were set at 54 million bags. There can be increases to 58 million bags if the composite price for the four types of coffee remains at or above 52 cents a pound for certain periods. Increases by type under the selectivity system are unlimited. In case prices fall to specified levels, pro rata cuts in the quota of as much as 3 million bags can be made, but cuts are limited to two for each group and to 2.5 percent for each cut. These quotas are considered to be adequate and should prevent unwarranted price increases this coffee year. Upward adjustment counts began on October 1 for the composite, and for Robustas and unwashed Arabicas. If these three increases are made after the necessary 15-marketing-day count, then the total quota for 1970-71 would be raised to 56.9 million bags. An upward count for Colombian Milds began on October 5 that could raise the quota to 57.1 million bags.

GREEN COFFEE: U. S. gross imports by country or area of origin

Area of origin	Average 1963-67		1968		1969		1969 Jan.-June		1970 1/ Jan.-June	
	Mil. bags 2/	Percent	Mil. bags 2/	Percent	Mil. bags 2/	Percent	Mil. bags 2/	Percent	Mil. bags 2/	Percent
Brazil	7.00	31	8.32	33	5.78	29	2.82	31	2.62	25
Africa and Asia	6.80	31	8.95	35	7.15	35	3.05	34	3.93	37
Mild coffees:										
Colombia	3.34	15	3.05	12	2.48	12	1.13	12	1.49	14
Other South America	1.20	5	1.15	5	1.16	6	.46	5	.52	5
Mexico and Central America	3.43	16	3.45	14	3.24	16	1.42	16	1.68	16
Caribbean	.49	2	.46	1	.42	2	.21	2	.27	3
Total milds	8.46	38	8.11	32	7.30	36	3.22	35	3.96	38
Total World	22.26	100	25.38	100	20.23	100	9.09	100	10.51	100

1/ Preliminary.

2/ 132.276 lb. or 60 kg.

United States Bureau of Census

GREEN COFFEE: U. S. gross imports for consumption, by months, 1966-70

Calendar year	1966	1967	1968	1969	1970 1/
	Bags 2/	Bags 2/	Bags 2/	Bags 2/	Bags 2/
January..........	1,829,079	1,979,151	2,202,380	363,175	1,783,403
February.........	2,017,663	1,618,308	2,460,589	1,111,042	1,841,054
March............	2,384,800	2,092,294	1,755,075	2,014,741	1,715,678
April............	1,965,127	1,717,016	2,398,436	2,195,313	1,638,688
May..............	1,817,855	1,721,544	1,956,415	1,663,752	1,643,781
June.............	1,680,072	1,646,851	1,640,882	1,746,915	1,890,980
January-June....	11,694,596	10,775,164	12,413,777	9,094,938	10,513,584
July.............	1,569,851	1,748,253	2,481,072	1,714,315	---
August...........	1,309,060	1,818,394	2,398,350	1,476,064	5/
September........	2,084,606	1,598,623	2,321,955	1,778,440	5/
October..........	2,167,597	2,102,596	1,687,161	2,326,839	5/
November.........	1,573,023	1,844,717	2,132,254	2,167,091	5/
December.........	1,664,066	1,424,088	1,944,951	1,675,134	5/
July-December...	10,368,203	10,536,671	12,965,743	11,137,883	5/
Calendar year total.........	22,062,799	21,311,835	25,379,520	20,232,821	5/
Fiscal year total 3/......	23,747,706	21,143,367	22,950,448	22,060,681	21,651,467
ICO year 4/.....	24,128,070	21,345,120	24,986,555	19,828,123	5/

1/ Preliminary.
2/ 132.276 lb. each.
3/ Twelve months, ending June 30 of year shown.
4/ Twelve months, ending Sept. 30 of year shown. ICO is International Coffee Organization.
5/ Not available.

United States Bureau of Census.

J S DEPARTMENT OF AGRICULTURE
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