



**INTERNATIONAL
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To avoid undue influence of outliers, sample farmers in the top and bottom 1% of the distribution of full production cost per hectare were dropped from this analysis.

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Some of the most comprehensive efforts to estimate costs and returns for agricultural commodities have been conducted by the Economic Research Service of the United States Department of Agriculture and the Agricultural Issues Center of the University of California, Davis (<https://coststudies.ucdavis.edu/en/>). Where possible, this study uses the methodology of the latter organization.

In Colombia and Costa Rica, average wages are calculated for each of the three and five cooperatives respectively. In Honduras, a single average wage for the Honduran sample was calculated.

⁵ 33%, 41% and 51% of sample farmers installed new trees in the previous 12 months in Colombia, Honduras and Costa Rica, respectively.

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The average cost of agricultural land per hectare, derived from local sources, was found to be US\$3,000 in Colombia, US\$2,800 in Honduras and US\$11,000 in Costa Rica. The interest rate used is 3.25% p.a., which is the rate used by the Agricultural Issues Center – University of California.

The survey did not collect information on amount borrowed or interest rate. We assume those who borrowed, received US\$1,000 per hectare under coffee at an interest rate equal to the preferential rates for agriculture in each country. These rates were: 12.5% for Colombia, 7.25% for Honduras and 8% for Costa Rica.

