

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:245

ANSWERED ON:17.12.2004

EXPORT OF COFFEE

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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether there is a sharp decline in the export of coffee during this year;
- (b) if so, the reasons therefor and the details of coffee produced/exported country-wise during last three years alongwith its value;
- (c) whether instances of coffee growers committing suicide due to opening of international coffee market have come to the notice of the Government;
- (d) if so, details thereof and measures taken to stop such suicides;
- (e) whether the Government is aware of the pitiable condition of coffee growers due to fall in price of coffee; and
- (f) if so, measures taken to protect the coffee growers?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF THE LOK SABHA STARRED QUESTION NO. 245 FOR ANSWER ON 17.12.2004 REGARDING EXPORT OF COFFEE

(a) According to available estimates, during the calendar year January-October 2004 the quantity exported was approximately 1.99 lakh tonnes as against 1.94 lakh tonnes exported during January-October 2003. The value of the exports was approximately US \$ 236 million while for the corresponding period of last year the value was about US \$ 216 million. The value in rupee terms is about Rs 1011 crores this year till October 2004 as against Rs 972 crores last year.

In the financial year April-October 2004 there was a slight fall in quantity, that is approximately 1.24 lakh tonnes this year as compared to nearly 1.30 lakh tonnes for the corresponding period last year. The value in US \$ million is however is higher this year at about US \$ 154 million as compared to US \$ 148 million last year. In rupee term the value this year has been around Rs.640 crores as against Rs.647 crores last year. It would be seen that there is no sharp decline in export of coffee this year.

(b) The details of coffee produced and exported country-wise during the last three years is given at Annexure-I.

(c) & (d) About 80% of the India's coffee is exported. Domestic prices move in tandem with international prices. The quantum of coffee imported into India is negligible. Information regarding suicides by coffee growers due to the opening of international coffee market is being collected from the State Governments concerned.

(e) & (f) Government of India is aware of the difficulties being faced by the coffee growers due to low prices of coffee for a long period of time and has taken a series of steps for the benefit of coffee growers. The steps includes re-phasingment/restructuring of loans taken by the coffee growers from commercial banks by way of Special Coffee Term Loan (SCTL) and interest subsidy to coffee growers on working capital loans. During 2001-02, 2002-03 and 2003-04, Coffee Board implemented a scheme under which financial assistance upto Rs.500 per tonne was provided to the Indian coffee exporters for reducing handling costs. A package for providing further relief to coffee growers is also under consideration.