Survey on the impact of low coffee prices on exporting countries

124nd Session - International Coffee Council
Nairobi, Kenya

The ICO composite indicator price fell by 31% since Nov 2016 to Dec 2018
Over the same period fertilizers prices increased by 19.4%

ICO composite index
Fertilizer index

Survey
Annual change – Average price paid to growers (2017 – 2018)

-36% -30% -25% -24% -14% -12% -9% -9% -8% -7% -5% -5% -2% -50% -30% -10% 10% 30% 50%

Sierra Leone Papua New Guinea Tanzania Cameroon (Rdb) El Salvador Honduras Guatemala Brazil Peru Uganda Costa Rica Cameroon (Arab)

Annual change - total annual income of coffee farmers (2017 – 2018)

-30% -25% -17% -15% -8% -8% -7% 0% 7% 8%

Papua New Guinea Sierra Leone Colombia Cameroon Honduras El Salvador Peru Uganda Brazil Costa Rica
Fertilizers and pesticide use

-62% -40% -30% -23% -20% -15% -10% -10% -70% -60% -50% -40% -30% -20% -10% 0%

Cameroon Honduras Tanzania Costa Rica Peru Colombia El Salvador Uganda

Decrease in investment in coffee plantation

-37% -35% -30% -25% -20% -20% -20% -10% -40% -35% -30% -25% -20% -15% -10% -5% 0%

Cameroon Honduras Rwanda Costa Rica Peru Tanzania Uganda Sierra Leone
Living with less than US1.90/day

Food consumption decrease
Low price effects on four areas: farm investment, labour, income and social impact

Conclusions

- Coffee exporting countries, especially those with limited additional income-generating activities, have already been severely affected.
- Impact on fundamental factors are still to be assessed by further investigation.
- Consumers may also be affected as excessively low prices lead to a reduction of investment and worsening of crop management (quality, supply, origins).
Thank you