



# Hawaii Coffee

National Agricultural Statistics Service  
Hawaii Agricultural Statistics Service  
Hawaii Department of Agriculture

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## Farm revenues increase 19 percent

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Acres harvested, yield, production, average farm prices, and total farm value.

### World Coffee

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Production forecast for 2003/04.

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An explanation of why production is forecast to be down in 2003/04.

The Hawaii Agricultural Statistics Service (HASS) estimates coffee production at 7.5 million pounds (parchment basis) for the 2002/03 season, down 6 percent from last season's harvest of 8.0 million pounds. Coffee farmers received an average of \$3.10 per pound (parchment equivalent) during the 2002/03 season, up 27 percent from last season. Total farm revenues are estimated at \$23.3 million, up 19 percent from the 2001/02 season.

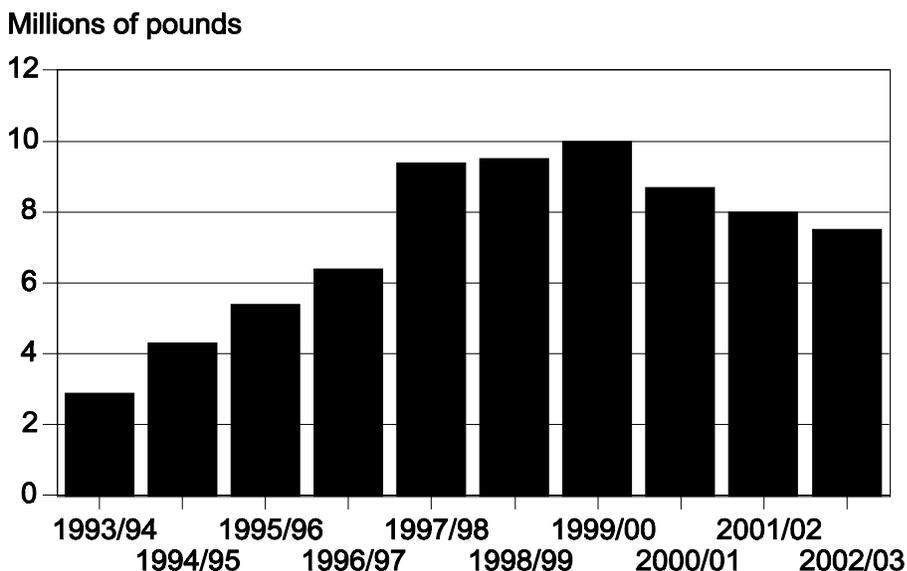
### Big Island harvest is largest in 32 seasons

Hawaii island coffee growers harvested 4.1 million pounds (parchment basis) of coffee during the 2002/03 season, their largest crop since the 1970/71 season. An extended harvesting period and increasing production from younger plantings were the main contributors to 2002/03's higher output. Harvesting got off to a late start as the spring rains that trigger each season's flowering did not arrive in the Kona districts until May 2002. Kainaliu town (located almost on the border of North and South Kona) recorded 8.2 inches of rain in May, 32 percent more than normal. Occasional rounds of beneficial showers stretched into early fall and ensured a long, productive harvest.

Combined production from Kauai, Maui, and Honolulu counties totaled 3.4 million pounds, down 31 percent from the 2001/02 season. A reduction in harvested acreage, the alternate bearing nature of the tree, and a shortage of labor at harvesting all contributed to the lower output.

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### Hawaii Coffee Production Parchment Basis, 1993/94-2002/03



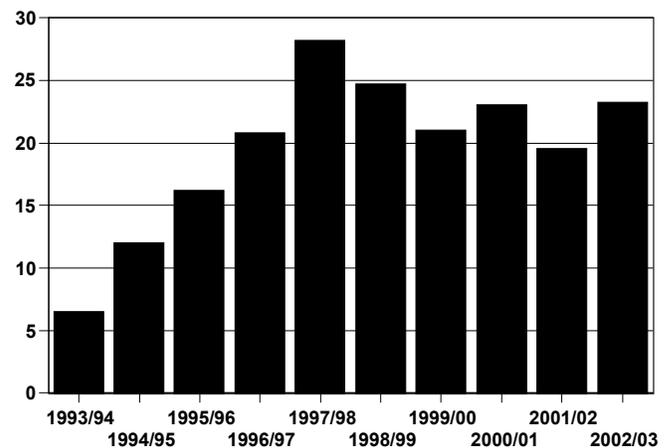
## Higher farm prices led to increased revenues

Coffee farmers posted farm revenues of \$23.3 million (parchment basis) during the 2002/03 season, up 19 percent from 2001/02. Farm revenues got a boost from a 27 percent increase in the farm price to an average of \$3.10 per pound (parchment basis) that more than offset a 6 percent decline in production.

