



COFFEE INDUSTRY BOARD

ANNUAL REPORT

FOR YEAR ENDED 31ST JULY, 1983

33 YEARS OF THE COFFEE INDUSTRY BOARD

INTRODUCTION

The Board is appointed by the Minister of Agriculture, in accordance with Section 12 of the Coffee Industry Regulation Law 1953. It is comprised of seven (7) members: three (3) growers' representatives and four (4) nominated members.

Members of the Board during the year were:

Mr. G. K. G. Sharp	—	Chairman
Mr. Cecil Langford		
Mr. Christopher Roberts		
Mr. W. J. Buckland	—	Commonwealth Development Corporation Representative
Mr. Edgar Dunkley)	
Mrs. Advira Stewart)	— Growers' Representatives
Mr. F. Richards)	

Their term of office expired on March 29, 1983 and a new Board was appointed, effective from 30th March, 1983.

Mr. Buckland was transferred to an overseas posting by the Commonwealth Development Corporation and resigned on 1st December, 1982. He was replaced by the new Commonwealth Development Corporation representative, Mr. S. P. B. Magee. Mr. Dunkley did not seek re-appointment because of ill-health. The Board takes this opportunity to record its appreciation of his nine (9) years of service as a grower's representative.

The newly-appointed Board consists of Mr. Gordon Sharp — Chairman, Mr. Cecil Langford, Mr. Christopher Roberts, Mrs. Advira Stewart, Mrs. M. Allen, Mrs. Paula Wong and Rev. W. Guscott.

Meetings

Eleven (11) regular and four (4) special meetings were held during the year under review which were all well attended.

Acknowledgement

The Board takes this opportunity to record its appreciation of the loyalty and dedication of all its employees, and of the contribution of all coffee growers and related organizations towards the success of the industry during the year.

Staff

Mr. P. L. Meghoo, who had been General Manager since 1976, retired on July 31, 1983, after serving in that position for over seven years, and as an employee of the Board for a total of twenty-eight (28) years. He has subsequently been appointed Operations Co-ordinator of the Board. The Board wishes to record its appreciation of his long and faithful service to the industry.

Mr. John Pickersgill was appointed General Manager on February 14, 1983.

Miss Joyce Chang was appointed Board Secretary in October 1982, succeeding Mr. William Lumsden who retired from the position. The Board wishes to record its appreciation of the dedicated service given to the Board by Mr. Lumsden while he served as Secretary.

Labour Relations

The Factory Managers and their assistants became unionized during the year. The B.I.T.U. gained bargaining rights for these members of staff in August, 1982, and a two (2) year contract for the period August 82 – July 84 was agreed between this union and the Board.

PRODUCTION AND DEVELOPMENT

Production

Severe drought continued to affect the industry adversely during the year. Despite this, however, National Coffee production for the year under review rose to 358,898¼ boxes from 323,889 in the previous year. This increase is attributed to recovery from Hurricane Allen in 1980, improved crop culture and the contribution of bearing new crops from CIDCO farms and the CEMP programme.

Coffee Industry Development Company (CIDCO)

During the year, the company continued to operate the industry's fertilizer credit programme for coffee farmers with a revolving sum of \$150,000. This programme was implemented mainly through the coffee co-operatives. During the year, although only 405.24 tons of fertilizers valued at \$157,000 were taken up by farmers, this was an improvement of 254 tons over the previous year. Fifteen of the 19 coffee co-operatives participated in the fertilizer programme.

CDC 3,000-Acre Programme – Blue Mountain Area

Achievement under the programme during the year was 376 acres planted with approximately 114.4 acres prepared for planting. The target under the programme for the year was 500 acres. Planting was slow because of continued drought in the area; nonetheless, farmers have been showing enthusiasm for the programme. Total establishment under the programme was 486.6 acres, while 62 applications for 862 acres were approved and J\$3.446 million committed at 31st July, 1983.

Co-operatives

There are approximately 61,000 coffee growers islandwide. Most of these growers are members of registered Coffee Co-operative Societies which are co-ordinated by the Coffee Growers Co-operative Federation Limited, an affiliate of the Jamaica Agricultural Society.

There are nineteen (19) registered Co-operatives with a total membership of approximately 60,000 growers who are also organized into 508 coffee groups.

TABLE II

Deliveries of Cherry Coffee made by the Co-operatives to the Board's six (6) factories and the Co-operative Factories over the last three (3) crop years

Co-operative	1982/83 (Boxes)	1981/82 (Boxes)	1980/81 (Boxes)
Catadupa	10,241.75	8,601	6,772
Central St. Catherine	14,523.75	16,738.50	12,133.75
Central St. Mary/West Portland	10,588.50	7,409.25	7,551.25
Darliston	1,081.25	1,162.50	925
East St. Ann	13,460.25	4,250.50	6,905.75
Frankfield	47,834.25	54,478	47,869
Guy's Hill	20,956.75	12,657.50	16,146
North East Clarendon	18,345.50	33,527.75	23,519
North Manchester	21,791.50	19,465.75	17,518.75
North West St. Catherine	23,031	28,565.50	32,184.25
St. Elizabeth	11,446.50	13,961	11,572.75
South Manchester	21,983.25	33,821.75	19,424.75
Upper Trelawny	11,941.50	6,205	7,963.25
West St. Ann	25,931.75	15,125.50	16,624
West St. Andrew	2,167	1,245.50	843.50
South Clarendon	5,516	11,038	3,754.75
TOTAL	260,839.50	268,253.25	231,707.75
St. Thomas Area	66.75	903.50	-
East Portland Area Council	728	661.75	140
C/F	261,635.25	269,818.50	231,847.75

