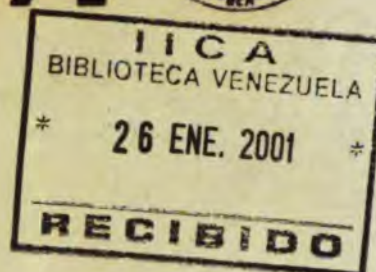


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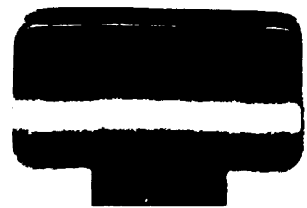


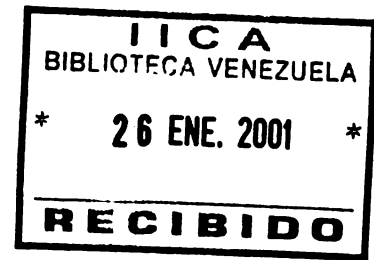
THE COFFEE SECTOR OF COSTA RICA

PRODUCTION, ORGANIZATIONAL AND INSTITUTIONAL ASPECTS OF THE INDUSTRY

Kingston, Jamaica
June 1999

IICA OFFICE IN JAMAICA





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INTRODUCTION

In October 1998, during a visit to Costa Rica to attend IICA's Executive Committee Meeting, the Honourable Roger Clarke, Minister of Agriculture in Jamaica, requested that IICA facilitate a study of the management of the coffee, banana, sugar and beef sub-sectors in Costa Rica as a basis for providing input into the ongoing debate on the modernization of these industries in Jamaica (bench marking).

The study was designed to address the issues as defined in the terms of reference (Appendix 1). The study was supported by the Programme for Horizontal Technical Cooperation in Agriculture between the countries of Latin America and the Caribbean (CARILAC).

The IICA Office in Jamaica in cooperation with the Centre for Agribusiness (CIDAE), the Centre for Projects and Programs (CEPPI) and the IICA Office in Costa Rica, facilitated the Minister's request and is pleased to present the attached document on the coffee sub-sector for consideration by the Minister.



.....
Dr. Chelston W. D. Brathwaite
IICA Representative in Jamaica



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Costa Rica: The Coffee Sector: Production, Organizational and Institutional Aspects of the Industry¹

1. BACKGROUND

- 1791. The first coffee seeds were taken to Costa Rica from Panama (Hall, 1991; Castillo, 1998).
- After 1821, the coffee industry grew around the central region of the country.
- 1832. First coffee exports to Chile.
- 1838. There were 345 hectares under cultivation and approximately 4,200 hectares in 1857.
- 1840-1890. Coffee was the country's sole export (Canet, 1993, Castillo, 1998). During this period, the coffee industry influenced the social and political structure of Costa Rica, since it represented a capital generating activity.
- As of 1990, coffee lost its historic importance in the economy of Costa Rica, due to the decline in international prices and the growth of the agricultural sector (banana and non traditional products).

II ECONOMIC IMPORTANCE

2.1 Area under production

During the period 1990 to 1997, the area under coffee cultivation was reduced by 7,000 hectares. In 1990, it was 115,000 (24.8 % of total agricultural production) and 108,000 in 1997, 25.2 % of total agricultural production (see Table 3.2).

2.2 Gross Domestic Product (GDP)

From 1990 to 1997, the contribution of the coffee industry to GDP fluctuated between 543.2 million colones² in 1997 (3.5 % of GDP) and 632.9 in 1991 (5.1 % of GDP), which represented a reduction of 9.0% for the period (see Table 3.1).

2.3 Contribution to the GDP in Agriculture (AGDP) (1990-1997)

The contribution of coffee to the AGDP fluctuated between 19.2% in 1997 (GDPA was 2,827.7 million colones) and 25.2% in 1991 (AGDP was 2,513.1 million colones), which represented a decrease of 19.5% for period 1990 to 1997 (see Table 3.1).

¹ Torres H. JE. Salazar A, C.

² In 1996, the exchange rate was 6.40 colones per U.S. dollar.

2.4 Employment

For period 1990/91 to 1995/96, the number of workers in the coffee industry fluctuated between 55,707 during the 1993/94 harvest and 61,698 for period 1991/1995. For the last six harvests, the percentage change in the number of workers showed a decrease of 3.6% (fluctuating from 61,522 to 59,399 workers) (see Table 3.4).