## Upcoming season forecast

Hawaii island growers are expecting a smaller crop for the 2003/04 season. Recent conditions have been dry in the Kona districts raising the possibility of an increase in floaters. Combined production from Maui, Kauai, and Honolulu counties is anticipated to increase during the 2003/04 season. The alternate bearing nature of the tree and efforts to rejuvenate previously neglected fields are expected to result in a larger harvest. ■

**Hawaii Coffee Farm Value**  
Parchment Basis, State of Hawaii 1993/94-2002/03



## Hawaii Coffee Statistics

Number of farms, acreage, yield, marketings, price, and value by county, 1998/99 through 2002/03, State of Hawaii

County and crop year <sup>1/</sup>	Farms	Acreage		Yield <sup>2/</sup>	Marketings <sup>3/</sup>	Farm prices			Value of sales	Green production
		In crop	Harvested			Cherry	Parchment	All <sup>4/</sup>		
	Number	----- Acres -----		----- 1,000 pounds -----		----- Cents per pound -----			\$1,000	1,000 pounds
<b>State</b>										
1998-99	610	7,400	6,100	1.6	9,500			260.0	24,700	7,600
1999/00	650	7,700	6,400	1.6	10,000			210.0	21,000	8,100
2000/01	670	7,900	6,800	1.3	8,700			265.0	23,055	7,000
2001/02	700	8,000	6,300	1.3	8,000			245.0	19,600	6,400
<b>2002/03</b>	<b>710</b>	<b>7,200</b>	<b>5,900</b>	<b>1.4</b>	<b>7,500</b>			<b>310.0</b>	<b>23,250</b>	<b>5,900</b>
<b>Hawaii</b>										
1998-99	600	2,800	2,170	1.6	3,500	130.0	500.0	460.0	16,100	2,800
1999/00	635	3,200	2,400	1.2	3,000	70.0	360.0	310.0	9,300	2,400
2000/01	650	3,350	2,700	1.4	3,800	85.0	425.0	400.0	15,200	3,000
2001/02	675	3,430	2,850	1.1	3,100	85.0	425.0	425.0	13,175	2,500
<b>2002/03</b>	<b>680</b>	<b>3,500</b>	<b>2,850</b>	<b>1.4</b>	<b>4,100</b>	<b>90.0</b>	<b>405.0</b>	<b>390.0</b>	<b>15,990</b>	<b>3,200</b>
<b>Kauai/Maui/Honolulu <sup>5/</sup></b>										
1998-99	10	4,600	3,930	1.5	6,000			143.0	8,600	4,800
1999/00	15	4,500	4,000	1.8	7,000			167.0	11,700	5,700
2000/01	20	4,550	4,100	1.1	4,900			160.0	7,855	4,000
2001/02	25	4,570	3,450	1.4	4,900			131.0	6,425	3,900
<b>2002/03</b>	<b>30</b>	<b>3,700</b>	<b>3,050</b>	<b>1.1</b>	<b>3,400</b>			<b>213.5</b>	<b>7,260</b>	<b>2,700</b>

<sup>1/</sup> Coffee harvesting occurs throughout the year in Hawaii. The main harvest normally begins in late summer and extends to the early part of the following year.

<sup>2/</sup> Average yields based on parchment equivalent marketings and harvested acreage.

<sup>3/</sup> Expressed in parchment equivalent pounds. Coffee marketed in cherry form was converted to an equivalent parchment weight and added to parchment marketings.

<sup>4/</sup> Represents an average farm price for parchment equivalent sales. Obtained by dividing farm revenues from the sale of cherry and parchment coffee by total marketings (parchment equivalent basis).

<sup>5/</sup> Kauai, Maui, and Honolulu counties combined to avoid disclosure of individual operations.

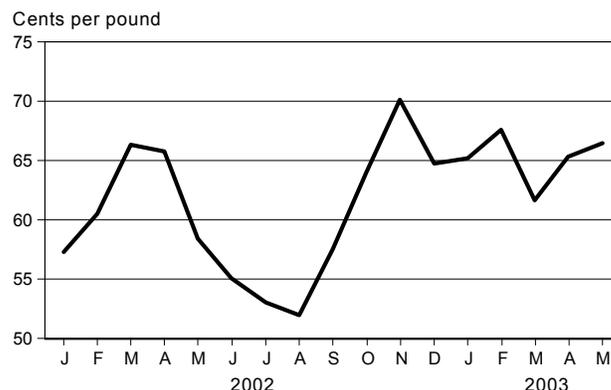


# World Coffee Update

## World 2003/04 Coffee Production Forecast To Decline as Brazil's Crop Fails

World coffee production in 2003/04 is forecast at 107.1 million bags (60 kilograms or 132.276 pounds), down nearly 13 percent, or 15.6 million bags from the previous year. Most of the reduction is attributed to the substantial decline in Brazil's 2003/04 coffee production level (see story on page 4). Brazil's production of coffee during 2003/04 is forecast at 33.6 million bags, down from 51.6 million bags in 2002/03. Mainly as the result of the lower crop in Brazil, total coffee supplies in 2003/04 are forecast at 136.2 million bags, down nearly 6 percent from the previous year. Partially offsetting the decline in Brazil's production in 2003/04 are some increases in key countries: Colombia, up 900,000 bags; Vietnam, up 500,000 bags; Mexico, up 300,000 bags. ■

