Atlas on Regional Integration in West Africa

economy series

Coffee

Introduction

West Africa was "conceived" for the most part by the colonizers seeking suppliers of agricultural raw materials. The Office du Niger (initially set up for cotton), the groundnut basins in Senegal and northern Nigeria, cotton basins, rubber tree and oil palm plantations were responsible for shaping the rural landscape, fostering the development of towns, redistributing the population and sometimes even defining borders of future nations states.

Coffee and cocoa are emblematic of this history. Often considered inseparable, grown in the same areas, both dependent on the London and New York stock exchanges, subject to speculative global markets, they are two topic-specific chapters of the Atlas on Regional Integration in West Africa.

The Atlas on Regional Integration is an ECOWAS — SWAC/OECD initiative, financed by the development co-operation agencies of France, Switzerland and Luxembourg. Divided into four series (population, land, economy, environment), the Atlas chapters are being produced during 2006-2007 and will be available on-line on the site www.atlas-westafrica.org

I. Global Overview

1.1 More Robusta

There are two kinds of coffee: Arabica (Coffea arabica), cultivated at higher altitudes, and Robusta (Coffea canephora), better adapted to hot, humid regions. Arabica, which has a lower caffeine content than Robusta (1.4% and 2.5% respectively), is considered more aromatic. It is more popular with consumers, whereas Robusta has a more intense body[1].

Since 1964, world coffee production has grown at a rate of 1.4% per year, increasing from 3.1 to 6.3 million tonnes. With a lower growth rate than Robusta (0.9% as compared to 2.7%), Arabica's share has fallen from 4/5 to 2/3 of total coffee production over the last 40 years (see Figure 1 and Map 1). Arabica is far more sensitive to climatic conditions and therefore subject to greater fluctuations in its production from year to year.

1. Robusta is used mainly for producing soluble coffee. Its second use is in the preparation of Arabica/Robusta mixtures for inexpensive coffees.

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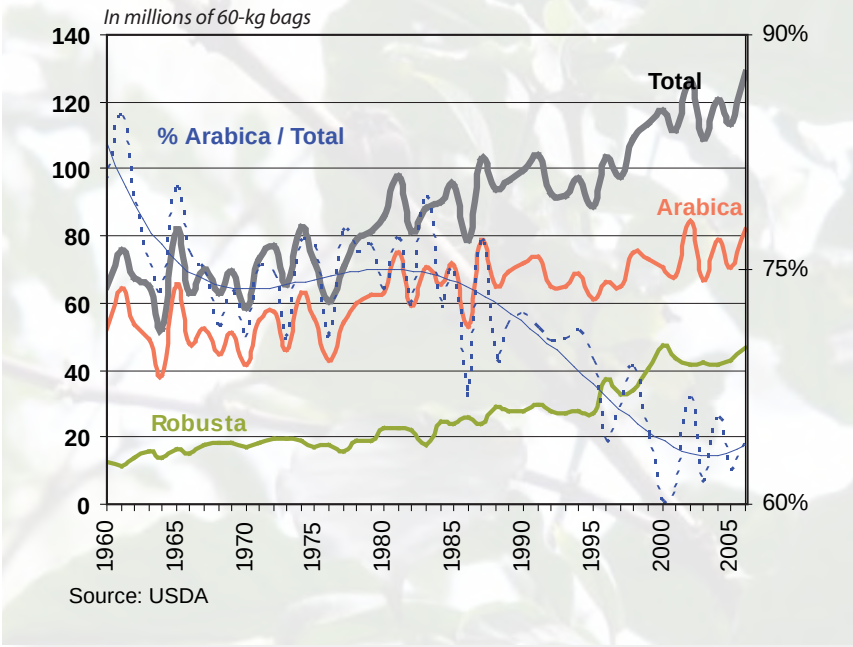
Figure 1. World Coffee Production



Source: USDA

Map 1. World Arabica and Robusta Production

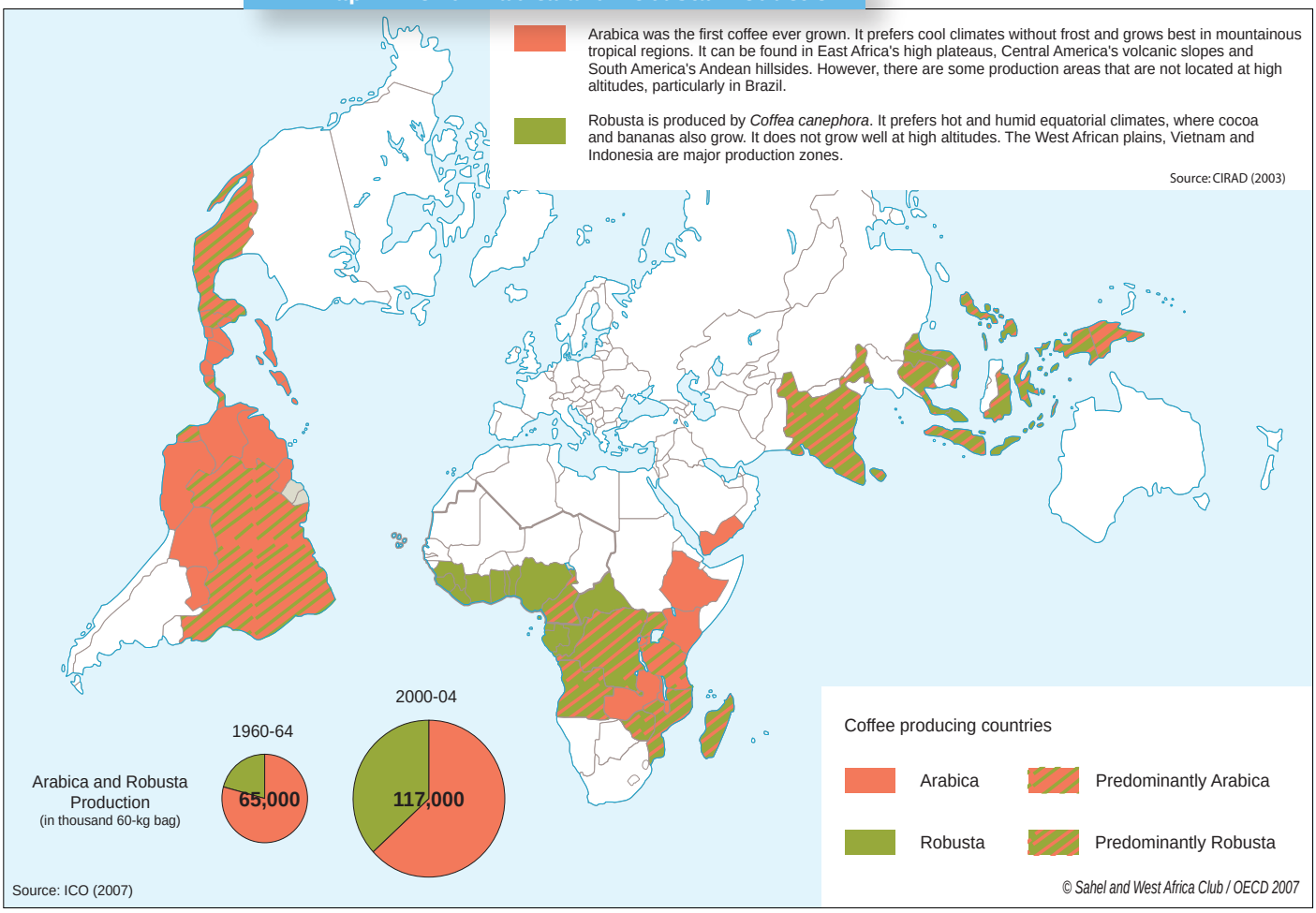
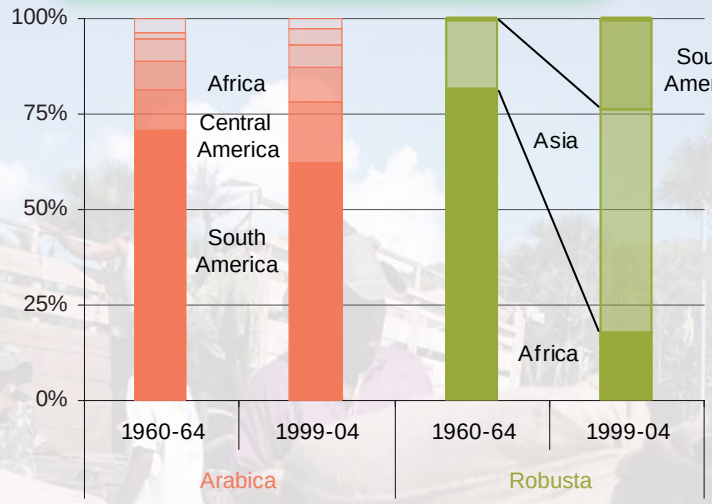


Figure 2. World Coffee Production Trends



Source: USDA

1.2 The Rise of Brazil and Vietnam

Africa's predominance in the early 1960s is giving way to the rise of Asia and Latin America. With the increased growth in coffee production in Asia and South America (see Figure 2) there is also relative stagnation and perhaps even a decline in production in other regions of the world. This is due to high production costs, a series of crises[2] and the development of alternative crops (palm oil, rubber and cocoa) that are more profitable and, more importantly, less labour-intensive.

