



# **COFFEE INDUSTRY BOARD**

## **ANNUAL REPORT**

FOR YEAR ENDED 31ST JULY, 1986

36 YEARS OF THE COFFEE INDUSTRY BOARD

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For Year ended July, 1986

## INTRODUCTION

The Board is appointed by the Minister of Agriculture in accordance with Section 14 of the Coffee Industry Regulations Act, 1948. It comprises nine (9) members, three of whom represent the JAS Coffee Federation, two represent the Coffee Council and four are nominated members.

Members of the Board during the year were:

G.K.G.Sharp	-	Chairman
Cecil Langford		
Christopher Roberts		
Rev. W.C. Guscott	-	Rep. of the JAS Coffee Federation
Mrs. Magdalene Allen	-	"
Mrs. Advira Stewart	-	"
Miss Yvonne Alexander	-	Rep. of the Ministry of Agriculture

The two-year term of office of these Board Members ended in December, 1985 and a new Board was appointed for two years with effect from 1st January, 1986. The Coffee Industry Regulations Act was also amended in 1985 to increase membership of the Board from seven (7) to nine (9). The new Members were:

Mr. Donald Banks	-	Chairman
Mr. Cecil Langford		
Mr. Peter King		
Mr. Dennis Boothe	-	Rep. of the Coffee Council
Mr. John Allgrove	-	"
Mr. John Minott	-	"
Rev. W.C. Guscott	-	Rep. of the JAS Coffee Federation
Mrs. Edna Lawrence	-	"
Mr. B.A. Hamilton	-	"

In March 1986, Senator Courtney Fletcher was appointed to the Board, replacing the Rev. W.C. Guscott who had resigned.

## Meetings

Twelve (12) regular meetings were held during the year and they were generally well attended.

## Acknowledgment

The Board is pleased to record its appreciation of the loyalty and dedication of its employees and of the support and cooperation of coffee growers and related organisations which contributed to the progress of the Industry, during the year.

## Production & Development

National production for the year increased to 351,388 boxes of cherry coffee from 254,983 boxes in the previous year. The significant increase (37.8%) is as a result of improved weather conditions, better cultural practices, the biennial pattern

Under this Agreement, CIDCo would establish a mother farm of 50 acres at the Seven Rivers property in the parish of St. James, while 1,450 acres would be planted by small farmers who would be given loans to develop farms of a minimum of two acres to a maximum of 7.5 acres of coffee.

The Programme also included establishment of a nursery on the mother farm at Seven Rivers to produce 500,000 coffee seedlings annually to serve loan farmers in the parishes of St. James, Westmoreland, Hanover and St. Elizabeth.

#### **National Nursery Programme**

In the year under review, CIDCo distributed 1.45 million seedlings to farmers from its four nurseries situated at Chudleigh in the parish of Manchester, Bog Walk in the parish of St. Catherine, Mount Airy in the parish of St. Andrew and Top Mountain in the parish of Portland. This production was below the target of 1.6m seedlings. However, private nurseries distributed 150,000 seedlings to farmers and this helped to alleviate the shortage which was experienced during the year.

#### **Dyoll/Wataru Joint-Venture (150-acre farm)**

CIDCo continued to manage this joint-venture farm. Only 37 acres of the target of 100 acres was planted for the year under review. Total acreage planted since the inception of the venture up to July 31, 1986 was 55.5 acres.

Planting on this farm at Andover in the parish of St. Andrew was significantly behind schedule because of shortage of seedlings and drought conditions.

#### **Coffee Leaf Rust**

The existence of Coffee Leaf Rust (*Hemileia vastatrix*) was discovered on 29th July, 1986 in the district of Tweedside in the parish of Clarendon and, soon after, in the parish of Manchester. Prior to this discovery, five (5) seminars had been held with representatives from the Port Authority, Ministry of Agriculture, Co-operatives, Farmers, InterAmerican Institute for Co-operation on Agriculture, CIB and CIDCo to discuss coffee leaf rust control, prevention and general education about the seriousness of this disease, and methods of control in anticipation of the arrival of this disease in Jamaica.

#### **Operations of the Central Factories**

The factory at Dover, in the parish of St. Mary, was closed permanently in July, 1985. It had become uneconomical to continue operations there because of the small volume of coffee reaching this factory as a result of the significant downturn in coffee production in the areas which supplied this factory.