III THE COFFEE MARKET

3.1 The International Market

3.1.1 World Coffee Production

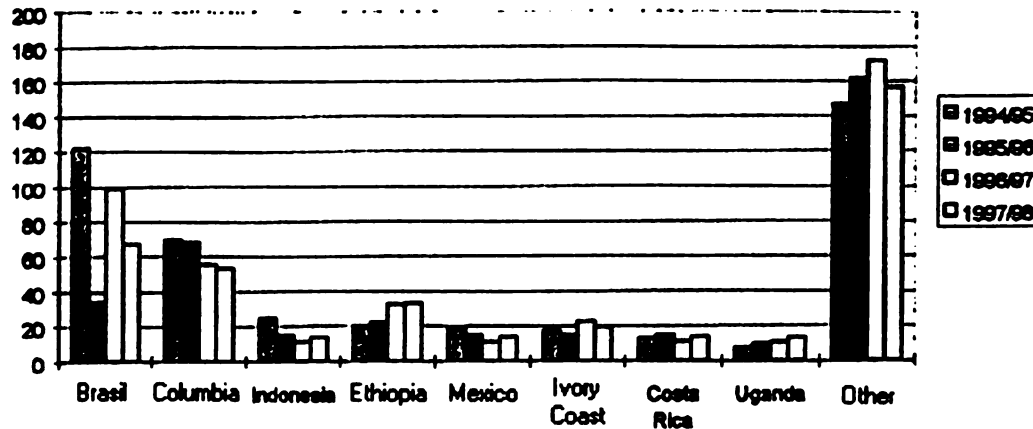
- The main world producer of coffee is Brazil which produced 1,781.28 million kg for 1994/95. 31% of the total world production. The subsequent three crops behaved irregularly with a decrease in production to 1.362 million kg. For 1997/98, the production in Brazil represents an average of 20% of total volume (see Table 3.5).
- The major world producer of coffee for 1997/98 were Brazil and Colombia with 1,362.3 (24.5%) and 630 million kg (11.3%), respectively of a total of 5,558.3 million kg.
- For period 1994-1998, Costa Rica remained among the ten main coffee producing countries in the world. In 1997/98, it produced 2.7% of total world production i.e. 154.8 million kg (see Table 3.5).

3.1.2 Main Coffee Exporters Worldwide

- World coffee exports declined by 31.18 million kg (7%) for period 1994/95-1997/98, moving from 441.44 to 410.26 million kg from the beginning to the end of the period (see Table 3.6 and Figure 3.1).
- In 1997/98, Brazil exported 67.23 million kg (16.4% of world total), Colombia 53.40 (13.0%) and Indonesia 29.34 (7.2%) respectively.



Figure 3.1: Main Coffee Exporters Countries
Value in Millions of Kg.
1994/95-1997/98

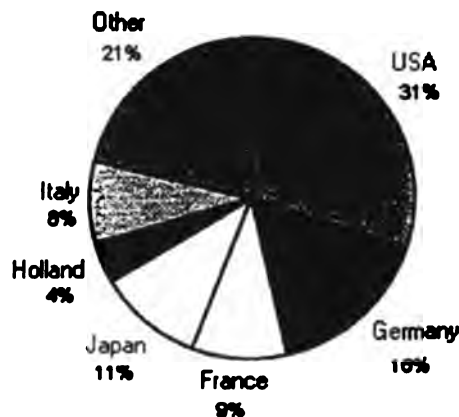


Source: Based on ICAFE Data 1999.

3.1.3. Main World Coffee Importers

- In 1997-98 the United States imported a total of 17.8 million bags of a total production of 59.44 million bags for that year (Castillo, R, 1998).
- For their part, Germany, France, Holland and Italy acquired a total of 22.6 million bags for 1997/98 (see Table 3.8 and Figure 3.2).

Figure 3.2: Main Coffee Importers Countries
Percent Value
1997/98



Source: Based on ICAFE Data 1998.



3.1.4. World Coffee Consumption

- Consumption for the 1996/97 crop was calculated according to ICO figures at 59.44 million bags (Castillo, R, 1998).
- U.S. consumption was 17.85 million, Germany 9.72 and Japan 6.37 million bags respectively.

3.1.5. International Prices

- World coffee prices are classified according to four coffee types³, established by the International Coffee Organization (ICO). Following an important development in 1997, the value of coffee decreased to 115.23 cents per pound, the combined indicative price of the ICO.
- The combined prices are affected by changes in the cost of the Arabic coffee, of which Brazil is one of the more important producers. During 1997/98, the price of strong coffee rose to 83.61 cents per pound.
- The combined indicative price of coffee for the past few years continued to fluctuate with the highest prices being those of the 1994/95 harvest when it was 152.19 cents per pound (Castillo, R, 1998).

3.1.6. Participation of Costa Rica in the World Coffee Market

- For the period between 1990/91 and 1997/98 harvests, local exports continued to fluctuate with a volume less than 85.9 million kg in 1994/95 (1,898 bags) and a maximum of 109.1 kg (2.66 million bags) in the 1992/93 harvest (see Table 3.7).
- The FOB value of exports continued to be irregular for period 1990/91-1997/98, ranging between 209.4 and 433.5 million dollars in 1991/92 and 1994/95, representing an increase of 108.9%.
- Costa Rican coffee prices are high in the international market due to the fact that the coffee is classified as "other mild". For period 1990/1991 and 1995/96 Costa Rican coffee received an average of US\$2.01/kg (value in thousands). This value was set by the Coffee, Sugar and Cocoa Stock Exchange in New York (Castillo, R, 1998).