As of 1975, there was a spurt in Brazil's Robusta production, which stabilised in the early 1990s. This was followed by Vietnam's entry into

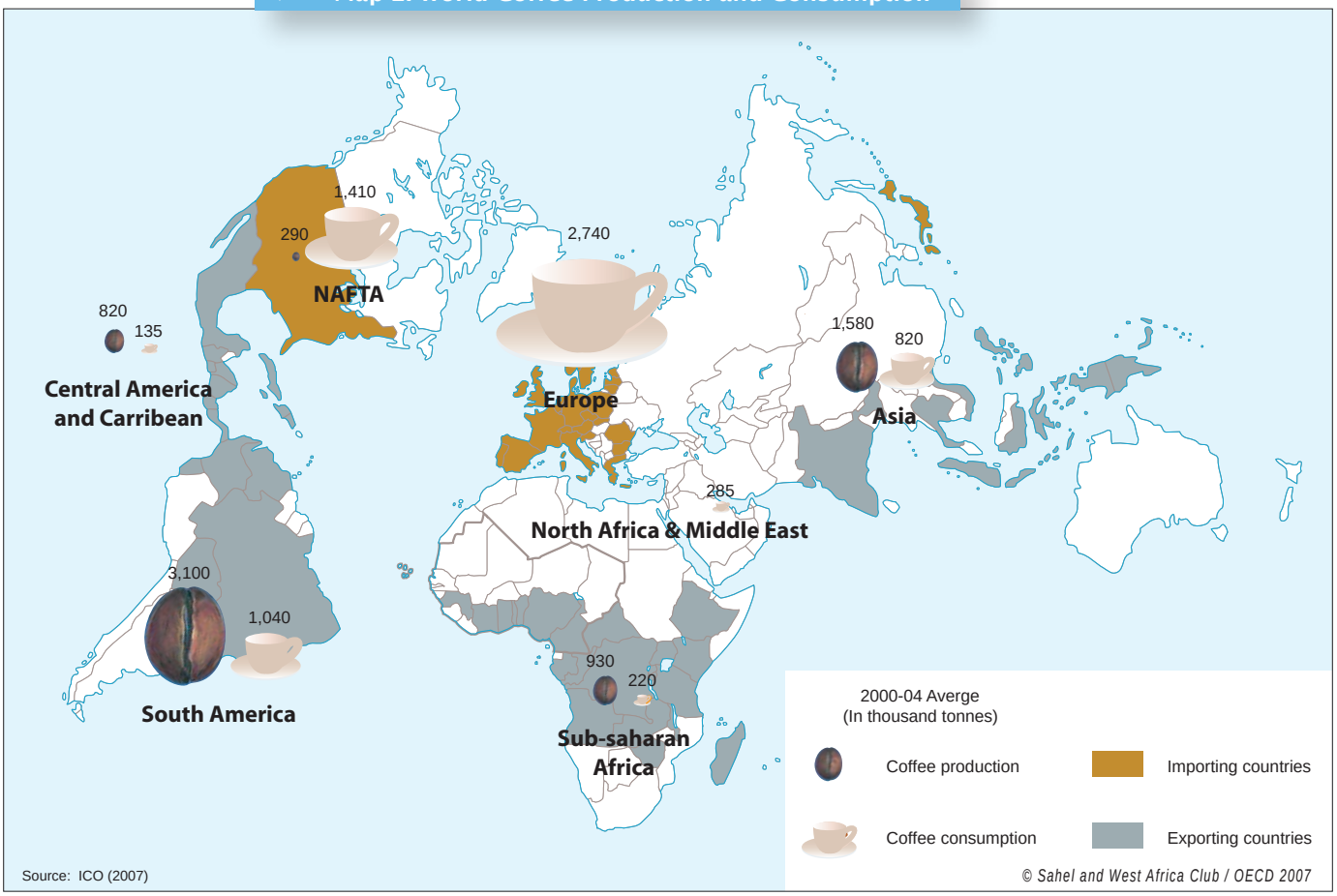
2. Years during which coffee prices in New York (Arabica) and London (Robusta) remained very low. For Robusta, the years were: 1981-1983, 1986, 1990-1995 and 2000-2005. For Arabica, the years were: 1981-1982, 1987-1988, 1990-1995 and 2001-2006.

Box 1. Constraints linked to rising production

Up to 80% of coffee cultivation is carried out on small family farms whose revenue depends greatly on their production. Average yields for Robusta and Arabica are 485 kg/ha and 600 kg/ha respectively, while plant material production potential is assessed at 1,000-1,200 kg/ha indicating a relatively low level of intensification. Improving average yields is one solution for increasing overall production. However, the biggest producers (Brazil and Colombia in the case of Arabica, and Vietnam in that of Robusta) achieve yields that are higher than or equal to global averages. A second way of increasing production is to increase cultivated areas.

Coffee cultivation is highly labour-intensive. On average, 250-300 work days are required to produce 1 tonne of coffee of which around 80% are devoted to harvesting (daily wage labour). Hence, labour costs are a large part of production costs. Not much of the labour involved can be mechanised, particularly in the case of Arabica, which is essentially grown in mountainous regions with high population densities. Brazil is an exception, with conditions enabling almost total mechanisation of cultivation. There are various constraints to increasing Arabica coffee production. Most Latin American countries incur high labour costs and there is significant pressure on land resources, whereas for Robusta, it is not so much pressure on land, but labour availability that often proves a major problem. Finally, increased growth would require easy and low-cost access to financial resources.

Map 2. World Coffee Production and Consumption



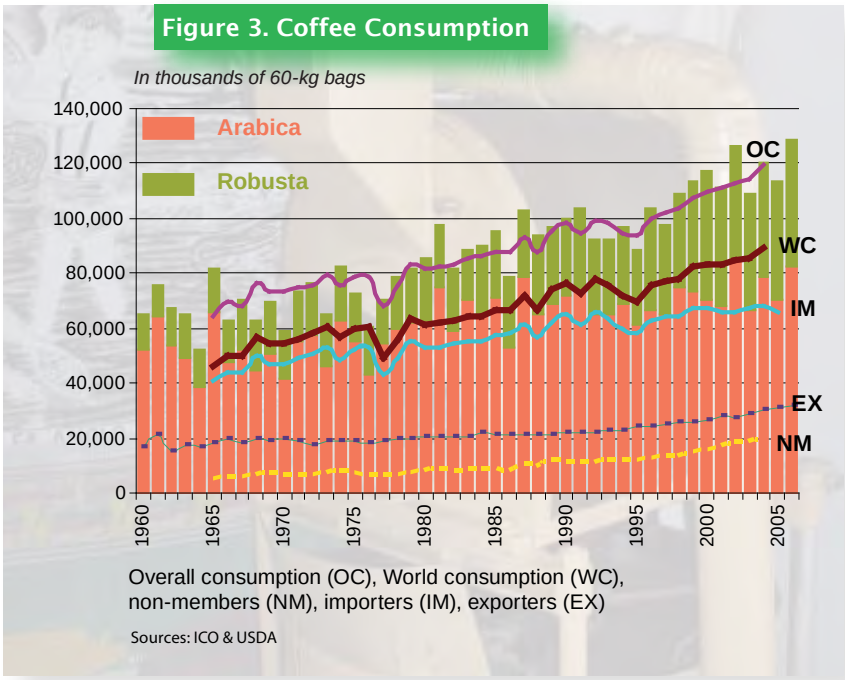
the global market, which led to a significant fall in Arabica's share in global supply.

1.3 Demand is concentrated in the North

Since man "domesticated" its production (probably around the 15th century in Arabia), coffee has been used solely as a beverage, after roasting and grinding. It has been prepared and consumed in many different ways over time (decoction, infusion, filtration, percolation, etc.) but there has not been any real innovation, except for soluble (instant) coffee. Global demand is relatively insensitive to price variations, although price hikes, such as those in 1977 or 1997-98, do lead to a fall in consumption. In fact, coffee consumption is strongly linked to revenues.