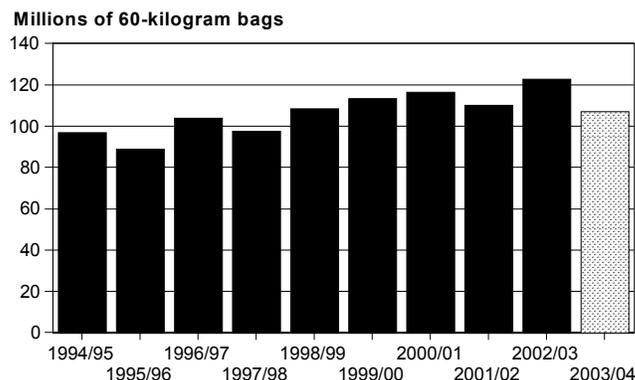
Colombian (Mild Arabicas): ICO Monthly Prices on the New York Market



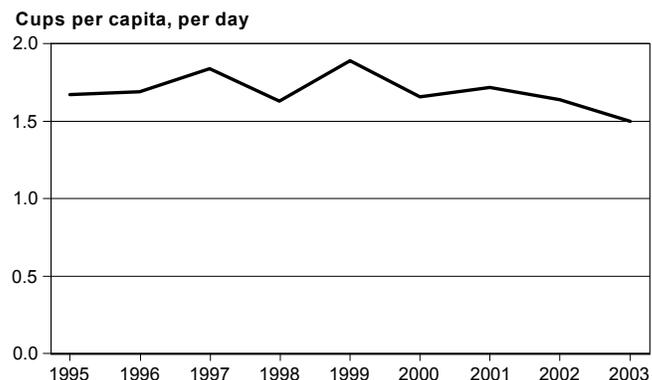
World Coffee Production  
(1,000 60-kilogram bags)

Region and Country	2001/02	2002/03	Forecast 2003/04
<b>North America</b>			
Mexico	4,200	4,350	4,650
Guatemala	3,530	3,802	3,802
Honduras	3,098	2,600	2,800
Costa Rica	2,338	2,188	2,220
Others	3,978	3,833	3,577
<b>South America</b>			
Brazil	35,100	51,600	33,600
Colombia	11,950	10,900	11,800
Others	4,690	4,675	4,832
<b>Africa</b>			
Ethiopia	3,756	3,000	250
Uganda	3,507	3,100	3,200
Cote d'Ivoire	3,033	2,500	2,400
Others	4,513	5,998	5,981
<b>Asia and Oceania</b>			
Vietnam	12,250	10,250	10,750
Indonesia	6,160	6,000	6,050
India	5,010	4,588	4,660
Others	2,991	3,375	3,557
<b>Grand Total</b>	<b>110,104</b>	<b>122,759</b>	<b>107,129</b>

World Coffee Production  
1994/95 - Forecast 2003/04



U.S. Coffee Consumption  
1995-2003



## Brazil's Coffee Situation

### Trees expected to be in the "off-year" of the production cycle

Brazil's coffee production for 2003/04 is forecast at 33.6 million bags, down 35 percent from the 2002/03 crop (51.6 million bags). Arabica coffee production is projected at 23.3 million bags, a 41 percent drop from the previous season, and robusta production is forecast at 10.3 million bags, down 1.7 million bags. The significant reduction in production is mainly a consequence of expected lower yields, especially in the Arabica producing regions. For the 2002/03 crop, Arabica coffee trees were in the on-year of the biennial production cycle in most growing regions. Favorable weather conditions and good crop management resulted in record output not only in volume, but also in productivity (21.86 bags/hectares), stressing the trees. As a natural consequence, coffee trees are expected to be in the "off-year" of the production cycle for the 2003/04 crop. Depressed coffee prices also led to under-average crop management for many producing

regions. Growers reduced their use of inputs (lime, fertilizer, chemicals) to cut costs. Weather-related problems occurred in major growing regions in Minas Gerais, Sao Paulo and Bahia, affecting blossoming somewhat and fruit setting in the second semester of 2002. Most recently, dry spells in Espirito Santo have also affected the production potential for that state. Depressed coffee prices led some producers to abandon their plantations, shifting to more profitable crops such as soybeans, corn, and sugarcane. In addition, coffee plantations countrywide were pruned and stumped as a result of the record yields obtained last season, thereby leading to a significant drop in production this season. ■

Source: Foreign Agricultural Service GAIN Report #CH2618, 6/26/2002, U.S. Department of Agriculture.