



COFFEE INDUSTRY BOARD

ANNUAL REPORT

FOR YEAR ENDED 31ST JULY, 1988

38 YEARS OF THE COFFEE INDUSTRY BOARD

REPORT AND STATEMENT OF ACCOUNT
for the Year ended 31st July, 1988

INTRODUCTION

The Coffee Industry (CIB) is appointed by the Minister of Agriculture in accordance with Section 14 of the Coffee Industry Regulation Act 1948. It consists of nine (9) Members: three (3) Growers' representatives and six (6) nominated Members.

Members of the Board during the year were:-

Mr. Cecil Langford	-	Chairman
Mr. Clarence Nelson		
Mr. Maurice Clarke		
Mr. Andrew Strudwick		
Mr. John Allgrove		
Mrs. Andre Nembhard		
Mr. Courtney Fletcher	}	- JAS Coffee Federation
Mr. Basil Hamilton		- JAS Coffee Federation
Mrs. Edna Lawrence		- JAS Coffee Federation

Their term of office commenced 1st January, 1986 and will expire on 31st December, 1988.

Representatives of the Ministries of Agriculture and Finance were ex-officio Members of the Board.

MEETINGS

Twelve (12) Regular meetings and two (2) Special meetings were held during the year under review.

STAFF

Mr. Barrington Cameron was employed with effect from 2nd November 1987 as Development Officer at CIDCo.

ACKNOWLEDGEMENT

The Board takes this opportunity to record its appreciation of the loyalty and dedication displayed by its employees, and of the assistance and co-operation of all coffee growers and related organisations which contributed to the industry's success during the year.

PRODUCTION AND DEVELOPMENT PROGRAMMES

Production

National Coffee Production for the year under review rose to 448,961 boxes from 366,720 boxes in the previous year. The 22.4% increase in production is attributed to the gradual recovery from drought conditions experienced during the previous year and the increased development in the Blue Mountain area.

DEVELOPMENT PROGRAMMES

a) Commonwealth Development Corporation (CDC) 3,000-acre Programme

For the year under review 2,588 acres of coffee were established (1,355 acres by private farmers and 1,233 acres by the Board and its subsidiary, the Coffee Industry Development Co. (CIDCo).

This programme should have been completed in 1986 but a number of problems including late start and shortage of funds prevented the CIB from achieving its objective. The CIB therefore requested and received approval for rescheduling of the loan.

b) Claverty Cottage/Shirley Castle Coffee Development Programme (3,500 acres in the Blue Mountain Area)

This programme, jointly funded by the Governments of Japan and Jamaica, began on 1st October, 1984. Under this programme, a mother farm of four hundred (400) acres at Peter's Hill in Portland would be established to provide demonstration on coffee production to farmers in the area. Work started on the Board's Peters Hill Farm but there were various setbacks, due mainly to financial constraints.

For the year under review 246 acres of coffee were established, 30 acres by CIDCo and 216 by private farmers.

At the end of this crop year total coffee establishment on the Peter's Hill farm was 168 acres. Private farmers' establishment under the programme was 492 acres, bringing the total coffee establishment to 660 acres at 31st July, 1988.

The road project under the programme also began in October 1984. Two contracts for four (4) roads were almost completed at 31st July, 1988, and a third contract for eight (8) roads was due to be completed shortly.

c) Dyoll/Wataru Joint Venture: (150 acres, Andover, St. Andrew)

Under this joint venture programme between the Dyoll Insurance Company, Wataru & Company and the Coffee Industry Board (through its subsidiary, Coffee Industry Development Co. - CIDCo) 23 acres of coffee were planted

for the year, making a total of 113 acres established up to the 31st July, 1988.

d) European Economic Community (EEC) 1,500 acres Programme

Implementation of this project began in the latter part of 1986. For the review year a total of 172 acres of coffee were established, bringing total establishment under the programme to 275 acres. Of this total, 50 acres were established by CIB/CIDCo on the Board's Seven Rivers Farm in the parish of St. James and 225.5 acres by private farmers. Planting has been slow because of the inability of many farmers to provide proof of ownership of lands the advanced age of some farmers and difficulty by some farmers to provide their contribution to develop their farms.