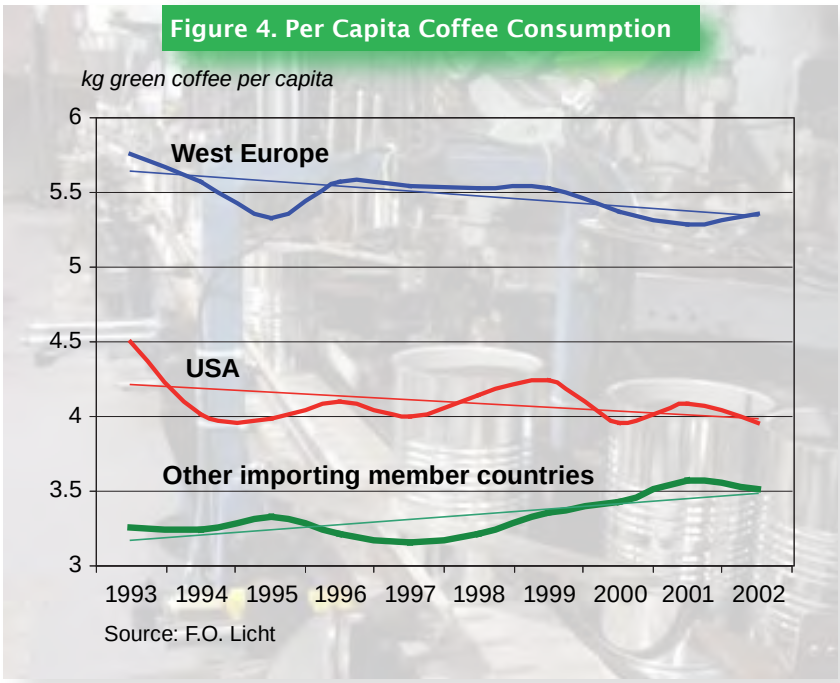
Though produced in the South, coffee is mainly consumed in the North. World consumption[3], around 5.1 million tonnes of green coffee, is essentially concentrated in Western Europe, North America and Japan (79%), the main importing member countries of the International Coffee Organisation[4]. In the context of global consumption (see Map 2), member countries import approximately 59.6% whereas non-member countries import 15.8%, while the remainder (24.6%) represents domestic consumption in exporting countries, the highest being in Brazil and Ethiopia.

3. According to the International Coffee Organisation (ICO), world consumption is defined by the actual consumption of importing member countries added to the net imports of non-member countries. Global consumption is the combination of world consumption and domestic consumption in exporting member countries.
4. Member countries are signatories of the International Coffee Agreement. They are divided into consuming countries or importing countries (32) and producing countries or exporting countries (45). See http://www.ico.org/listmembers.asp. Together (producers and consumers), they define the ICO's strategies to tackle the challenges facing the world coffee sector through international cooperation.



1.4 The Emergence of New Markets

The annual growth in world consumption between 1965 and 2004 is estimated at 1.7%, i.e. higher than the growth in production (1.4%). It was particularly high in non-ICO member countries (+ 3.5%), especially the new European Union member countries and the former Soviet bloc countries (see Figure 3). Non-member countries are not bound to comply with the ICO's recommendations and generally purchase lower quality coffees, therefore at lower prices (or those not included in quotas up to 2000). This partially explains the relatively higher rise in consumption in these countries as compared to member countries. Along with the increase in purchasing power, consumption in these countries is likely to intensify further over the next 25-30 years. In



Western Europe and the USA consumption increased only by 1.2% and per capita consumption is decreasing due to competition from sweetened and flavoured drinks, especially among the youth, or due to its purportedly harmful effects on health[5] (see Figure 4).

1.5 Future Prospects

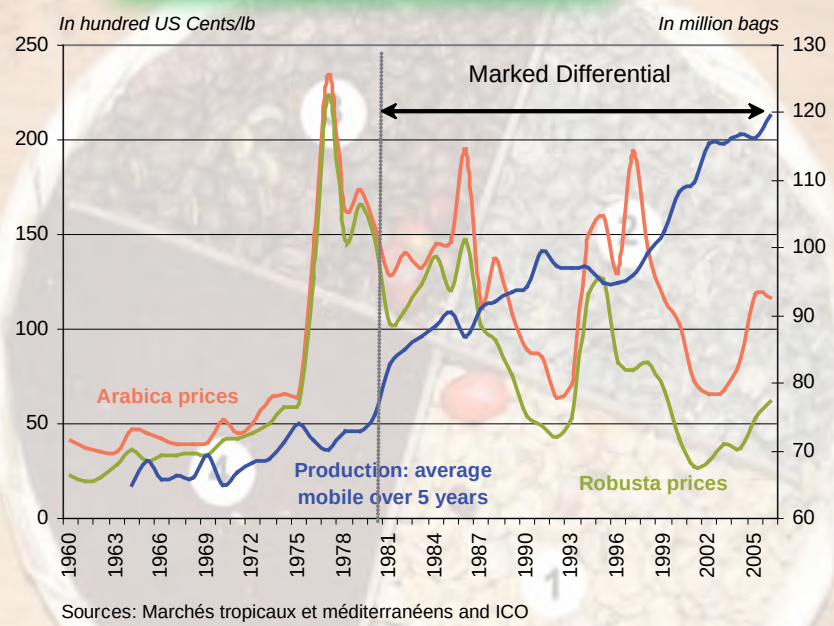
World consumption could reach 7.6 million tonnes and global consumption almost 10 million tonnes by 2025, with production at 9.4 to 9.8 million tonnes. If domestic consumption growth in producing countries continues at the present pace (+1.5%), there could be a shortfall in supply.

At a constant growth rate, Robusta production should increase by 1.75 million tonnes and that of Arabica by almost 1 million tonnes. Robusta's share would then increase to 46% of the world market, which would lead to Robusta partially replacing Arabica[6]. This is an acceptable assumption given the progress in research on aromas and decaffeination techniques to exclude organic solvents despite consumer preference for Arabica.

If this assumption proves true, it would be favourable to African countries. It all depends on the responsiveness of national authorities and networks (access to demand-related information and technological progress in the industry) and the incentives offered by producing countries, if any. This scenario is predicated on the improvement of cropping practices on existing, relatively young plantations[7] where production can be doubled rapidly (5-10 years). It also depends on the replacement of aging plantations[8] with improved planting material. Over 75% of low-production plantations (< 250 kg/ha) would then have to be replanted in Angola, Cameroon, Côte d'Ivoire and the DRC. Finally, this

5. Caffeine is considered a stimulant – even a potentially addictive drug. Coffee is sometimes held responsible for cardio-vascular incidents.
6. A second hypothesis is based on the continuance of the current ratio, i.e. 1/3 Robusta and 2/3 Arabica, with an average 1.4% increase in production. In that case, Arabica production would have to increase by 1.5 million tonnes and Robusta's by 0.8 million tonnes to meet demand.
7. Less than 20-25 years.
8. More than 25-30 years.

Figure 5. World Prices and Production



Sources: Marchés tropicaux et méditerranéens and ICO

Box 2. International Market: Specialty Coffees and Bulk Coffees

Specialty coffees (10% of the market) are generally negotiated directly between producers and buyers or are paid for on the basis of their stock exchange prices (New York), often with a bonus. Bulk coffees (90% of the market) are the inputs for large- and medium-scale roasting units. Their prices are determined by the New York (Arabica) and London (Robusta) stock exchanges on a supply-demand basis. The bulk coffee market is highly speculative.

The advent of Vietnam on the international market led to a considerable drop in world prices in the mid-1990s and a substantial fall in Robusta prices that continued until 2005-2006. The market is also sensitive to climatic conditions in Brazil – news about frost in June-July leads to an increase in prices, favouring both Arabica and Robusta.

Coffee trading is dominated by a handful of multinationals from whom the large coffee roasting corporations purchase their supplies. These multinationals are set up in the producing countries as exporters and in consuming countries as importers.

9. Coffee is a commodity that is listed on the New York (Arabica) and London (Robusta) stock exchanges. According to the ICO's classification, there are 4 categories of coffee (Arabica extra-mild, Arabica mild, Arabica natural and Robusta), each listed separately on the international market.
10. Arabica's production costs are higher than Robusta's (by 50-80%, depending on levels of intensification and plant health problems). On the other hand, Robusta's prices are on average 20% lower than those of natural Arabicas (Brazilian type). Whenever Robusta prices go above 50 cents/lb, Robusta becomes very profitable for producers.

would also call for increasing the cropped area by improving formerly fallow and/or virgin land. Hundreds of thousands of hectares in Sub-Saharan Africa could prove highly promising, though there are labour-related constraints (it takes 1 man/year to produce 1 tonne of coffee) along with those stemming from the isolation of some landlocked countries (the Central African Republic, for example).

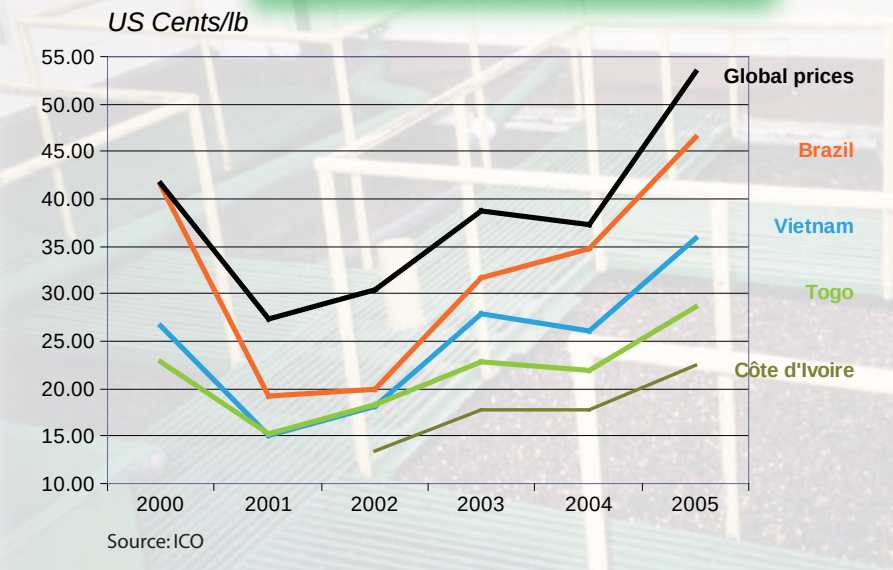
II. International Trade

2.1 Market and Prices

Relatively stable between 1960 and 1975, world market prices[9] were very volatile between 1975 and 2005. Rising prices led to an increase in supply after a 3 to 5 year gap, which resulted from the time taken to set up new cultivation areas or revive plantations that had been neglected during the crisis. On the other hand, falling prices led to a relatively rapid drop in production (and quality). Planters only harvested the most productive fields, neglected maintenance and even gave up all or part of their coffee plantations..

