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National coffee policy of the Central African Republic

**Statement by Mrs Marie-Noelle Koyara,
Minister of State for Rural Development to
the 111th Session of the International Coffee
Council on 9 September 2013**

Mr Chairman of the International coffee Council,
Mr Executive Director of the International Coffee Organization,
Mr Secretary General of the InterAfrican Coffee Organisation,
Mr Executive Director of the Common Fund for Commodities,
Distinguished Ministers responsible for coffee matters,
Distinguished Delegates,

Before presenting a statement on the current situation of the coffee chain in Central African Republic, I would like, first and foremost, on behalf of the Government of my country, to thank the Government of Brazil for inviting me to participate in the celebration of the 50th anniversary of the International Coffee Organization (ICO), and the Governor of Minas Gerais for the warm welcome and legendary hospitality offered to the Central African Delegation.

I would also like to congratulate the Executive Director of the ICO on the 50th anniversary of the Organization to which the Central African Republic, formerly a member of the African and Malagasy Coffee Organisation (OAMCAF) acceded in 1962 as a Group Member.

During that period the country was selected by the National Agricultural Research Center of France to host the largest research center for coffee, cocoa, pepper and palm oil in sub-Saharan Africa.

Since then, coffee has been one of the main cash crops and source of employment for a large section of the rural population in the Central African Republic. The crop covers the all of the country's entire southwestern and southeastern regions of the country.

Coffee is not only the Central African Republic second largest agricultural export product after cotton, but also the most remunerative crop for one day's labour on family farms, directly or indirectly involving over one-third of the Central African population. The monetary income earned by family coffee growers totalled slightly over 5 billion CFA francs in 1986.

Moreover, coffee contributed over 1 billion CFA francs annually to State revenues from export duties and the minimum fiscal tax (IMF) on exports.

Between 1979 and 1998 Central African coffee farming benefitted from the support of a number of organizational structures to promote its development, which permitted:

- An increase in export levels to between 8,000 and 22,000 tonnes of green coffee a year.
- An increase in the areas planted to coffee from 39,000 hectares in 1980 to 65,000 hectares in 1998.
- An increase in the number of farmers from 24,000 in 1980 to 70,000 in 1998.

Unfortunately, since 2000, the coffee chain has been severely weakened, rapidly plunging into an unprecedented crisis. This led to a fall in activities which increase over the years to reach catastrophic proportions with exported production levels at the lowest levels ever recorded in the Central African Republic: 3,927 tonnes of green coffee in 2003/04 ; 2,503 tonnes in 2004/05 ; and 1,500 tonnes of green coffee controlled and exported in 2005/06.

Thanks to favourable weather conditions, exported production increased to 7,000 tonnes in 2006/07 but fell back to 3,000 tonnes in crop year 2007/08.

With the support of the Government to producers, the production level increased slightly but stabilized at the same level of around 5,000 tonnes in crop years 2008/09 and 2009/10.

The crisis has led, therefore, to a quantitative and qualitative decline in production, as the logical consequence of a number of limiting factors, notably:

- **The fall in world prices and the consequent fall in domestic indicator prices:**

The fall in world prices and domestic indicator prices led producers to destroy their coffee plantations and turn to growing food crops or other income-generating activities, entailing a de facto loss of foreign exchange earnings for the country.

In addition to the abandonment of plantations by producers, some self-funding operators in the coffee chain (buyers and exporters) did not engage sufficiently in operations for the collection and export of coffee. As for the banks, they purely and simply abstained from financing coffee crops in view of the high risk of non-repayment of any credits granted.

- **Ageing of farmers and farms:**

The only coffee farmers still in existence are those who began their activities before or during the 1970s and the same goes for coffee farms. As coffee is no longer an attractive proposition, young people are no longer interested in coffee activities. This means that the ageing coffee producers of the 1970s no longer have the strength required for the upkeep of their farms and these are tending to disappear.

- **The disappearance of industrial plantations:**

The high level of Central African coffee production in the 1970s – 1990s is the result of the combined production of industrial plantations and family farms. At present, industrial plantations no longer exist. This means that family farms must be revived and developed.

It is against this background that the Government initiated a project with the association of Cameroon. This joint sub-regional project for the Central African Republic and Cameroon is entitled “Promoting coffee sustainability through increases in productivity, with particular focus on the participation of young people and women in the coffee value chain in Cameroon and the Central African Republic”.

The aim of the project is to support the efforts made by the Governments of Cameroon and the Central African Republic to revive and rehabilitate their ailing coffee sectors in order to stimulate the rural economy, generate income for their agricultural communities and reduce poverty among coffee farmers, contribute to social cohesion and peace and to better support our various organizations, because a strong organization is based on strong members.

This is why, on behalf of the Transitional Government of National Unity, I wish to thank the International Coffee Council, which approved the project during the Session held in London (United Kingdom), from 4 – 8 March 2013, as well as the Executive Director of the International Coffee Organization who forwarded it to the Common Fund for Commodities (CFC) on 4 April for financing.

My presence at this celebration of the 50th anniversary of the International Coffee Organization (ICO) and 111th Session of the International Coffee Council, is a clear indication that the Government of the Central African Republic is more than ever determined to mobilize the financial resources required for the payment of its contributions to international and Inter-African coffee organisations as well as the counterpart funds that will enable this project to be implemented as soon as possible for the benefit of our coffee farmers.

Mr Chairman of the International Coffee Organization,
Mr Executive Director of the International Coffee Organization,
Mr Secretary General of the Inter-African Coffee Organization,
Mr Executive Director of the Common Fund for Commodities,
Ladies and Gentlemen,
Distinguished Delegates,

Central African coffee growing is at present under threat of disappearing as a result of the tracheomyces (coffee wilt disease) which is rampant in the country's eastern region. This fungal coffee disease, which some countries call "sudden death", has ravaged over 400 hectares of coffee farms in the area affected and could undermine current efforts to revive the coffee sector. To halt the spread of this scourge the Central African Republic needs the experience of other ICO Member countries afflicted by the disease which managed to eradicate it thanks to the expertise of coffee research networks.

From this rostrum, we also wish to appeal to fund donors, the private sector and international and Inter-African coffee organizations to support the Central African Republic, a post conflict country, in developing its immense agricultural potential, particularly in the area of coffee and other cash crops, including cocoa, rubberwood (hevea), pepper and oil palm.

The revival of these promising crops, which once ranked the Central African Republic among leading producers, is high on the list of priorities for the Transitional Government of National Unity, which intends to promote the revival of agriculture as a whole and cash crops in particular as a key issue in the fight against poverty in rural areas.

Thank you for all your attention to our request