³ Colombian Mild, Other Mild, Brazilian and Arabian, and Strong.



- The main importing countries of Costa Rican coffee for year 1995/96 were the United States, representing 19.3% of the total, followed by Germany (17.6%) and Japan (9.8%).

3.2 Local Market

- Costa Rica is self sufficient in coffee. The importation of this product is prohibited.
- The amount for local consumption is determined by a specific quota established in accordance with the production that particular year.
- For period 1990/91-1997/98 production for local consumption fluctuated between 13.26 million kg in 1992/93 and 18.32 million kg in 1997/98. There was a decrease of 12.1% for this period (see Table 3.3) (ICAFE, 1998).
- The local cost of Costa Rican coffee increased by 59.5% for period 1989/90-1997/98. In 1989/1990, a kilogram of coffee cost 0.99 dollars and for 1997/1998 the price was 1.58 dollars per kilogram.

IV. ORGANIZATIONAL STRUCTURE OF THE COFFEE SUB SECTOR

4.1 Organization

The Costa Rican Coffee Institute (ICAFE) is the main institution of the coffee sub sector and is at the first level of the organization.

At the second level, there are organizations which group the various institutions participating in the industry:

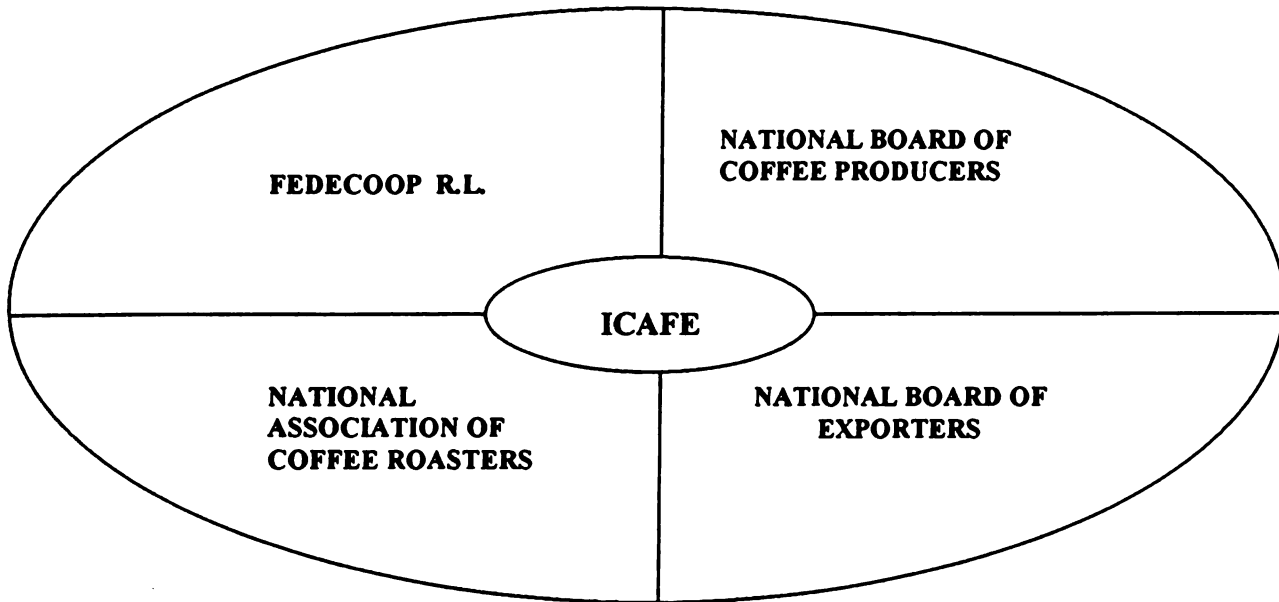
- Federation of Coffee Producers Cooperative (FEDECOOP R.L.) which group the coffee producer cooperatives throughout the country.
- National Board of Coffee Producers
- National Board of Coffee Roasters
- National Board of Coffee Exporters (see Figure 3.3 and Table 3.9)

4.2 Organizational Development

- In 1993, the Coffee Protection Institute was established with the objective of representing those persons involved in the national coffee industry. A law was passed to regulate the relationship between coffee producers and processors, and sought to create a balance between the different economic agents in the coffee industry.
- In 1994, the Union of Coffee Producers was established to protect the interests of producers and processors.
- In 1948, the Institute for Coffee Protection became the Coffee Board (OFICAFE).



Figure 3.3.: Costa Rica: Organization of the Coffee Sub Sector



Source: Castillo, 1998.

- 1959. Establishment of the National Board of Coffee Growers representing those companies which were not processing coffee.
- 1960. The National Board of Coffee Exporters representing the exporters of the product.
- 1962. The type of relationship between Coffee Producers, Processors and Exporters was established.
- 1962. FEDECOOP was established with the aim of defending the interests of the cooperative producers.
- 1985. ICAFE was established to replace the Coffee Board of Costa Rica. It was also given additional powers and authority.
- 1989. The creation of the National Board of Coffee Roasters to protect the rights of the Union of coffee processors.



