



Foreign Agricultural Service

GAIN Report

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Costa Rica

Coffee

Semi-Annual

2001

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Report Highlights:

Costa Rica's coffee production reached 2,502,598 60- kg bags in 2000/2001.

Production for the 2001/2002 period is forecast at 2,560,000 bags, although the Costa Rican Coffee Institute is forecasting a slightly higher crop (2,591,000 bags).

Includes PSD changes: Yes

Includes Trade Matrix: No

Semi-Annual Report

San Jose [CS1], CS

COSTA RICA: COFFEE SEMI-ANNUAL REPORT

Costa Rica's 2000/2001 coffee production reached 2,502,598 60 kg. bags or 0.5 percent higher than reported in our annual report. According to the Costa Rican Coffee Institute (ICAFE), production is expected to reach 2,591,000 bags in 2001/2002. Although this forecast is 30,000 bags or 1.2 percent higher than Post's current forecast, the coffee harvest is just beginning. Therefore there are no changes to the production estimate at this time.

Low international prices for coffee are expected to have a negative effect on production in 2002/2003. However, at this time is too early to make a forecast on the effects of the crisis on local production. Some sources have indicated that area planted has been declining and may decline even further in the coming year. ICAFE has conducted an area planted survey but will not release it until December. The financial situation has also spread to coffee processors which typically finance producers with advances on their crop with funds obtained from the banking system. Since many producers have not been able to repay loans, some of the processors in turn have not paid the banks back.

According to industry sources the quality of the 2001/2002 crop that has been harvested so far is very good. Nevertheless, Costa Rica has received substantially less rain this year during the rainy season and that has delayed the crop in some production areas. The lower volume of rain, may have been beneficial to coffee growers in areas that are otherwise affected by fungi and diseases during the rainy season.

According to ICAFE, coffee exports reached 2,257,149 60 kg. bags during the 2000/2001 marketing year. PS&D export numbers therefore were adjusted slightly. On a calendar year basis, revenue from coffee exports declined from \$186.7 million in the first six months of 2000 to \$113.8 million during the first six months of 2001.

Costa Rica is planning to destroy or at least withhold from the market about 5 percent of its lowest quality coffee. Processors have been asked by ICAFE to withhold the worst 5 percent of the crop (damaged, black or broken beans). The plan started in October with the 2001/2002 crop.

PSD Table						
Country	Costa Rica					
Commodity	Coffee, Green				(1000 HA)(MILLION TREES)(1000 60 KG BAGS)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		10/1999		10/2000		10/2001
Area Planted	107	107	107	107	107	107
Area Harvested	100	100	100	100	100	100
Bearing Trees	410	410	410	410	410	410
Non-Bearing Trees	50	50	50	50	50	50
TOTAL Tree Population	460	460	460	460	460	460
Beginning Stocks	1251	1251	1424	1424	1368	1324
Arabica Production	2688	2688	2489	2502	2560	2560
Robusta Production	0	0	0	0	0	0
Other Production	0	0	0	0	0	0
TOTAL Production	2688	2688	2489	2502	2560	2560
Bean Imports	0	0	0	0	0	0
Roast & Ground Imports	0	0	0	0	0	0
Soluble Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	3939	3939	3913	3926	3928	3884
Bean Exports	2174	2174	2200	2257	2260	2300
Roast & Ground Exports	0	0	0	0	0	0
Soluble Exports	0	0	0	0	0	0
TOTAL Exports	2174	2174	2200	2257	2260	2300
Rst,Ground Dom. Consum	336	336	340	340	345	345
Soluble Dom. Consum.	5	5	5	5	5	5
TOTAL Dom. Consumption	341	341	345	345	350	350
Ending Stocks	1424	1424	1368	1324	1318	1234
TOTAL DISTRIBUTION	3939	3939	3913	3926	3928	3884