



**COFFEE INDUSTRY BOARD**

**ANNUAL REPORT**

FOR YEAR ENDED 31ST JULY, 1994

44 YEARS OF THE COFFEE INDUSTRY BOARD

## **PRODUCTION AND DEVELOPMENT PROGRAMMES**

### **Production**

Total coffee production for the crop year 1993/94 was 334,513 boxes of cherry coffee (205,000 Blue Mountain and 129,513 boxes Lowland cherry coffee) compared to 433,280 boxes cherry coffee in the previous crop year. This unusually large (22.8%) reduction in the national production was due mainly to prolonged and unusual islandwide rainfall during January and February of 1993 which resulted in low flower bud production in succeeding months. This situation resulted in the lowest Lowland production experienced since the establishment of the CIB in 1950.

The prolonged drought which had lasted from June 1993 to the end of July 1993 also resulted in the production of a higher than normal percentage of light coffee which was not saleable and so farmers suffered severe financial hardship during the year under review. There were also many requests from Coffee Co-operatives in the lowland for financial assistance because of the small production they had experienced during the year. In order to ease the financial problems of the Co-operatives, the CIB extended their crop loans over three (3) years instead of requiring the usual repayment at the end of the crop year.

### **CLAVERTY COTTAGE/SHIRLEY CASTLE(CC/SC) PROJECT 3500-ACRE BLUE MOUNTAIN COFFEE PROGRAMME**

Despite the adverse weather conditions, coffee establishment for the year was 593 acres which was the largest ever completed in a single year since the inception of the Project. Total coffee establishment up to the end of July 1994 was 3,123 acres.

Arrangements to restart construction of the factory at Tarentum in Clarendon continued, and plans were being finalised to restart construction in the following crop year.

Maintenance of the roads from Chepstowe to Claverty Cottage in the parish of Portland was carried out to facilitate access to the adjacent coffee farms.

### **EEC 1500-ACRE PROGRAMME**

This programme came to an end on 31st July, 1993. 1,376 acres (or 92% of the 1,500-acre target) were planted under the programme. The time frame for this programme was extended to seven (7) years from the scheduled five (5) years. A review of this programme indicated that 7 years was considered a more realistic development period for such a programme which was primarily for small coffee growers. These farmers have little or no surplus funds to contribute to their loan or to enable them to devote all of their time to their coffee establishment.

During the last year of this programme farmers' interest was heightened, resulting in the establishment of 462 acres of coffee.

The CIB takes this opportunity to thank the EEC for the provision of funds for this programme which helped to replace many acres of Lowland coffee which

were severely damaged as a result of the hurricane Gilbert on 12th September, 1988.

#### **HILLSIDE FARMERS SUPPORT PROGRAMME (IFAD)**

Implementation of this programme began in 1990 and CIB supervised the establishment of 472 acres up to the 31st July, 1994 when it was handed over to the Agricultural Credit Bank (ACB).

#### **HILLSIDE AGRICULTURAL PROJECT (HAP)**

During the year under review three (3) coffee sub-projects under the Programme were approved for implementation by the CIB. They are located in North West Portland, Western St. Andrew and West St. Ann Co-operative areas. The three (3) sub-projects will involve 650 acres and benefit 1300 small farmers. Funds totalling J\$17.5M for these sub-projects are provided by USAID, Government of Jamaica, CIB and coffee growers.

#### **NURSERY PRODUCTION**

A total of 2.328 million seedlings were distributed for the year (1,940,000 by private nurseries and 300,000 by CIB nurseries).

#### **OPERATIONS AT CIB'S CENTRAL FACTORIES**

The CIB's six (6) Central Factories were in operation during the year. A summary of receivals over the crop years 1992/93 and 1993/94 is set out below:

| <b>Factory</b>       | <b>92/93 (Boxes)</b> | <b>93/94 (Boxes)</b> | <b>% Change</b> |
|----------------------|----------------------|----------------------|-----------------|
| <b>Lowland</b>       |                      |                      |                 |
| Aenon Town           | 22,855               | 19,984               | (12.6)          |
| Bog Walk             | 57,550               | 24,744               | (57.0)          |
| Clarendon Park       | 43,320               | 27,521               | (36.5)          |
| Maggotty             | 31,754               | 37,084               | (16.8)          |
| Trout Hall           | 45,029               | 11,980               | (73.4)          |
|                      | <u>200,508</u>       | <u>121,313</u>       | <u>(39.5)</u>   |
| <b>Blue Mountain</b> |                      |                      |                 |
| Wallenford           | <u>80,154</u>        | <u>114,205</u>       |                 |
| <b>TOTAL</b>         | <u>280,662</u>       | <u>235,518</u>       | (16.1)          |

All Lowland Factories, except Maggotty which had an increased (16.8%) throughput, recorded decreases ranging from 12.6% for Aenon Town to 73.4% for Trout Hall.