Blue Mountain Factories	1982/83 (Boxes)	1981/82 (Boxes)	1980/81 (Boxes)
B/F	261,635.25	269,818.50	231,847.75
Wallenford/Mt. Airy/New			
Castle Blue Mtn. Co-op.	17,935.50	4,614.50	2,502.75
Langley	1,335.00	845.00	706.00
Mavis Bank	20,819.25	14,614.00	17,000.00
Moy Hall/Blue Mtn.			
Coffee Co-op.	9,800.00	10,160.00	11,170.00
Silver Hill/Portland Blue			
Mtn. Coffee Co-op.	<u>28,596.50</u>	<u>10,179.50</u>	<u>16,410.00</u>
TOTAL	340,121.50	310,231.50	279,636.50
Coffee Industry Board Farms	<u>19,100.00</u>	<u>13,654.50</u>	<u>12,124.50</u>
GRAND TOTAL	<u>359,221.50</u>	<u>323,886.00</u>	<u>291,761.00</u>

Price to Farmers

The Price paid for lowland coffee for the 82/83 crop was \$23.32 per box. This represents an increase of \$1.00 per box on the price paid in the previous year. Farmers received a first payment of \$14.00 per box and \$8.00 per box as final payment.

In addition, the Board paid 80c per box of coffee to each Co-operative to assist in defraying their expenses including payment to coffee collectors, group secretaries, secretaries of Co-operatives, etc. A payment of 2c per box was made to the JAS Coffee Growers Federation Limited towards defraying the expenses of the Federation while a cess of 50c was retained as a contribution towards the cost of extension services provided by the Board to coffee growers.

All costs incurred for the transportation of cherry coffee from the collecting depots to the Central Factories as well as all processing and finishing expenses were met by the Board.

TABLE III
Total Price Per Box Of Cherry Coffee Paid By The Board Over The Last Five (5) Years

Crop Year	Lowland \$	Blue Mountain \$
1978/79	24.47	60.00
1979/80	24.82	60.00
1980/81	20.82	70.00
1981/82	22.32	81.00
1982/83	23.32	85.00

Marketing

The Board has continued to regulate the sale of coffee both locally and for export in accordance with the Coffee Industry Regulation Act, 1953. All sales of green coffee must be made through the Board to ensure that proper grading and quality control are carried out in keeping with the established traditions of the Coffee Industry Board and to maintain a balance in the allocation of Jamaican coffee to the local and overseas markets.

Sales of green coffee beans are made to the United Kingdom, the United States of America, Japan and to local processors. Japan continues to be the largest importer of Jamaican coffee, taking between 85% and 90% of annual exports. Roasted and soluble coffee is exported by local processors to the USA, Canada and CARICOM. The Board also inspects and certifies these exports for type and quality and has been encouraging the development of these exports as a means of securing additional foreign exchange earnings for the national economy.

The local trade paid J\$5,484,622 for 10,456 bags of coffee purchased as compared to J\$3,260,779 for 6,890 bags purchased during the previous year. Of the 10,456 bags sold locally, 2,995 bags were exported by local roasters. The Board exported a total of 11,333 bags (of 60 kilos or 132 lbs each) of coffee during the year, realizing some US\$4.7 Million; the total island export was 16,439 bags. The average price realized from the sale of the 1982/83 crop was J\$3.54 per pound.

TABLE IV
Local And Export Sales Over The Last Five Years
From The Board

Crop Year	Local Sales ^d	Value J\$	Export Sales	F.O.B. Value
	(Bags 132 lb)		(Bags 132 lb)	US\$
1978/79	11,009	3,257,519	10,400	2,779,139
1979/80	9,366	4,684,041	13,470	3,856,180
1980/81	9,003	4,239,362	10,147	3,548,676
1981/82	6,890	3,260,779	12,867	4,768,468
1982/83	10,456	5,484,622	11,333	4,710,090

Under the Coffee Industry Regulations of 1953 all coffee dealers and coffee works operators are required to obtain a licence from the Board to enable them to deal in, process or manufacture any coffee product. During the year under review, nine (9) Dealers and nine (9) Coffee Works licences were granted by the Board. The Board's Quality Control Dealer Department inspects the operations of all Dealers and Work Operators to ensure among other things that the terms and conditions of the licences are observed.

Deregulation

The Coffee Industry Deregulation Policy became effective from March 1, 1983. For details of this policy see Appendix I.

Statements of Accounts are also attached.