- 1992. The development of the Fund for the Stabilization of the Coffee Industry FONECAFE, to boost the industry by providing it with adequate resources to overcome any crisis, to reactivate it and ensure its permanence.
- 1997. Final amendment to the law. The Coffee Sector through ICAFE, will be the administrator and the agency to manage the financial resources derived from the industry. The composition of the National Coffee Board is modified and the Board assigned additional functions.

4.3 Administrative Aspects

ICAFE is responsible for the administration of the coffee sub sector. The Institute represents the most important aspects of the coffee industry which allows it to serve as coordinator. ICAFE is responsible for policy design for the sub sector.

4.4 Institutional Aspects

The coffee sub sector internally groups organizations which represent the links in the production chain: the National Board of Coffee Producers and the National Board of Coffee Producers and the National Board of Roasting Machines. ICAFE implements a number of research projects and technology transfers which allow coffee production in Costa Rica to maintain an acceptable standard. Externally, there are a number of institutions, projects or activities seeking to assist the industry. These include the Ministry of Agriculture and Livestock, the Ministry of Foreign Trade, the Ministry of Economics, Industry and Commerce, State Universities, etc.

V. ORGANIZATIONS WITHIN THE COFFEE SUB SECTOR

5.1. Coffee Institute of Costa Rica (ICAFE)

5.1.1. Background

- The Institute for the Protection of Coffee in Costa Rica was established by Law No. 121 on July 24, 1933.
- In 1948, the industry faced a number of different needs since it had spread and there were now more producers. The previous law was now modified by Decree No. 74 of June 21, 1948 and the Coffee Board was created to be responsible for the economic sector of the coffee industry.
- In 1985, Law No.6998 of June 26, 1985, changed the name of that office to the Coffee Institute of Costa Rica (ICAFE), which has greater powers and national and international outreach.



5.1.2 Organization

- The National Coffee Producers Congress is at the first level of ICAFE.
- The Board of Directors is at the second level.
- The Sales and Internal Auditing Division are at the third level.
- The Executive Board is at the fourth level.
- The Departments of Economic Studies and Juridical Matters are at the sixth level.
- The seventh level comprises the Technical, Operations, Promotion and Administration-Finance Managers (see Table 3.4).

5.1.3 Organizational Development

- The most recent amendment to the constitution of ICAFE came into effect December 19, 1997. The main aspects of this amendment included the removal of resources generated by coffee production from the control of the budgetary authority, and the non-inclusion of any state official on the National Board of Coffee Producers.
- The purpose of these changes is not to privatize the institution but to make the resources more cost effective. The motivation for this reform was that the funds generated by the industry were regulated by the state which gave it the authority to make decisions with respect to the investment of the funds collected.
- The composition of the Congress changed for the first time to not include state officers. The production sector occupied more places on the Board. Twenty-seven out of forty-five members are producers representing sixty percent of the total.

5.1.4 Structure

The National Coffee Board: This comprises representatives of the different organizations in the sub sector. Law No.2661 establishes a total of forty-five members according to the size of the different sectors of the coffee industry. There are twenty-five members from the production sector, nine from the coffee processing sector, six from the exporters sector and one from the coffee roasters sector.

The Board of Directors: This comprises seven legal representatives and their respective alternates. Three members are from the production sector, one from the coffee processing sector, one from the exporter sector, and one from the coffee roasters sector. There is also a state representative member. Members are elected by the Board.