Until the mid-1980s, the price differential between Robusta and Arabica was relatively small as the Robusta demand by the instant coffee industry remained high. Robusta's attractive price as compared to natural Arabica[10] led countries like Brazil and Vietnam to produce this type of coffee. This resulted in an increase in the price differential. Above all, the crises had greater impact on Robusta producing countries. Therefore, the price differential penalised Robusta growers despite lower production costs. On the whole, Brazilian and Vietnamese producers were better paid for their Robusta than West African growers (see Figure 6), undoubtedly contributing to the decline of coffee plantation in West Africa and the growth of Robusta in Vietnam and Brazil.

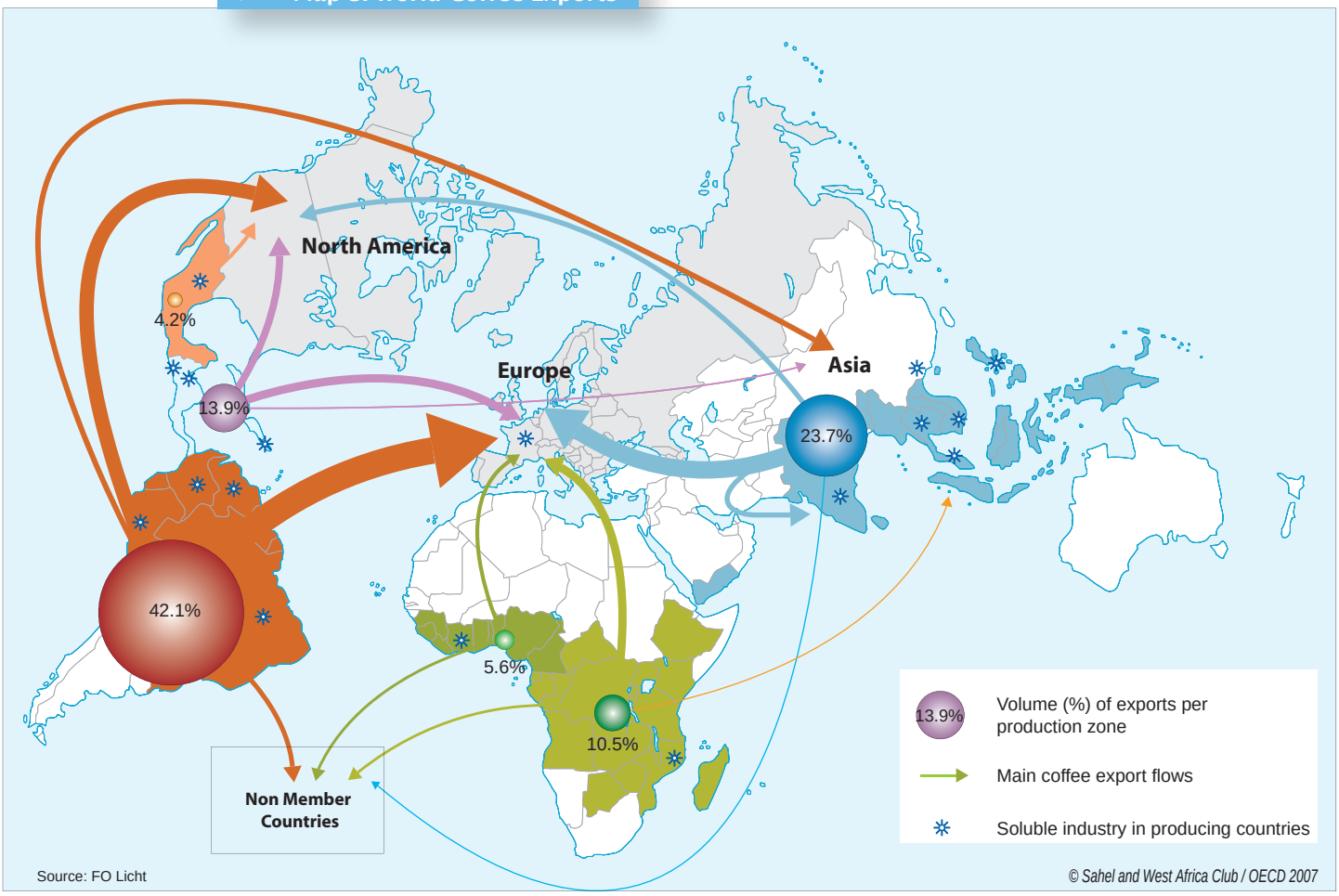
Figure 6. Global Market Prices and Farm Gate Prices Paid to Producers

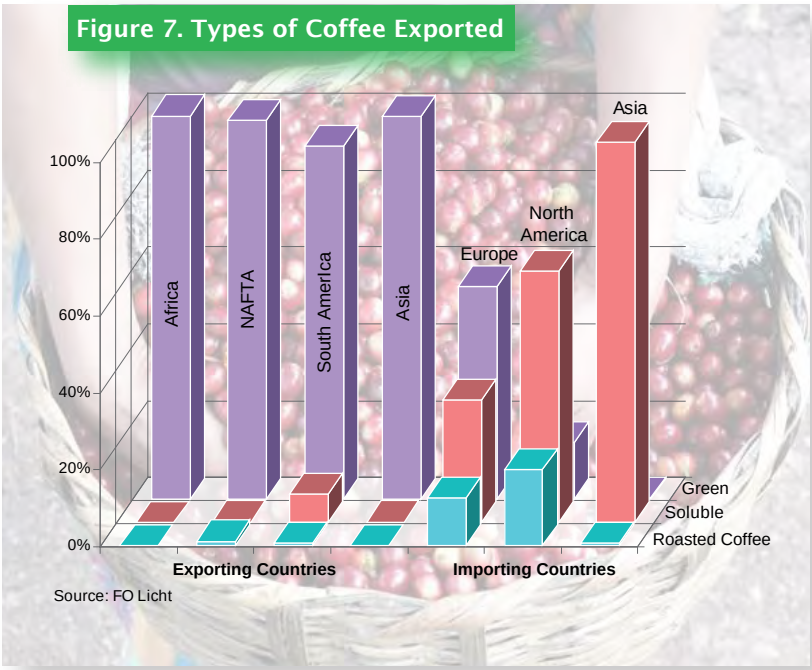


2.2 Trade

South America exports 42% of the coffee produced in the world, followed by Asia (24%) and Africa (16%). Excluding West African countries, Africa has a 10.5% share of the global market and its coffee is exported mainly

Map 3. World Coffee Exports





to Europe and non-ICO countries (see Map 3). West Africa's share of the market is less than 6%, apportioned between Europe and ICO non-members. The region's countries have lost part of their market share since the 1960s. In the early 1960s, North America imported 55,000 to 60,000 tonnes of coffee from Côte d'Ivoire and Cameroon, whereas in the 2000s, trade statistics indicate no imports from West Africa.

Over 95% of coffee exported by producing countries is exported as green coffee (see Map 3). Producing countries export barely 4% of their coffee in the form of soluble coffee and have a very low share of roasted coffee[11]. Only a few producing countries have developed their own soluble coffee industry: Brazil, Colombia, Ecuador, Thailand and the Philippines being

11. Drying and dehusking is generally undertaken on the plantation. The main industrial processes conducted in producing countries consist of ensuring that all the coffee delivered by growers, of whatever grade, is in compliance with international trading standards, which includes cleaning to eliminate dust and other undesirable material, sorting to eliminate defective beans likely to affect taste quality and grading according to bean size.

