

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

UNSTARRED QUESTION NO:2144
ANSWERED ON:11.03.2013
PROMOTION OF COFFEE
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) India's share in the international coffee production and export during the last three years and the current year along with the efforts being made by the Government to spread the production and create new export markets of Indian coffee;
- (b) whether the coffee produced in Visakhapatnam has gained international recognition during the past few years;
- (c) if so, the details thereof;
- (d) whether the Government has initiated any programme to promote coffee production in Visakhapatnam;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the details of the scheme likely to be implemented for promoting coffee production in Visakhapatnam?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a): The details of world coffee production and exports alongwith India's share during the last three years and the current year are as follows:-

(Qty in 000' bags of 60 Kilo each)

Year	Production	India's	Exports	India's		
	World	Share(%)	World	Share(%)		
2009-2010	122599	4827	3.94	92451	3279	3.53
2010-2011	133470	5033	3.77	105880	4996	4.72
2011-2012	134401	5233	3.89	104737	5404	5.16

For the current financial year 2012-13, the India's post- monsoon crop estimate is placed at 5,258 thousand bags which is 3.66% of the estimated global production of 144061 thousand bags as per latest International Coffee Organization(ICO) data. Since, the coffee harvesting is still going on the final estimation will be available by May, 2013.

Regarding the exports for 2012-13, export permits have been issued for a total quantity of 2,60,636 MT as on 22nd February, 2013. Total exports include export of Indian coffees as well as imported coffees that were re-exported. The confirmation of exports will be known about 6 months after completion of the Financial Year. For 2012-13 the global export figures are not readily available.

In order to improve country's coffee production, the Coffee Board has proposed to expand the coffee area in the country in suitable areas during XII Plan. For this purpose surveys have been conducted in the traditional coffee growing areas as well as in other states Himachal Pradesh and West Bengal. Apart from this, the steps taken by the Government and Coffee Board to increase the coffee production in the country include Development of improved technologies through R&D and transfer of technology to grower through extension and capacity building programmes; Providing Development Support for replantation of senile coffee plantations - to improve production and productivity, Support for water augmentation, quality up-gradation, pollution abatement measures, interest subsidy on working capital loans, welfare measures, Coffee Development in North Eastern Region, Coffee Development in Non Traditional Areas (Andhra Pradesh and Odisha); Support for Risk Management to the coffee growers against deficit/excess rainfall through Rainfall Insurance Scheme for Coffee; and Support for Mechanization of farm operations.

In order to give a boost to exports the following activities implemented during XI Plan under the Export Promotion scheme are being proposed for continuation in XII Plan.

- (a) Providing Export incentives @ Rs.1/Kg for Export of High value coffee to the far-off regions and @ Rs.2/ Kg for Export of Value added Coffee in retail packs;and
- (b) Participation in Export Promotion Activities like participation in International Coffee Conferences/ Events and BSMs, Brand promotion activities, Organizing Flavour of India - Cupping Competitions, India International Coffee Festival and presenting Export

Awards annually to encourage coffee exporters & maximize their export performance.

Apart from the above schemes directly implemented by the Board, exports out of India are also covered under the Vishesh Krishi Gram Udyog Yojana (VKGUY) and Duty Drawback schemes of the Government of India.

(b) & (c) : It is estimated that around 6000 Metric Tonnes of coffee is produced at present in Visakhapatnam district of Andhra Pradesh. It is proposed to strengthen and increase the production further during XII Plan period. The quality of coffee grown in Visakhapatnam is very good and the Coffee Board has branded it as the "Araku Valley Coffee". The Araku Valley coffee is as such recognized in the International market.

(d & e) : Yes, Madam. The Government has been promoting coffee production in Visakhapatnam district from 1976 onwards and have been extending technology and development support right from IX Plan.

During the XI Plan period, the Coffee Board implemented various programmes (R&D, Transfer of Technology and capacity building; Support for expansion of coffee; Support for quality upgradation; and Support for raising of mixed shade tree saplings) aimed at promoting coffee production in Visakhapatnam.

(f): R & D and Transfer of Technology; Support for Expansion/ Consolidation of holdings; Support for Raising mixed shade saplings; Support for Quality Upgradation; Support for Mechanization; and Support for Marketing of coffee are the programmes which are likely to be implemented for promoting coffee production in Visakhapatnam.