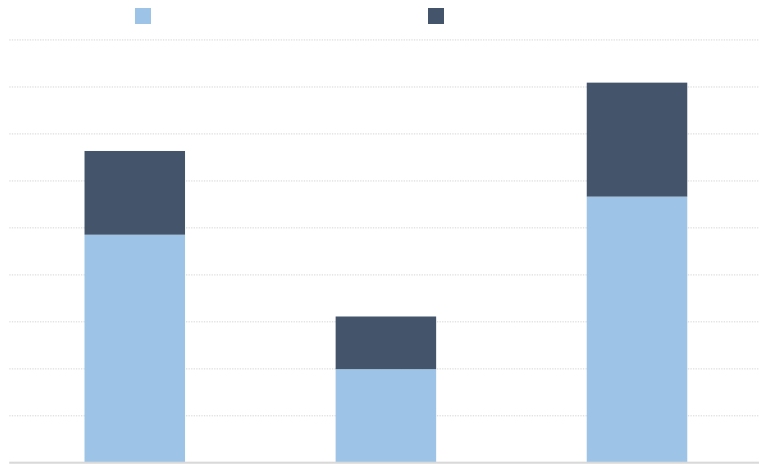
Paid labour

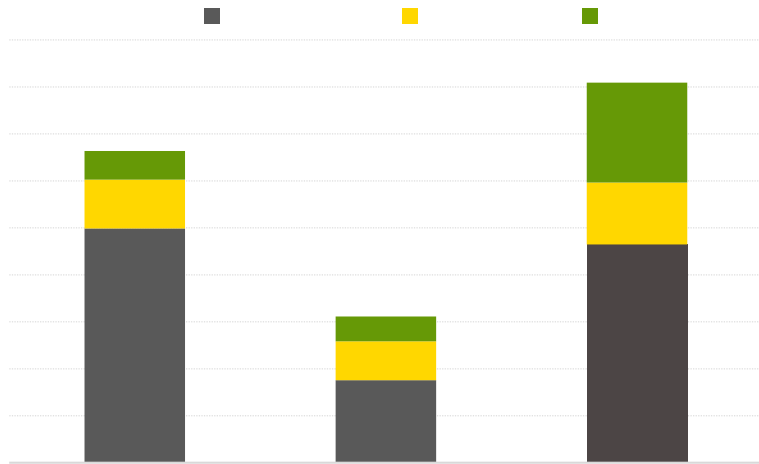
Unpaid labour

Inputs

Fixed costs

Full economic costs

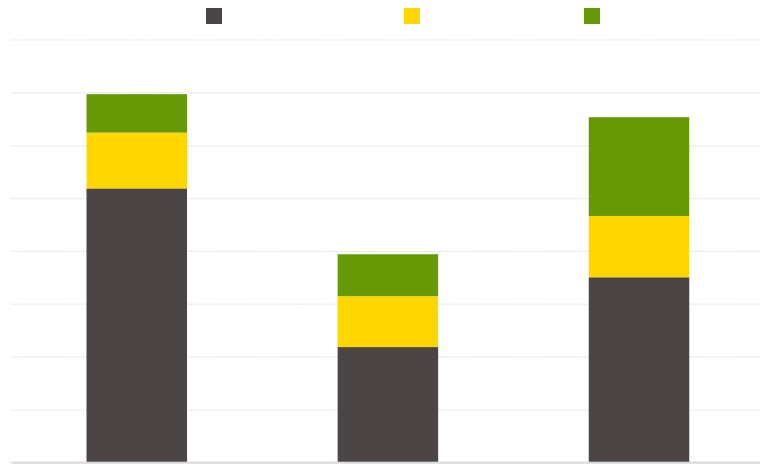




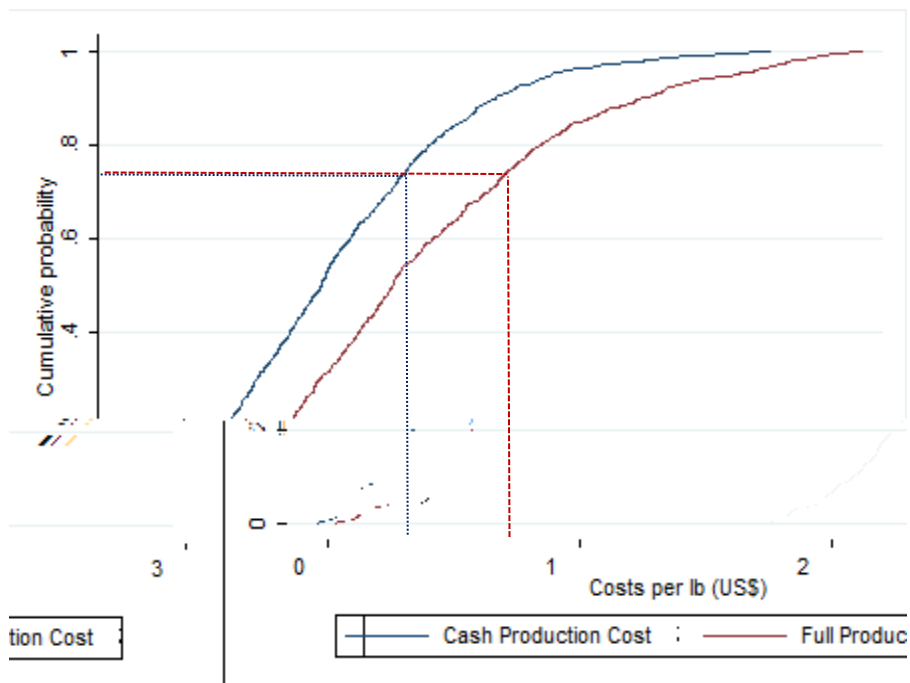
Labour costs per day

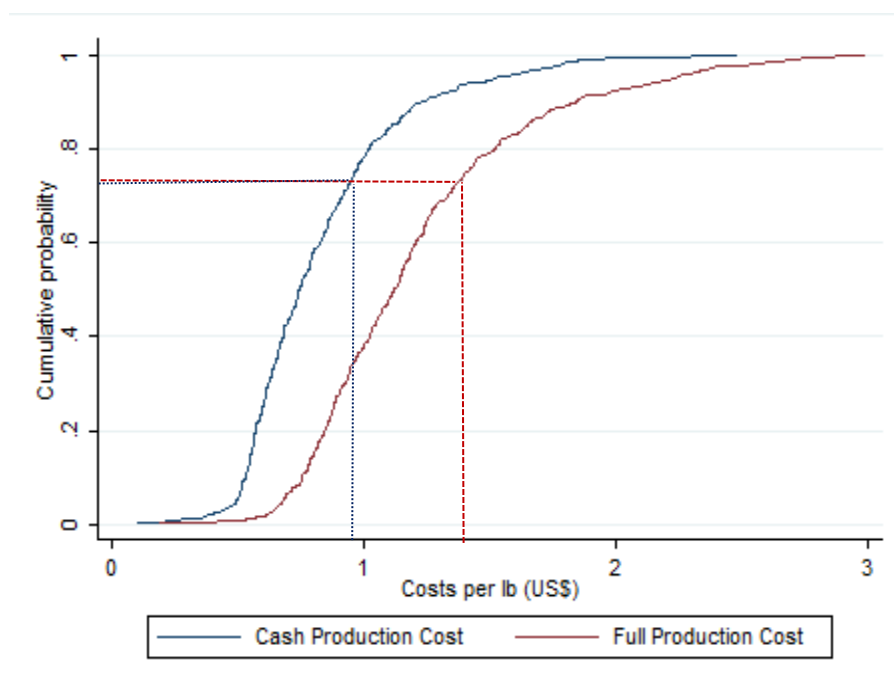
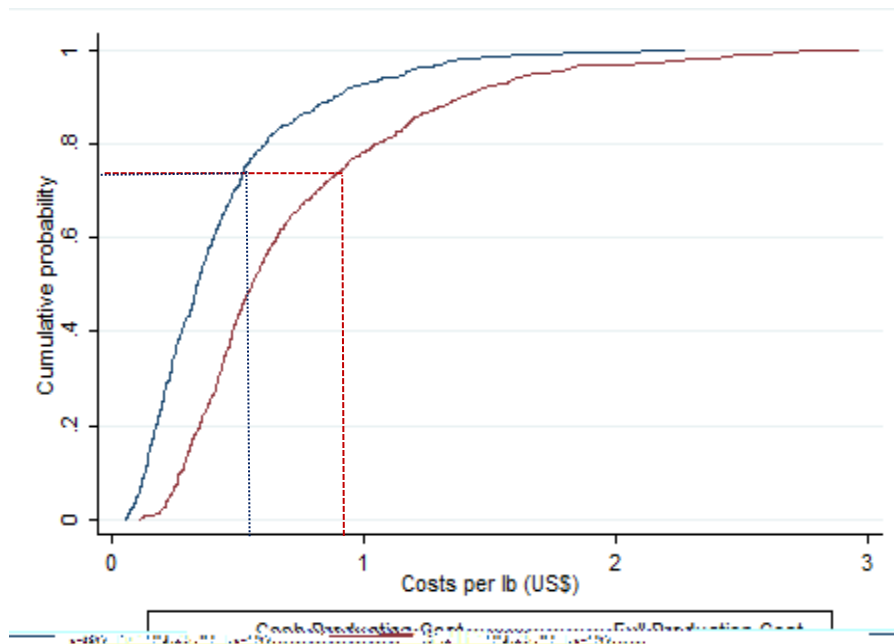
Input costs per unit

