



**Information request for challenges
affecting the coffee sector in Asia
and Latin America**

I. INTRODUCTION

The Executive Director presents his compliments and wishes to inform Members that within the framework of the Programme of Activities approved by the Council in September 2017, the Organization is requesting the information below in order to prepare a Concept Note on challenges in the coffee sector in the regions of Asia and Latin America. The objective is to identify areas in which international cooperation can be leveraged to address these challenges.

Please provide the Chief Economist, Dr Denis Seudieu (seudieu@ico.org), the following information concerning the coffee sector in your country by **31 January 2018**:

II. COFFEE SECTOR IN THE ECONOMY

1. What is the share of coffee in the Gross Domestic Product?
2. What is the share of the coffee sector in the country's total exports?
3. What is the share of agricultural products in the country's total exports?
4. What is the employment generated along the coffee value chain in your country (production, trade, processing)?

III. MAIN CHARACTERISTICS OF COFFEE FARMING

5. What is the area used for coffee production in hectares? If available, please provide information on the average planting density (trees/ha). What is the average age of coffee trees?

6. What are the coffee species and varieties produced in your country? Please also specify the production system (e.g. whether shade- or sun-grown, irrigated, etc.).
7. What is the structure of coffee farms (e.g. estates or smallholdings)? If available, please provide information about the size distribution of the farms. Are the farms specialized in coffee production or do they grow other food and/or cash crops?
8. What was the average yield per hectare in the previous five crop years?
9. On average, what are the costs of production per pound or per hectare? If available, please provide a breakdown by fixed and variable costs (labour, pesticides, fertilizer, and other inputs) and by farm size (small, medium, large).
10. How is the distribution of farm inputs (e.g. seedlings, fertilizers, pesticides) organized?
11. What is the number of coffee farmers/coffee-producing households?
12. What is the level of welfare of coffee farmers (e.g. average income, poverty rates)?
13. What are the socio-demographic characteristics of farm households (age, gender and ethnicity)?
14. Are farmers organized in producer organizations or cooperatives? If yes, are these organizations effective?

IV. POST-HARVESTING PROCESSING AND MARKETING

15. What is the main method used in post-harvest processing?
16. Describe the coffee value-chain in your country (from farm to point of export).
17. Please quantify transport and marketing costs (between farm-gate and point of export) or provide a margin of various participants in the value chain.
18. What is the quality of coffee produced and are there mechanisms to assess and improve quality?
19. How is price risk shared among actors in the value chain?

V. ACCESS TO FINANCE

20. How is rural credit organized in your country? Who provides finance to farmers, e.g. commercial banks, state banks, cooperative banks, traders (pre-harvest financing)? What are the constraints for farmers in accessing finance?
21. What is the share of farmers with access to formal finance?
22. What is the average interest rate? Please specify by type of financing (e.g. seasonal working capital or long-term investment) and by provider of finance (commercial banks, state banks).
23. What is the rate of loan defaults among coffee growers?

VI. GOVERNMENT POLICIES AND COFFEE INSTITUTIONS

24. Are there government policies/publically funded activities to support coffee farmers through:
- (a) Agronomic research?
 - (b) Extension services?
 - (c) Producer support payments?
 - (d) Subsidies for farm inputs, concessional finance, financial support for producer groups/associations and cooperatives?
 - (e) Price support (output), e.g. minimum prices, subsidies?
 - (f) Other government interventions in the coffee sector?
25. Does the government intervene in periods of low producer prices? If yes, please specify instruments used.
26. Are there specific taxes imposed on the coffee sector (e.g. export taxes)?
27. What macroeconomic policies have had a significant impact on the coffee sector including, among others, exchange rate and interest rate policies?

VII. MAIN CHALLENGES TO A SUSTAINABLE COFFEE SECTOR

28. What are the main challenges faced by the coffee sector in your country (e.g. profitability of coffee production, impact of climate change, ageing of farmers, etc.)?

VIII. ADDRESSING CHALLENGES

29. Please identify ongoing and planned projects/programmes to address challenges in the coffee sector (e.g. research for the development of new varieties, support of climate change adaptation measures, strengthening of farmer associations).
30. Please identify relevant financial institutions and development agencies in your country/supporting the coffee sector.

Thank you in advance for your cooperation.