The Wallenford Factory in the Blue Mountain coffee area recorded an increase of 42.5%. However this increase was not enough to offset the 39.5% decrease re-

corded for Lowland coffee Factory receipts, the resulting total of 235,518 boxes decreasing by 16.1% below the 1992/93 quantity of 280,662 boxes.

### LOWLAND COFFEE CO-OPERATIVES

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

| Co-operative             | Year<br>92/93<br>boxes | Year<br>93/94<br>boxes | % Change<br>93/94 /92/93 |
|--------------------------|------------------------|------------------------|--------------------------|
| Catadupa                 | 5,571                  | 5,455                  | - 2.1                    |
| Central St. Catherine    | 10,613                 | 2,546                  | -76.0                    |
| Central St. Mary         | 2,143                  | 191                    | -91.1                    |
| Darliston                | 3,502                  | 5,503                  | +57.1                    |
| East St. Ann             | 2,902                  | 1,213                  | -58.2                    |
| Frankfield               | 23,148                 | 8,281                  | -64.2                    |
| Guys Hill                | 5,213                  | 1,250                  | -76.0                    |
| North Manchester         | 11,014                 | 7,409                  | -32.7                    |
| North East Clarendon     | 21,149                 | 4,049                  | -80.9                    |
| North West St. Catherine | 20,018                 | 1,305                  | -94.5                    |
| St. Elizabeth            | 4,448                  | 6,073                  | +36.5                    |
| South Clarendon          | 5,233                  | 2,993                  | -42.8                    |
| South Manchester         | 21,658                 | 9,520                  | -56.0                    |
| Trelawny                 | 2,016                  | 2,527                  | +25.3                    |
| West St. Andrew          | 603                    | 174                    | -71.1                    |
| West St. Ann             | 9,648                  | 4,685                  | -51.4                    |
| <b>TOTAL</b>             | <b>148,879</b>         | <b>63,174</b>          |                          |

1 BOX equivalent to 60 LBS. CHERRY COFFEE

This was the smallest Lowland production by the Co-operatives since the establishment of the CIB. Only three (3) Co-operatives, viz Darliston (57.1%); St. Elizabeth (36.5%) and Trelawny (25.3%) showed increases; the other thirteen (13) showed decreases ranging from 2.1% for Catadupa to 94.5% for North West St. Catherine.

### PRICE TO FARMERS

The CIB paid a net average price of \$639.13 per box of cherry coffee to Lowland farmers and \$1,500.00 to Blue Mountain growers who sold their coffee to the Wallenford factory. Comparative prices for the previous year were \$428.25 per box for Lowland and \$1,009.00 per box for Blue Mountain coffee.

### INDUSTRY CESS

For the year under review the industry cess was \$91.00 per box for Blue Mountain cherry coffee and \$53.00 for Lowland cherry coffee.

### MARKETING

Jamaica continued to be a member of the International Coffee Organization. Demand for Jamaican coffee continued to be good on the export market. In the traditional overseas market of Japan, USA and UK, because of the very small crop produced in the year under review, shortage of Jamaican coffee was very pronounced.

Export sales totalled 2,520,320 lbs. valued at US\$16,418,460, while local sales totalled 662,323 lbs. valued at J\$25,031,820. The following Table sets out sales for the 3-year period 1991/92 -1993/94.

| Crop Year | LOCAL SALES                |                | EXPORT SALES               |                 |
|-----------|----------------------------|----------------|----------------------------|-----------------|
|           | Quantity<br>(132 lb. bags) | Value<br>(J\$) | Quantity<br>(132 lb. bags) | Value<br>(US\$) |
| 1991/92   | 5,595                      | 29,325,145     | 18,695                     | 10,413,486      |
| 1992/93   | 11,718                     | 31,315,664     | 17,577                     | 13,985,009      |
| 1993/94   | 5,017                      | 25,031,820     | 19,093                     | 16,418,460      |

Local Roasters continued to export coffee to the USA, their main market, and to the UK, JAPAN and CARICOM.