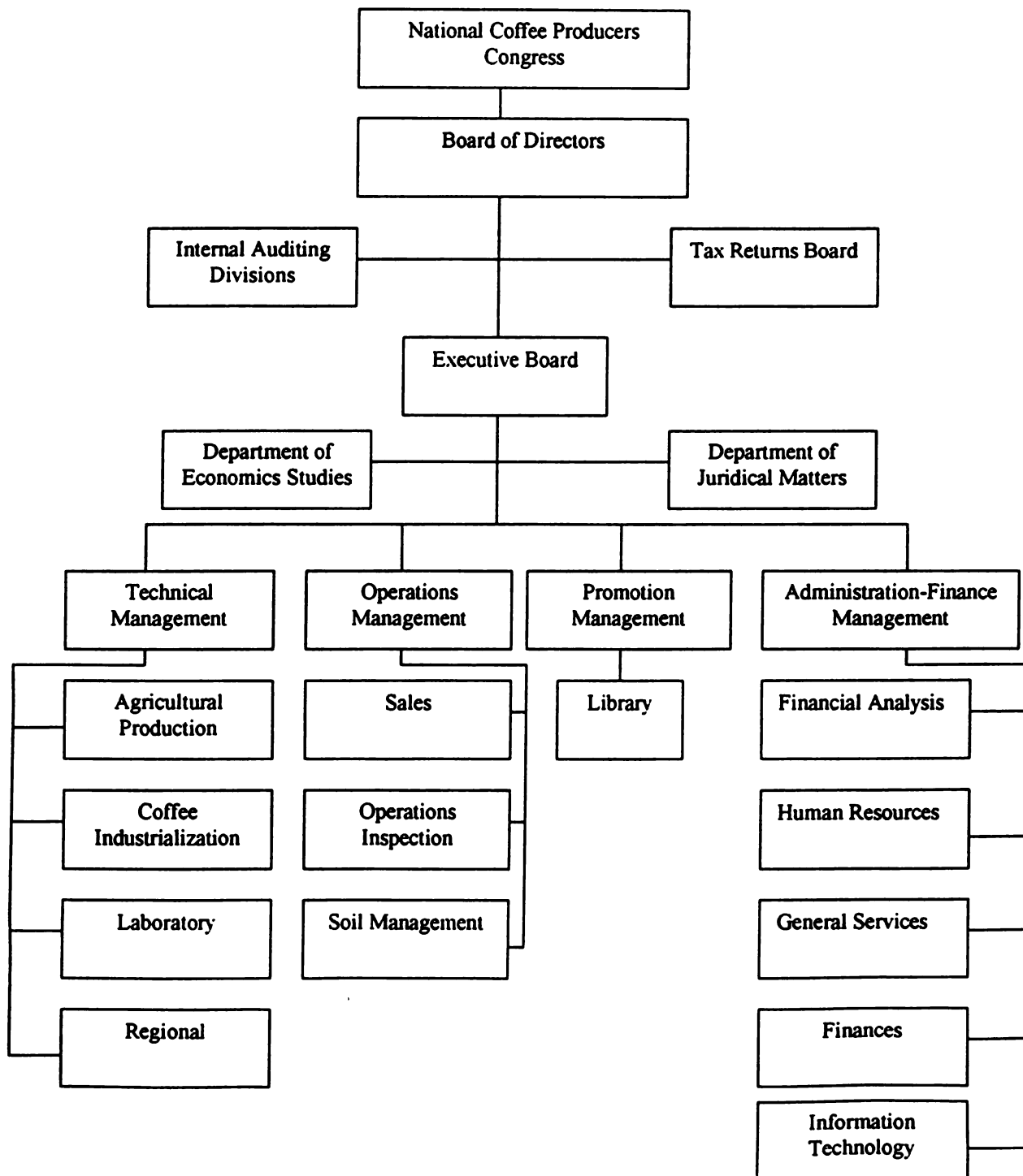
The Executive Board: It is the supreme administrative body responsible for organizing and directing ICAFE in the fulfillment of its objectives and implementing the agreements and mandates of the Board of Directors.

Auditing Division: The Auditing Division has the principal objective of exercising strict control of expenditure and income of ICAFE.



Juridical Matters: It gives legal advice and is responsible for supervising the fulfillment of tasks in accordance with provisions of the law.

Table 3.4.: Organizational Structure of the Coffee Institute of Costa Rica (ICAFFE)



Source: Castillo, R, 1998.



5.1.5 Functions

- To promote equitable relations between the different sectors involved in the industry, which it coordinates with state institutions in order to ensure compliance with and development of legal and regulatory provisions.
- To encourage the development of the coffee industry at all levels and agricultural diversification in the country.
- To design and propose policies to the Executive which should be adopted by the coffee industry and to defend its interests.
- To control the entire processing, exportation and marketing of coffee.
- To designate the percentage of each crop to be exported and the percentage for local consumption.

5.1.6 Operational Aspects

CICAFAE: The Coffee Research Centre is responsible for the generation, adaptation and transfer of technology, both in terms of crop cultivation and consumption, quality control and agricultural diversification (Castillo R, 1998). It has two aspects, the agronomical with experimental lots and funding for research purposes.

The National Fund for the Stabilization of the Coffee Industry (FONECAFE): In 1992, FONECAFE was established with the objective of balancing the prices paid to the coffee producer when the final sale is less than production cost. With the recent changes experienced by the institution, there was recognition of the need to set up regional offices in the main production areas of the country in order to better service the participating sectors.

Department of Exports and National Consumption: Responsible for regulating Costa Rican coffee sales to other countries. It reviews contracts for the sale of the product through which the exporter buys the processed coffee from the coffee processing plant and exports it to other countries. It receives the taxes which the exporter must pay to ICAFE for the exported product.

5.1.7 Financing

The main source of resources for ICAFE is the charge of 1.5 percent FOB for national exports.