Box 3. A fairly new crop for Africa

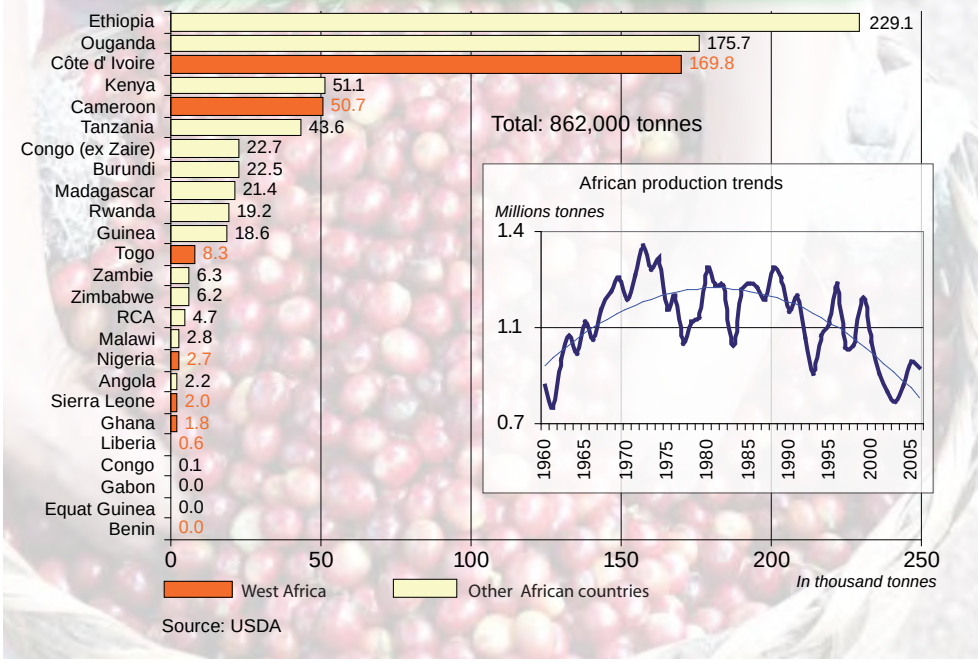
Arabica, originating from Ethiopia's high plateaus, was first planted in Yemen in the early 15th century. Imported by Istanbul in the mid-16th century, coffee consumption slowly spread to all of Europe in the 17th century. Arabica was introduced to Java around 1690 and developed in the New World in 1720 – first in the Caribbean, then Brazil, followed by Central America. In the 19th century, Europe started receiving supplies from Latin America. Europe's mighty nations were building their colonial empires during the same period, particularly in Africa, and began introducing Arabica. Unfortunately, it did not adapt to West and Central Africa's hot and humid areas. At the same time, new species of coffee plants were discovered in West Africa and the Congo basin (Coffea liberica and Coffea canephora) and these gradually started being planted in order to lower dependence on Latin American imports. Hence, coffee plants of African origin did not begin spreading across the continent until much later.

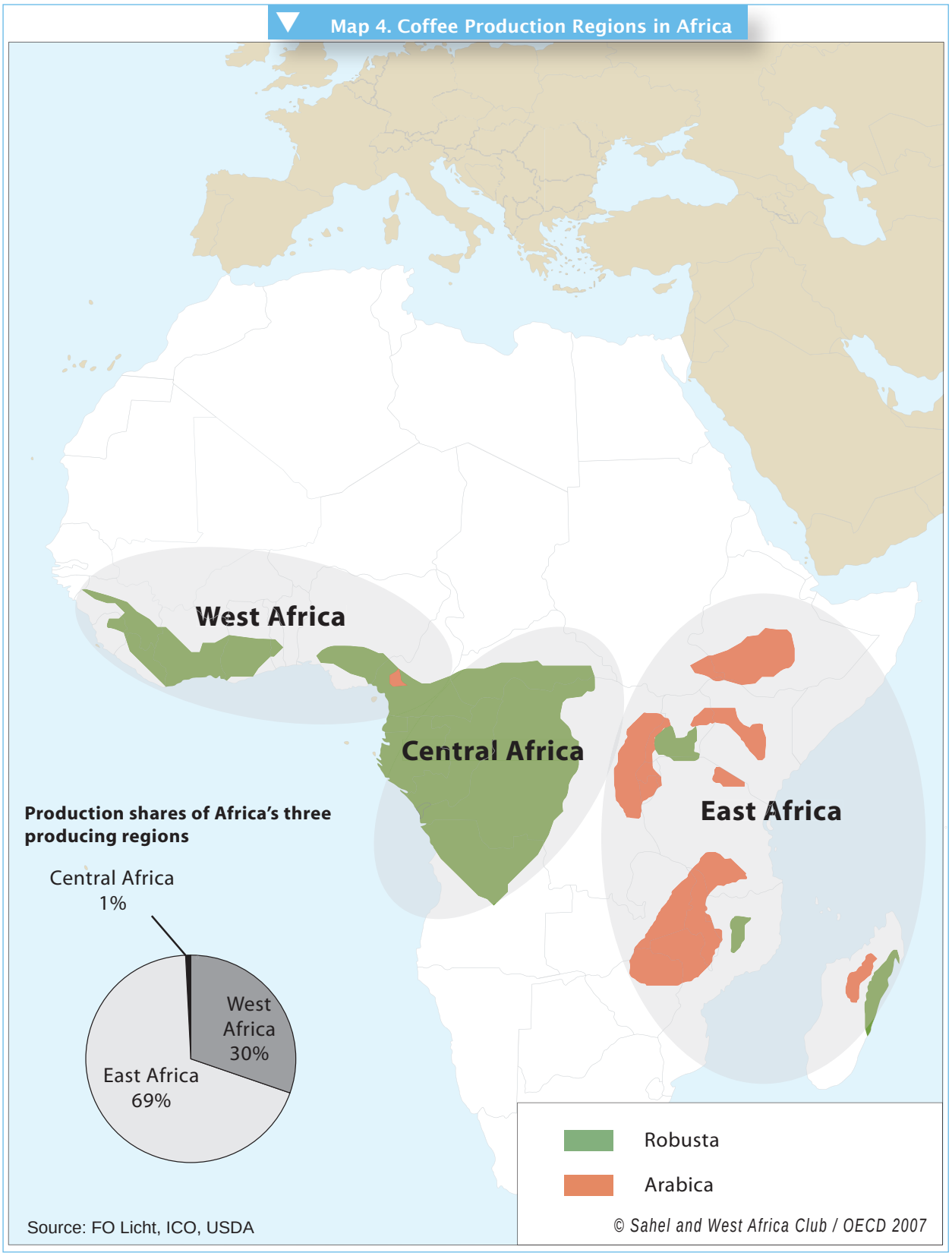
the most important. West Africa has only one soluble coffee manufacturing plant in Côte d'Ivoire with a capacity of 15,000 tonnes of green coffee per year.

Several coffee producing countries have attempted to sell roasted coffee for export. Apart from roasting for domestic consumption, the process remains largely marginal for exports and is limited to special coffees. This process is technically difficult as costly promotional tools have to be set up while there is fierce competition from large multinationals that are offering mixtures rather than pure original coffees. Multinationals offer consumers a coffee with the desired sensory characteristics that remain as constant as possible over time in order to maintain their market share which is achieved by optimising mixtures of different origins.

Europe imports 53% of the coffee produced, followed by North America (26%). The rest is shared between Asia and non-ICO members. Unlike producing countries, importing countries process green coffee into roasted and ground coffee or soluble coffee. Europe consumes 92.4% of its imports and re-exports 7.6% in the form of green coffee (55%), roasted coffee (13%) and soluble coffee (32%). Green coffee is generally unloaded in Hamburg and Rotterdam's ports (less in The Hague and Trieste). It is then re-exported to non-member European countries, such as Russia or the former Soviet bloc countries, or else to member countries. North America re-exports 1.8% of its imports while Asia re-exports 6.9% (see Figure 7).

Figure 8. Coffee Production in Africa (2000-04 Average)




Map 4. Coffee Production Regions in Africa
West Africa
Central Africa
East Africa
Production shares of Africa's three producing regions
Central Africa 1%
West Africa 30%
East Africa 69%
Robusta
Arabica
Source: FO Licht, ICO, USDA
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Map 5. Coffee Production Regions in West Africa