Nursery Programme

During the year a total of 1.662 million seedlings were distributed by the Board's six (6) nurseries. This represented a decrease of 8% when compared to the 1.805 million seedlings distributed during the previous year.

Coffee Leaf Rust Disease

As of April 1987, spraying for control of the Leaf Rust Disease was combined with control of the Coffee Berry Borer pest. At the end of the year under review there was a significant reduction in the incidence of both these problems in most of the coffee growing areas.

Operations at the Central Pulperies

The Board's five (5) Central factories were all in operation during the year. Details of receivals over the crop years 1986/87 and 1987/88 are as follows:

Factory	1986/87 Boxes	1987/88 Boxes	Percentage increase
Aenon Town	31,276	71,360	128.2
Bog Walk	73,792	75,218	1.9
Clarendon Park	53,851	55,828	3.7
Maggotty	25,888	42,509	64.2
Trout Hall	<u>60,603</u>	<u>77,672</u>	<u>28.2</u>
TOTAL	= <u>245,410</u>	<u>322,587</u>	<u>31.4%</u>

Coffee Co-operatives

Coffee supplied by the sixteen (16) Lowland Coffee Co-operatives is set out below:

Co-operatives	1986/87 (Boxes)	1987/88 (Boxes)
Catadupa	3,364	9,692
Central St. Catherine	16,500	21,674
Central St. Mary	9,057	3,709
Darliston	501	2,100
East St. Ann	6,113	4,746
Frankfield	34,172	53,837
Guys Hill	15,487	9,432
North Manchester	14,348	21,657
North East Clarendon	23,657	24,822
North West St. Catherine	34,403	32,003
St. Elizabeth	7,233	13,132
South Clarendon	7,762	6,642
South Manchester	21,495	26,149
Trelawny	2,486	6,059
West St. Andrew	1,510	2,434
West St. Ann	12,507	23,767
TOTAL BOXES	<u>210,595</u>	<u>261,855</u>

(1 box = 60 lbs.)

Of the sixteen (16) Co-operatives listed eleven (11) recorded increases in production ranging between 319.2% (Darliston) and 4.9% (North East Clarendon). Five (5) Co-operatives recorded decreases ranging between 7.0% (N.W. St. Catherine) and 59.0% (Central St. Mary). Total production increased by 24.3%.

Price to Farmers

The CIB continued to purchase cherry coffee based on quality received for Lowland coffee. The price paid for Lowland coffee was J\$80.76 per box of cherry coffee and for Blue Mountain coffee \$208 per box.

Cess

The industry cess for the year was J\$35.80 per box of Blue Mountain cherry coffee and J\$15.96 per box for Lowland coffee.

Marketing

Coffee sales continued to show a steady increase in tandem with the increased production for the crop year.

The demand from traditional importers – Japan, USA and UK – for Jamaican coffee continued to be in excess of supply, which justified the efforts being made to increase production, especially of Blue Mountain coffee.

Coffee sales (local and export) for the period amounted to 31,626 bags at a value of J\$65,540,282.

Exports

During the year a total of 22,500 bags of coffee (representing 71% of sales) was exported, earning US\$9,245,800. Most of this coffee was shipped as green beans primarily to Japan, USA and the UK. Export quantity of roasted and soluble coffee was 1,116.69 bags.

Local Sales

The quantity of coffee sold on the local market during the review year was 9,126 bags valued at J\$16,071,573. The resulting changes from the previous year were a reduction by 12.6% in quantity and an increase of 6.3% in value.

Comparative figures showing the Coffee Industry Board's sales and value of coffee over the last five years are set out below:

<u>Value</u> <u>Crop Year</u>	<u>Local Sales</u> <u>(Bags 132 lbs)</u>	<u>Value</u> <u>J\$</u>	<u>Export Sales</u> <u>(Bags 132 lbs)</u>	<u>F.O.B.</u> <u>J\$</u>
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
1986/87	10,442	15,121,319	15,600	37,642,190
1987/88	9,126	16,071,573	22,500	49,468,709

Local Roasters have been gradually penetrating the North American market with sales of roasted coffee.