Information Sheet:

Established: June 24, 1933

Location: San Jose

Telephone: 222-6411

Fax: 222-2838

P.O Box: 37-1000 San Jose

E-mail: icafecr@sol.racsa.co.cr

Funding: 1.5 percent of FOB on national exports

5.2 Coffee Producers Cooperative Federation (FEDECOOP R.L.)

Information Sheet:

Established: May 31, 1962

Location: San Rafael de Heredia

Telephone: 265-6661/260-8955

Fax: 260-8953

E-mail: Not available

Objective: To process and market coffee directly in order to achieve value added

Members: 45,000 persons

Funding: The FEDECOOP Constitution establishes that its main source of funding is the charge of four cents for each bag produced by each member of the Cooperative

5.3 Association of Coffee Producers Cooperatives in Guanacaste and Montes de Oro (COOCAFE)

Location: Rio Segundo de Alajuela

Telephone: 442-8705

Fax: 442-9742

E-mail: coocafe@sol.racsa.co.cr

Objectives:

- To open up the national coffee market
- To increase coffee exports to different countries
- To provide scholarship assistance to children of coffee producers

Functions:

- To export coffee
- To give credit
- To assist members through scholarships



Funding: Contributions by Cooperatives totaling two million dollars and financial activities generate loans and provide credit to their members.

5.4 National Coffee Producers Board

Information Sheet:

Established: 1990

Location: Canton Central, San Jose

Telephone: 221-8207

Fax: 257-5381

E-mail: Not available

Objectives: To protect the interests of producers and processors in the country

Funding: Charge of 5 colones per bag for countries processing quantities below 100,000 bags and 2.5 colones for those who process larger quantities. An estimated budget is proposed for the industry.

5.5 National Association of Coffee Roasters

Information Sheet:

Established: 1991

Location: Palmares, Alajuela

Telephone: 453-4121

Fax: 453-1120

Objectives:

- To protect the interests of coffee roasters
- To represent the Union before ICAFE

Funding: Members share expenses incurred by the organization (legal advice)

5.6 National Board of Coffee Exporters

Information Sheet:

Established: 1960.

Location: Sabana Oeste, San Jose

Telephone: 290-0836

Fax: 290-0836

Objectives: To protect the interests of coffee exporters

Funding: The Board receives four cents per bag exported by each member company



VI. SUPPORT INSTITUTIONS

6.1 The National Banking System (NBS)

The NBS is responsible for financing coffee production in Costa Rica (see Information Sheet in chapter on the Banana Sector).

6.2 Ministry of Agriculture and Livestock

Coordinates coffee production (see Information Sheet in chapter on the Banana Sector).

6.3 University of Costa Rica

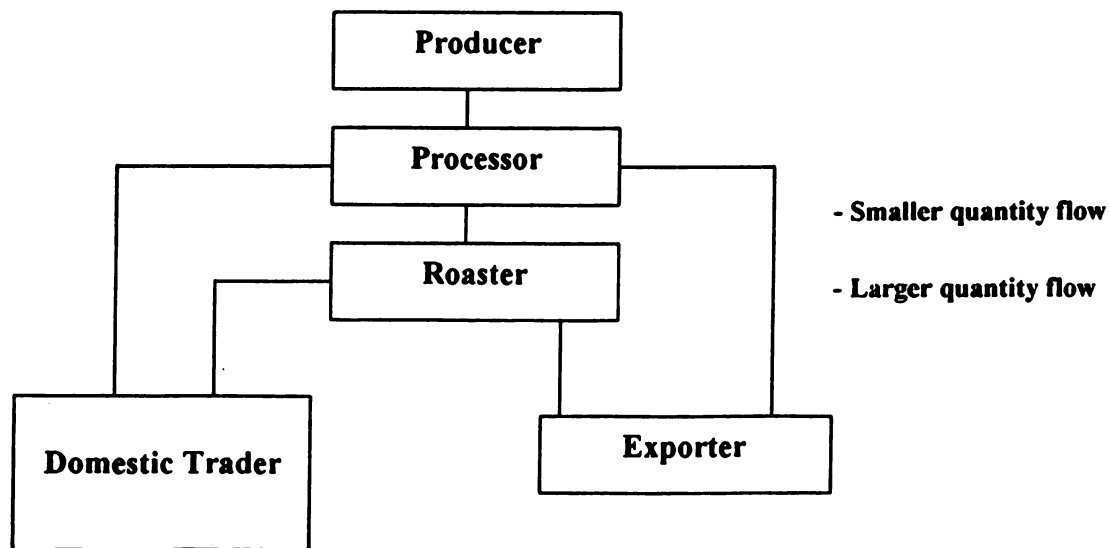
Undertakes technical and financial studies on subjects of interest to the coffee industry (see Information Sheet in chapter on the Banana Sector).

VII. RELATIONSHIP BETWEEN THE VARIOUS ACTORS IN THE COFFEE INDUSTRY

7.1 Relationship between coffee producers, processors and exporters

The coffee industry has a vertical structure involving four actors: coffee producers, processors, roasters and traders. Each of these groups belongs to its own organization. Figure 3.5 shows the structure and interrelationships.

Figure 3.5.: Costa Rica: Coffee Production Chain



Source: Castillo, R, 1998.



7.1.1. Production Sector

National producers⁴ constitute the first link in the coffee production chain. For the year 1995-1996, there was a total of 76,819 suppliers⁵ throughout the country. The number of coffee suppliers has fallen recently due to the problems facing the industry. While there were 130,979 coffee suppliers in 1990-91, this number fell by 41.4% in 1995-96 since there was a registration of 76,819 suppliers.