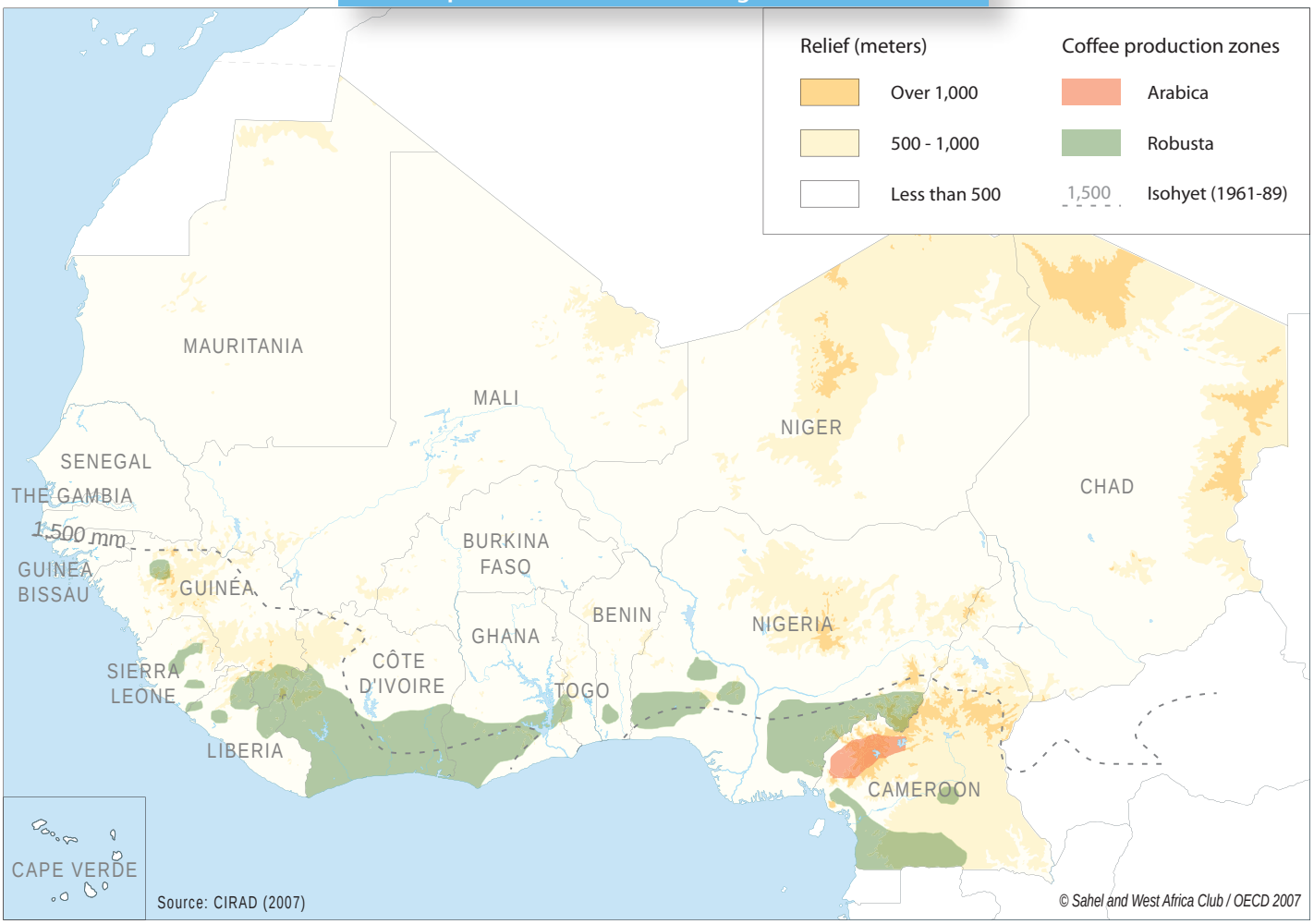
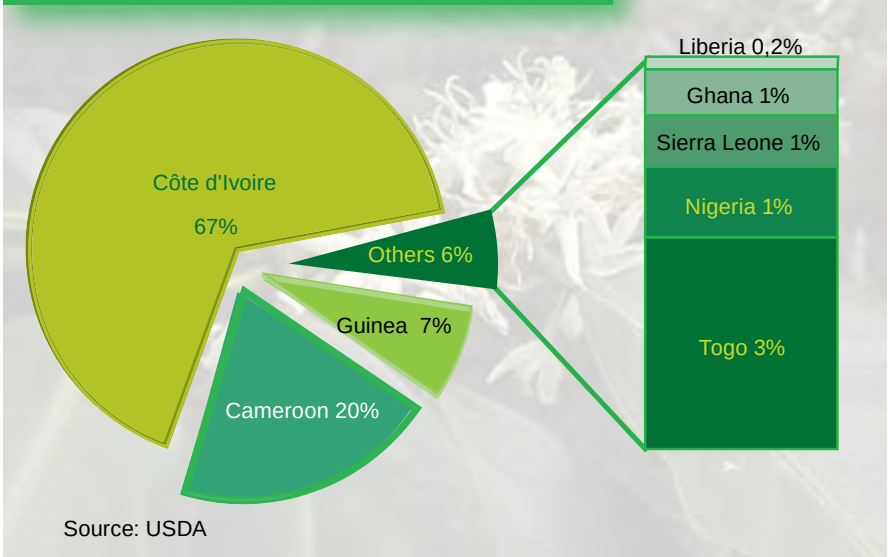


Figure 9. Production Distribution in West Africa



III. Coffee in West Africa

3.1 African Overview

Robusta is cultivated at low altitudes, humid equatorial and tropical areas. Arabica prefers higher altitudes with significant differences in day-night temperatures. For both, the biggest constraint is rainfall – as much its quantity as its distribution. The Northern plantation limits are generally defined by the 1,500 mm isohyet, subject to the dry season not exceeding four months. Apart from unclean floodable soil, no special soil types are particularly favourable.

African production declined between 1960 and 2004. From 900,000 tonnes in the early 1960s, it peaked at 1.2 million tonnes (1980-84 average) before dropping to 865,000 tonnes at the beginning of 2000. It currently accounts for 12.3% of global production as compared to 23% in the 1960s (see Figure 8).

There are 26 producing countries and 3 major production regions (see Map 4). West Africa (30% of Africa's production) grows Robusta almost exclusively. East Africa (69%), with the exception of Uganda, essentially produces Arabica. Production in Central Africa[12] (1%) has been declining for several decades now. There was a sharp decrease in Angola's coffee production as from 1975 and in Congo as from 1992, essentially due to political instability.

12. Angola, Gabon, Central African Republic, Republic of the Congo and Democratic Republic of the Congo.

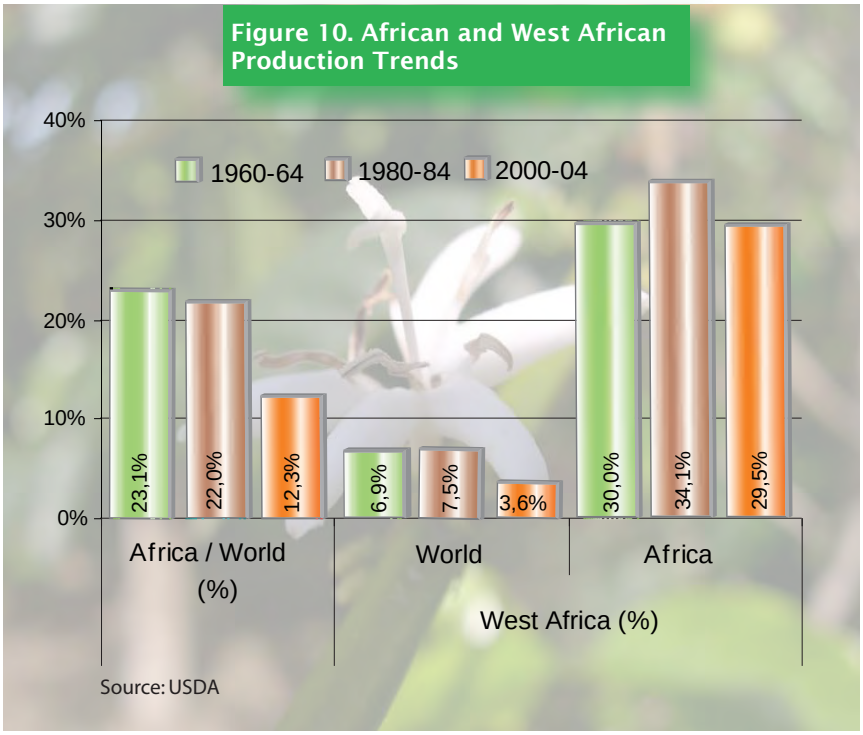
3.2 West Africa

Production Areas

Climatic conditions favour coffee growing in nine countries. Apart from Cape Verde, these countries are spread out across two major coffee-producing areas – one area around Côte d'Ivoire (Guinea, Liberia, Sierra Leone, Ghana and Togo) and the other around Cameroon and Nigeria (see Map 5). Côte d'Ivoire, Cameroon and Guinea alone produce 94% of Africa's coffee, i.e. about 240,000 tonnes (see Figure 9). Benin stopped exporting coffee about ten years ago and its production no longer manages to meet even domestic consumption, as climatic conditions

Table 1. Coffee introduction dates in West Africa

Country	Plantation start dates
Côte d'Ivoire	End 19th, early 20th: C.liberica 1930: Robusta
Cameroon	1913: Arabica – 1930: Robusta
Guinea	1895: Arabica – 1910: Robusta
Togo	1923: Robusta
Benin	1930: Robusta
Liberia	1875: Arabica – 1945: Robusta
Cape Verde	1790: Arabica



are not sufficiently favourable. The Cape Verde islands produce a few tonnes of Arabica, used only as niche coffees.

The End of the "Golden Age"

Average production today (255,000 tonnes) is less than it was in the 1960s, after peaking at almost 400,000 tonnes (see Figures 10 and 11). In forty years, coffee's share in agricultural product exports was down from 17.1% to 6.4% (see Table 2), while agricultural exports rose by more than 80%. In fact, the trend was visible in both Côte d'Ivoire and Cameroon long before the 1990 crisis. The bankruptcy of the stabilisation funds set up in French-speaking countries was one of the probable causes of this decline, but other factors also played a role. The 1983 drought highlighted the plantations' sensitivity to climatic instability, the preference for "cocoa" in Côte d'Ivoire, the aging of plantations and their inadequate maintenance.