Receivals at the Board's central factories were as follows:

Factory	Receivals	
	1985/86	1984/85
Aenon Town	31,106	39,714
Bog Walk	61,768	43,429
Clarendon Park	47,059	36,505
Dover	-	6,118
Maggotty	46,541	23,748
Trout Hall	77,114	49,162
	<u>263,588</u>	<u>198,676</u>

Cherry coffee receivals by the Board's central factories for the past ten years are set out below:

<u>Year</u>	<u>Boxes</u>
1976/77	225,041
1977/78	295,716
1978/79	179,292
1979/80	451,164
1980/81	250,271
1981/82	251,362
1982/83	280,668
1983/84	313,432
1984/85	198,675
1985/86	263,588

### Co-operatives

The nineteen (19) coffee co-operatives (of which three (3) are in the Blue Mountain area and sixteen (16) are in other coffee growing areas of the island) continued to supply coffee to the CIB's five (5) central factories and to two (2) others which are owned by two (2) of the Blue Mountain Coffee co-operatives. These 19 co-operatives have a membership of approximately Fifty Thousand (50,000) small growers.

The CIB continued to encourage floating of coffee by farmers. A quality incentive scheme was put in place whereby farmers and co-operatives were paid according to the percentage of floated coffee delivered to the CIB factories.

The percentage of floated coffee during the year ranged between nine (9) and fifteen (15).

Coffee supplies over a three-year period from co-operatives are set out below:

<u>Co-operatives</u>	<u>Boxes</u>		
	<u>1985/86</u>	<u>1984/85</u>	<u>1983/84</u>
Catadupa	10,005	6,926	12,403
Central St. Catherine	17,536	9,615	21,061
Central St. Mary/West Portland	4,447	6,116	7,476
Darliston	2,159	1,008	1,529
East St. Ann	3,094	6,362	3,326
Frankfield	46,605	31,792	59,564
Guys Hill	8,996	15,057	9,204
North Manchester	15,137	11,777	19,673
North East Clarendon	28,080	17,253	35,651
St. Elizabeth	15,842	4,847	17,846
South Clarendon	6,581	8,043	9,584
South Manchester	25,422	15,981	30,482
Trelawny	4,314	6,508	6,297
West St. Andrew	1,883	883	1,970
West St. Ann	12,560	16,044	16,409
	<u>202,661</u>	<u>158,112</u>	<u>252,475</u>

### Prices to Farmers for Cherry Coffee

The net prices paid by the CIB for the 1985/86 crop were J\$222.00 per box of cherry coffee grown in the Blue Mountain area and J\$63 per box for coffee grown in other areas of the island. The previous year's prices were J\$246.00 for Blue Mountain coffee and J\$43.00 for coffee from other areas. Farmers received a first payment of J\$80.00 per box for Blue Mountain coffee and \$26 per box for coffee grown in other areas. Co-operatives and individual farmers were paid a quality incentive based on their float percentage.

The Board paid a cess of \$1.50 per box of cherry coffee to each of the sixteen (16) lowland co-operatives to assist with their expenses. It also paid 15c per box to the JAS Coffee Federation and 5c per box to the JAS to assist with Co-operative training.

Total net prices per box of cherry coffee paid by the Board to farmers over the last five years are set out below:

<u>Year</u>	<u>Lowland</u>	<u>Blue Mtn</u>
	JS	JS
1981/82	22.32	81.00
1982/83	23.32	102.91
1983/84	40.88	157.91
1984/85	51.88	246.00
1985/86	63.00	222.00

The reduction in the price for Blue Mountain Coffee was due to severe drought which resulted in low export quality coffee and smaller returns to the CIB on coffee sales.

### Industry Cess

An Industry Cess of \$16.29 per box for lowland coffee and \$37.08 for coffee grown in the Blue Mountain area was levied by the CIB on the 1985/86 crop. The cess was used to pay for the cost of administration, extension and the nursery and national coffee berry borer control programmes.

### MARKETING

Jamaica continued to be a member of the International Coffee Organisation (ICO).

The demand for Jamaican coffee in overseas markets continued to be in excess of supply so that no exports went to new markets. The CIB continued to supply coffee to its traditional buyers in Japan, USA and to the UK.

Exports for the year totalled 16,455 bags at a value of US\$7,697,258, while local sales were 7,988 bags, valued at J\$10,929,012. Total sales to the export and local markets were valued at J\$53,892,220.

Comparative figures for the CIB's sales and value of coffee over the last five years are set out overleaf:

<b>Crop Year</b>	<b>Local Sales Bags/132 lbs</b>	<b>Value JS</b>	<b>Export Sales Bags/132 lbs</b>	<b>FOB Value JS</b>
1981/82	6,890	3,260,780	12,867	8,481,912
1982/83	11,828	5,484,622	13,427	4,710,090
1983/84	10,058	6,560,265	18,600	6,214,104
1984/85	8,811	9,139,508	13,500	20,523,297
1985/86	7,988	10,929,012	16,455	42,963,208

Efforts made by local roasters to penetrate the overseas markets with roasted coffee progressed during the year and signs were that roasted coffee would have some success in these markets in the near future.