During this same harvest, coffee producers reported a production of 6.80 million DHI⁶ between member and non-member producers.

This sector has the following characteristics:

- 92% of the producers have plantations of less than 5 hectares, representing 44.0% of the area under cultivation.
- 6% of the producers own cultivated land of between 5 and 20 hectares, representing 21% of the area under cultivation in the country.
- 2% of the producers own plantations larger than 20 hectares, representing 35% of national coffee land.
- The largest representative of the producer sector is FEDECOOP.

7.1.2. Processing Sector

In Costa Rica, there are 95 processing plants⁷ throughout the country, of which 25 belong to cooperatives and 70 to private companies who are generally big producers who, besides processing their production, buy coffee from the producers. There are also companies representing more than one processing factory such as La Meseta Company S.A. and the Peters Corporation S.A..

Approximately 30 companies represented 60.86% of the total amount processed in 1995-96, which was 6.8 million DHI. The most important processing firm was COOPRONARANJO, which processed 0.37 million DHI, representing 5.48% of the total.

⁴ A coffee producer is defined as a person who owns a coffee plantation and has the right to exploit it using any legitimate title.

⁵ Coffee suppliers are those persons who use their own means of transport to take their coffee production to the processors.

⁶ DHI=a double hectalitre (200 litres) of coffee beans.

⁷ A processor is any physical or juridical person duly registered as such with ICAFE. He owns a processing plant (installations, machinery and infrastructure needed to process the coffee bean, from the time of ripening to roasting, and marketing. (Art. 2 and 6, Law No. 2762)



7.1.3. Coffee Roasting Sector

In Costa Rica, there are 97 roasting plants⁸ responsible for the processing of the bean, of which three companies dominate 75% of the national market. These are Café Rey, La Meseta and Café Volio. These companies buy the product from the processors except for those which carry out their own marketing for example, COOPRONARANJO R.L.

These companies carry out the process of toasting, grinding and packaging the coffee.

7.1.4. Marketing Sector

There are 63 exporting⁹ countries responsible for marketing the product. Many of these buy the product directly from the processors and export it to processors in other countries. Export is largely in the hands of transnational companies which function as traders. They export and import coffee in its various stages of the marketing chain.

There are nine companies which dominate the coffee market. In the 1995-96 crop, they were responsible for 92.0% of exports with a export of 2.61 million bags of coffee out of a total of 2.83.

7.2. Policy Design

ICAFFE is responsible for designing and implementing coffee sub sector policies for Costa Rica through its main body the National Coffee Congress.

Given the makeup of the Congress, the direct participation of each sector participating in the coffee industry is salvaged. Moreover, there is active State and Board participation representing the national agricultural private sector.

⁸ A roaster is a person who owns or rents an establishment dedicated to roasting, grinding or any other industrial process after the processing.

⁹ An exporter is defined as anyone on his own or on behalf of foreign companies who is committed to buying and exporting the product.



APPENDIX

**Table 3.1.: Costa Rica: Contribution of Coffee Production to GDP and AGDP
In millions of colones.
1990-1997**

Year	Coffee	Agricultural	%	Total GDP	%
1990	596.9	2366.1	25.2	12,243.7	4.9
1991	632.9	2513.1	25.2	12,521.1	5.1
1992	630.7	2614.4	24.1	13,489.0	4.7
1992	594.4	2676.3	22.2	14,344.0	4.1
1994	581.9	2757.0	21.1	14,986.9	3.9
1995	595.6	2869.4	20.8	15,344.3	3.9
1996	569.2	2851.2	20.0	15,245.6	3.7
1997	543.2	2827.7	19.2	15,730.3	3.5

Source: Based on data from Castillo, R, 1998 and ICAFE 1999

**Table 3.2.: Costa Rica: Agricultural Area in Coffee Production
In hectares.
1990-1997**

Year	Agricultural Sector	Coffee	%
1990	463.992	115.00	24.8
1991	451.481	105.000	23.3
1992	441.853	106.000	24.0
1993	445.741	105.000	23.6
1994	441.556	108.966	24.7
1995	446.902	108.000	24.2
1996	418.802	108.000	25.8
1997	428.899	108.000	25.2
Average	442.403	107.996	24.43

Source: Based on data from SEPSA, 1999

**Table 3.3.: Costa Rica: Total Production, National Consumption and Value
In millions of kg and US\$
1990/91-1997/98**

Coffee Production Year	National Production	%	National Consumption	Value (millions \$)	Price (kg)
1990/91	157.44	11.59	18.24	18.17	0.99
1991/92	165.75	10.27	17.01	14.31	0.93
1992/93	156.93	8.45	13.26	11.51	0.88
1993/94	148.00	10.26	15.19	26.97	1.78
1994/95	150.06	9.44	14.16	33.55	2.37
1995/96	154.13	9.99	15.42	26.62	1.73
1996/97	132.02	12.67	16.73	35.96	2.15
1997/98	152.39	12.02	18.32	28.93	1.58
Average	152.09	10.59	16.04	24.50	1.55

Source: Based on data from ICAFE and Castillo, R, 1999.