During the colonial period, while the UK promoted cocoa, France encouraged coffee growing (see Figure 11) during the 1925-30 period, especially in Cameroon and Côte d'Ivoire. Most plantations belonged to small native family farms involved in mixed farming. European plantations[13] represented less than 2% of the area (see Box 4). On the eve of their independence, Côte d'Ivoire and Cameroon respectively owned plantations covering 600,000 and 80,000 ha. In Guinea, a support fund was set up in 1951 and by 1960 production reached almost 15,000 tonnes before falling drastically. The same year, Togo cultivated 20,000 ha and produced 12,000 tonnes.

Except for coffee roasting for local markets, there is no industry in West Africa. The only exception is the Nestlé soluble factory in

13. European plantations were monoculture plantations and used salaried labour and inputs.

14. It takes 3 kg of green coffee to produce 1 kg of soluble.
15. Sector-wise specialised State companies (SATMACI in Côte d'Ivoire, SRCC in Togo, SODECAO in Cameroon) supported producers and undertook distribution activities.
16. CSSPPA: "Caisse de stabilisation et de soutien des prix des productions agricoles en Côte d'Ivoire" (Côte d'Ivoire Fund for stabilisation and price support for agricultural production).
17. ONCPB: "Office National de Commercialisation des Produits de Base" (National Commodities Marketing Office).

Côte d'Ivoire. It was set up shortly after independence with the target of producing 10-15,000 tonnes of soluble coffee[14]. The coffee is exported to neighbouring countries, the Middle East and East Africa.

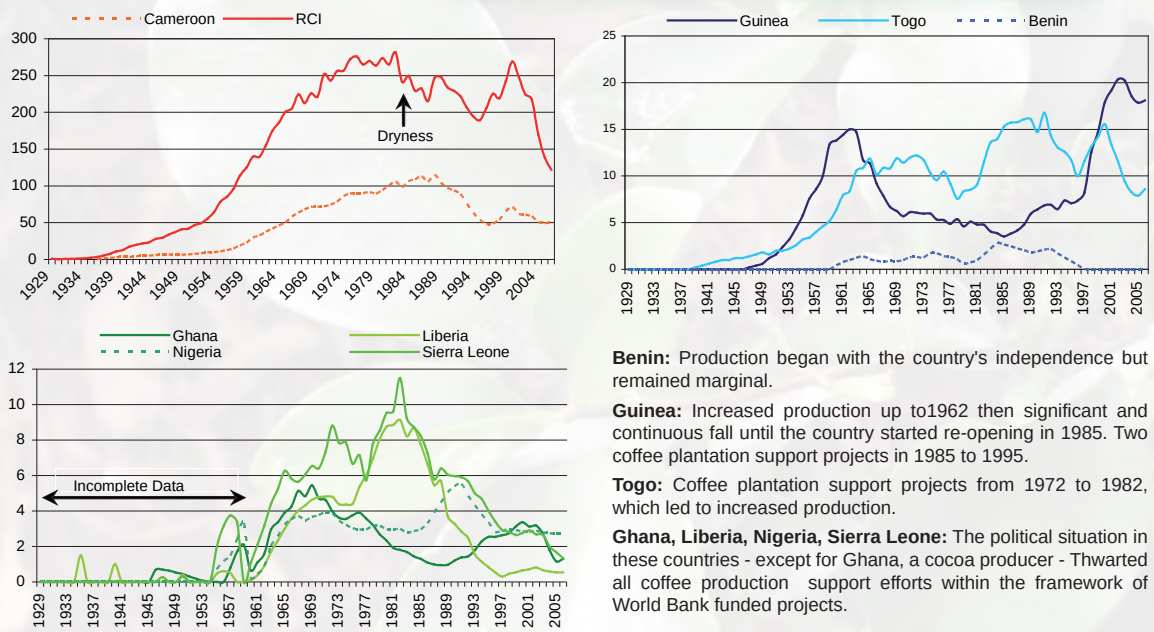
3.3 The Failure of the Coffee Sector in French-speaking Countries

Côte d'Ivoire and Cameroon Before Liberalisation

Stabilisation funds were set up in 1955. Their role – initially limited to stabilising prices for producers – was rapidly extended to the entire sector: extension[15], input supplies, infrastructure, etc. The stabilisation mechanism was based on guaranteeing a price to producers, a scale of marketing charges for reimbursing and paying operators and a guaranteed CIF (Cost Insurance Freight) price. The funds concerned – the CSSPPA[16] in Côte d'Ivoire and the ONCPB[17] in Cameroon – covered the difference between the CIF price and the sale price (either through levies or by providing support, depending on the prevailing rates). Although marketing was officially private, it was under tight State control. Operators had purchase quotas in specific areas for domestic marketing and needed to obtain the funds' authorisation to be able to export, but only if the Funds themselves were not marketing coffee. The General Budget in each of these countries came from a Single Exit Tax. Coffee grinding too was controlled and subject to the approval of the Fund in Cameroon, while being a State monopoly in Côte d'Ivoire.

From 1960 to the mid-1980s, these stabilisation funds accumulated surpluses that were used for the Special Investment Budget in

Figure 11. Country-wise Production in West Africa



Benin: Production began with the country's independence but remained marginal.

Guinea: Increased production up to1962 then significant and continuous fall until the country started re-opening in 1985. Two coffee plantation support projects in 1985 to 1995.

Togo: Coffee plantation support projects from 1972 to 1982, which led to increased production.

Ghana, Liberia, Nigeria, Sierra Leone: The political situation in these countries - except for Ghana, a cocoa producer - Thwarted all coffee production support efforts within the framework of World Bank funded projects.

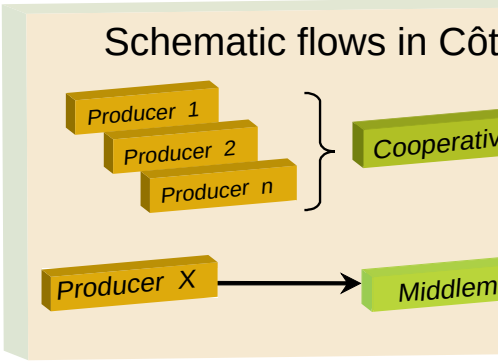
Sources: FAO (1929-1959), USDA (1960-2006), Les caféiers et les cafés dans le monde (René Coste)

Box 4. The sector in Côte d'Ivoire

About 300,000 coffee growers – the majority also producing cocoa – have plantations of 1 to 5 ha (average: 1.5 to 2 ha). The average yield is low (less than 300 kg/ha) since the plantations are old (over 25 years), poorly maintained and extensively cultivated without inputs. As most of these farmholdings are family-owned, they use paid labour only for harvesting and some heavy maintenance work. Coffee and cocoa generate a major but insufficient portion of revenue, which is why food crops occupy at least 50% of the land on farms and monopolise a large section of the labour force.

Most producers are members of a cooperative. After the harvest, coffee is dried and husked in cottage-type units or by cooperatives. Following cursory sorting, the beans are delivered to the cooperative or sold to a middleman who resells them to a bigger buyer or an exporter.

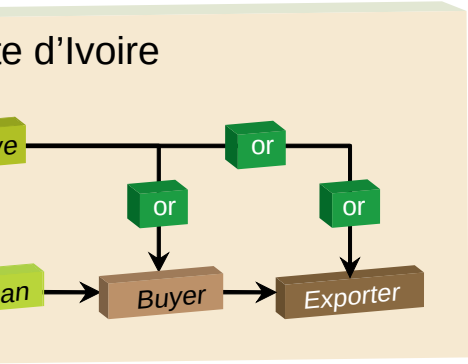
To ensure better quality control, some exporters have set up buying centres where producers and cooperatives sell their produce, provided it meets the requisite quality criteria; producers receive a quality and production bulking bonus. The soluble coffee factory in Côte d'Ivoire sources its beans from such buying centres, distributed across the entire production area.



Côte d'Ivoire and production subsidies in Cameroon. But due to lack of rational management, they were unable to support producers' prices when global coffee prices fell drastically at the end of the 1980s. A benchmark study[18] has shown that stabilisation surpluses should have made it possible to support prices for 13 additional crop years in Côte d'Ivoire and 11 additional crop years in Cameroon. In fact, the stabilisation funds became so indebted that planters received only half the guaranteed price as of the 1989-90 crop year. The consequences were immediately visible – plantations were no longer well maintained, those that produced limited quantities of coffee were soon abandoned and production declined on the whole (see Figure 11).

Confronted with this crisis, neither the ICO's International Coffee Agreement[19], nor the STABEX[20] were able to play any compensatory role. The ICO abandoned the quota system in 1989. Its initial objective was to keep prices within a specific range, thereby ensuring at least the minimum receipts to coffee-growing States. The surpluses produced in each ICO member country could be exported to non-member countries

18. Ministry of Cooperation, France (1993): "La compétitivité des cafés africains" (Competitiveness of African Coffees), Study Report Collection.
19. Signed in 1962, this agreement was renewed 4 times until 1983 on the basis of the quota system. The 1983 agreement was extended to 1994, at which time a fifth agreement ratifying market liberalisation was concluded. This agreement, valid until 1999, was extended to 2001, the date of the last agreement on coffee currently in force.
20. Established in 1975, STABEX (Exports stabilisation) concerned 48 agricultural commodities and compensated for the loss of export receipts suffered by all the ACP (Africa, Caribbean, Pacific) States exporting to the EEC.



at prices that were often lower than those of the quota system. Countries gradually started bypassing the agreement – for instance, by selling a part of their production under another country's quota. In addition, the funds made available within the STABEX framework proved to be inadequate and were not always used for stabilisation purposes.

Reforms in Côte d'Ivoire and Cameroon

In the early 1990s, the World Bank insisted on the liquidation of the ONCPB in Cameroon and the CSSPPA in Côte d'Ivoire and for liberalising the sector. But the two countries implemented less drastic measures.

Cameroon set up the "Office national du café et du cacao" (ONCC or National Coffee and Cocoa Office) with modified prerogatives. An Inter-professional Committee (the CICC) was set up to help define the sector's strategies. The pricing system was based on the calculation of a reference price fixed according to the daily market prices posted in London, the calculation of a farm price negotiated with traders and the determination of a minimum guaranteed price for producers (farm price less industry costs). The stabilisation system, based on the difference between the farm price and the contract reference price, was maintained. But the producers' remuneration depended on world prices. Special purchasing zones and purchase controls were abolished while the cooperative movement was strengthened. The reform led to the disappearance of small local exporters in favour of international companies and large-scale exporters, capable of securing client loyalty by implementing a quality policy.

In Côte d'Ivoire, the 1995 Agricultural Structural Adjustment Programme (ASAP) paved the way for a series of reforms, culminating in the complete liberalisation of the coffee-cocoa sector.

Table 2. Share of coffee in West Africa's agricultural exports (Millions of USD)

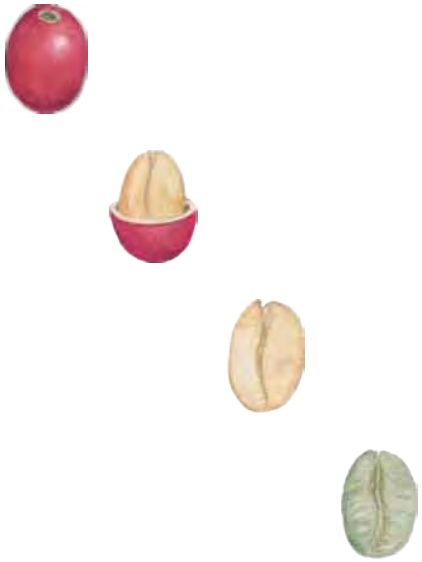
	1990-94 Average			2000-04 Average		
Country	Coffee	Farm products	% coffee	Coffee	Farm products	% coffee
Benin	0.1	17.5	0.3%	0.0	53.5	0.0%
Cameroon	110.7	2,235.0	5.0%	73.9	2,356.6	3.1%
Côte d'Ivoire	240.8	3,320.8	7.3%	167.1	4,314.4	3.9%
Ghana	1.1	343.6	0.3%	2.0	770.4	0.3%
Guinea	6.1	11.9	51.5%	6.2	11.9	51.7%
Liberia	0.3	3.2	10.7%	0.3	4.0	6.7%
Nigeria	0.7	178.8	0.4%	0.3	381.7	0.1%
Sierra Leone	4.7	14.8	32.0%	1.5	8.4	17.2%
Togo	12.9	45.0	28.7%	4.9	45.5	10.7%
Total	377.4	2,201.6	17.1%	256.1	3,992.4	6.4%

Source: FAOSTAT

The CSSPPA continued to play a role until 1998 but no longer monopolised export sales. Domestic marketing was fully liberalised. Although quotas were abolished, operators had to obtain an export permit from the CSSPPA. However, the stabilisation system, based on an FOB reference price and a sales price, remained in force. With the 1998/99 crop year came the end of the CSSPPA, coming into effect in 2000. Two new players then came on the scene:

- The ARCC ("Autorité de Régulation du café/cacao" or Coffee/Cocoa Regulatory Authority): A public body, responsible for advising the Interministerial Committee, regulating the sector and ensuring proper control.
- The BCC ("Bourse du café/cacao" or coffee/cocoa stock exchange): A private body, managed by the sector's professionals and aimed at fulfilling operational (commercial) functions.

These organisations were supported by other organisations and committees, creating a full-fledged inter-professional network:



- The "Comité Interministériel des Matières Premières" (CIMP or Interministerial commodity committee): Chaired by the Prime Minister, it defined the sector's policy and saw to the respect of the objectives fixed by the government.
- The "Fonds de Régulation et de Contrôle" (FRC or Regulatory and Control Fund): A legal entity under private law, it was responsible for constant control over exporters' financial commitments, collecting charges levied on the ARRC's and BCC's accounts and establishing the price scale.
- The "Fonds de Garantie des Coopératives Café-Cacao" (FGCCC or Coffee-Cocoa Cooperative Guarantee Fund): Its mission consisted of helping Professional Agricultural Organisations (OPA) access bank credits.
- The "Fonds de Développement et de Promotion des producteurs de Café et Cacao" (FDPCC or Coffee and cocoa producers' development and promotion Fund): Set up at the producers' initiative, it helped producers enter the coffee/cocoa sector.

IV. Perspectives

While losing ground on the world market, Africa and West Africa's future is uncertain especially faced with the rise of Latin America (Brazil) and Asia (Vietnam).

In 2025, global Robusta demand is likely to be between 3.4 and 4.3 million tonnes (2.5 million tonnes in 2004). To maintain its current market share, West Africa would need to produce at least 575,000 tonnes,

i.e. more than twice its current production. But is this minimum target, which does not include regaining the market share lost over the last 25 years, realistic? With the same surface area, doubling the average yield should make it possible. The situation varies depending on the country, although intensification[21] is essential for all of them:

- Côte d'Ivoire's plantations, of which at least 60% are old, are decreasingly productive and need to be renewed[22]. The remaining 40% need to be regenerated[23]. However, the country suffers from a shortage of manpower.
- Several systems co-exist in Cameroon: intensive Robusta in the Mongo, extensive Robusta, and Arabica compete with food crops. Intensification is relatively recent. The resumption of maintenance processes should provide quick results.
- Guinea was not confronted with successive coffee crises to the same extent. Its relatively young plantations are being expanded basically by using rain-fed rice producing land that is already depleted. Intensification is the sole option.
- Togo has very limited possibilities for expanding its plantations. Plantations were revived between 1975 and 1985. It is imperative to at least hold on to the existing potential.
- Cocoa is the priority in Ghana and Nigeria, so a spectacular growth of coffee production is unlikely.
- Liberia has considerable land reserves. The country is not densely populated and opportunities for highly-paid work are limited. Although more densely populated, Sierra Leone faces a similar situation.

Admittedly, West Africa's current share of Robusta's global market is not very significant (8-9%). But it could become so in the coming 20-25 years. Firstly, because coffee is a profitable crop, especially in areas where cocoa cannot be grown (Western Côte d'Ivoire, Guinea, Togo, etc.). Furthermore, increased freight costs have given West Africa a comparative advantage over its competitors in the European and US markets. Finally, there are limited possibilities for additional production in other regions of the world.[24]

A minimum production target could be achieved with better plantation productivity by 2025-2030. This will be possible if regional-level consultation takes place, especially in the field of agricultural research (improving varieties). In fact, with the complete liberalisation of the coffee sector, the States could play a significant role by working on a common agricultural policy. Coffee remains and will remain an enterprise that can improve the West African farmers' living conditions.

21. The first intensification level involves putting land and labour resources to the best use and is not necessarily synonymous with using inputs. Agro-forestry systems for perennial crops constitute one such constructive and sustainable solution. The second level involves intensifying foods crops in farms, thereby freeing land resources and labour for coffee.
22. Admittedly, about a dozen years of extensive cultivation have partially depleted the land but coffee plants are relatively less demanding. Replanting is possible in leguminous plant-based agro-forestry systems. In addition, an intensification policy (fighting weeds and pruning) would help cut down the surface area used and thereby select less exhausted land.
23. Coffee regeneration consists of pruning coffee plants in order to restore the tree's 'architecture' and thereby raise productivity.
24. Forced Robusta cropping intensification in Vietnam compromised production sustainability in the long term. Production costs in Brazil increased and mechanising Robusta cultivation proved difficult. Indonesia had no option other than to expand the surface area at the expense of classified forest reserves, with oil palms taking over any area left free. Angola had to first clear coffee plantations of mines. Uganda, another large Robusta producer, is landlocked and has high production costs (Kampala/ Mombasa transportation).

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Statistical Data Sources

FAO - Statistical Database FAOSTAT
FO Licht: Coffee years books (2000, 2001, 2002, 2003, 2004)
ICO: Consumption, imports and exports in member and non member countries from 1980 to 2005
Pan American Bureau of Coffee: Statistical series from 1958 to 1965
USDA: Database (1960-2005)

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