Table 3.4.: Costa Rica: Number of Workers employed at the Various Stages of the Coffee Production Activity

Crop Year	Harvesting	Maintenance	Processing	Total
1990/91	37.454	22.600	1.808	61.522
1991/92	38.118	21.600	1.980	61.6698
1992/93	36.532	19.875	1.654	58.061
1993/94	33.807	20.305	1.595	55.707
1994/95	34.336	19.336	1.700	55.884
1995/96	41.120	16.576	1.703	59.399

Source: Based on data from Castillo, R, 1998

**Table 3.5.: Main Coffee Producing Countries.
In millions of kg.
1994/95-1997/98**

Countries	1994/95	1995/96	1996/97	1997/98/1
Brazil	1,781.28	945.24	1,655.10	1,362.30
Colombia	779.40	772.68	652.62	630.00
Costa Rica	149.76	161.04	127.68	154.80
Mexico	249.72	331.80	322.44	291.00
Ivory Coast	180.42	151.92	229.56	198.00
Ethiopia	152.16	171.66	196.20	230.04
Indonesia	385.56	383.82	494.28	40.1.40
Others	2,050.02	2,235.24	2,437.56	2,290.74
Total	5,728.32	5,153.40	6,115.44	5,558.28

Source: Based on ICAFE data, 1999



Table 3.6.: Main Coffee Exporters
Value in millions of kg.
1994/95-1997/98

Countries	1994/95	1995/96	1996/97	1997/98
Brazil	122.33	33.92	98.91	67.23
Colombia	69.69	68.27	55.66	53.40
Costa Rica	13.24	14.81	11.09	13.93
Mexico	19.27	27.15	26.09	23.28
Ivory Coast	17.75	14.89	22.66	19.50
Uganda	7.72	9.67	10.62	13.51
Indonesia	24.68	27.58	38.63	29.34
Ethiopia	20.18	22.13	32.73	33.50
Others	146.57	161.92	172.01	156.57
Total	441.44	380.34	468.40	410.26

Source: Based on ICAFE information

Table 3.7.: Costa Rica: Exports, Total Value and Average Price of Exported Coffee
In 60 kg bags.
1993/94-1997/98

Crop Year	Exports 60 kg bags	Value FOB US\$	Price US\$/bag
1990/91	2.094	270.5	112.24
1991/92	2,275	209.4	92.00
1992/93	2.662	215.5	80.86
1993/94	2.071	258.1	124.61
1994/95	1.898	410.3	216.17
1995/96	2.538	393.4	154.97
1996/97	2.067	380.4	184.04
1997/98	2.149	433.5	201.65

Source: Based on ICAFE data, 1998

Table 3.8.: Main Coffee Importing Countries
In millions of 60m kg bags.
1997/98

Country	Volume
United States	17.85
Germany	9.72
France	5.62
Japan	6.37
Holland	2.44
Italy	4.86
Others	12.59
Total	59.44

Source: Based on ICAFE data, 1999



Table 3.9.: Costa Rica: Composition of the National Coffee Board

Production Phase	Trade Union Organizations	Number of Representatives
Production	Producers	27
	FEDECOOP R.L.	11
	Independent Producers	10
	UPANACIONAL	3
	CNNA	3
Processing	National Coffee Producers Board	9
Exportation	National Coffee Exporters Board	6
Roasting	National Roasters Board	2
	President of ICAFE	1
	Total Membership	45

Source: Castillo, R, 1998



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Terms of Reference for a Study on the Management, Institutional and Operational Aspects of the Coffee, Bananas, Sugar and Beef Sub-Sectors in Costa Rica.

Background

Last November, the Minister of Agriculture in Jamaica, the Honourable Roger Clarke attended the Executive Meeting of IICA Costa Rica. During his visit to the country, he took the opportunity to visit several areas in Costa Rica, mainly to look at farms and institutional aspects of the banana, coffee, sugar and beef sub-sectors. His primary interests were to observe and learn about the situation and condition of farms, management and operations of farms, the organization of producers, the role of the public sector in these sub-sectors, the organization of producers and the relationship between producer organizations and the public sector.

The Minister's interests in these sub-sectors are largely because banana, sugar, coffee and beef are also major sub-sectors in Jamaica's agriculture and make substantial contribution to the Jamaican economy. Information on the management and institutional aspects of these sub-sectors in Costa Rica could assist in strengthening and improving their performance in Jamaica. By visiting these sub-sectors in Costa Rica, the Jamaica's Minister of Agriculture was able to learn of their success. However, he needs additional information on the situation of these sub-sectors in Costa Rica that would be useful in helping him to address many organizational, management and operational issues in Jamaica.

Specific Purpose and Objectives

The specific purpose of the consultancy is to conduct a study on the organizational, management and operational aspects of the banana, coffee, sugar and beef sub-sectors in Costa Rica. The specific objectives of the study are to:

1. Provide an overview of the organization and structure of the sub-sectors.