Installation costs per unit

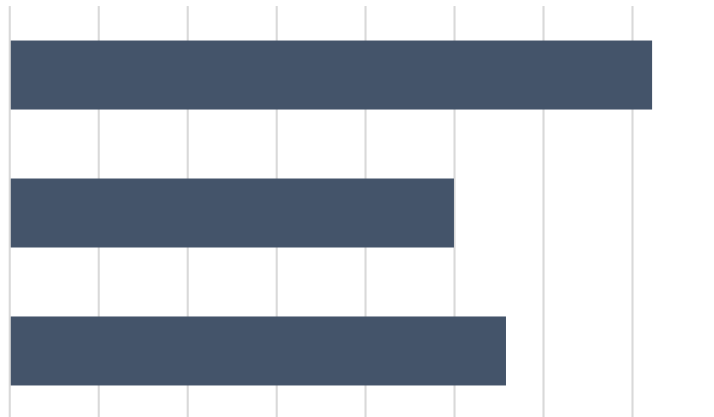


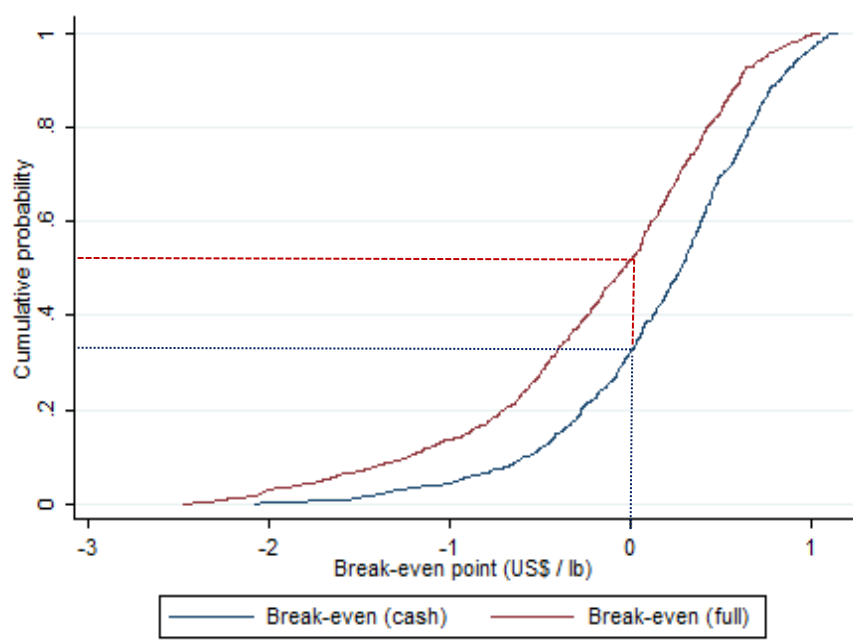
Homogeneous prices

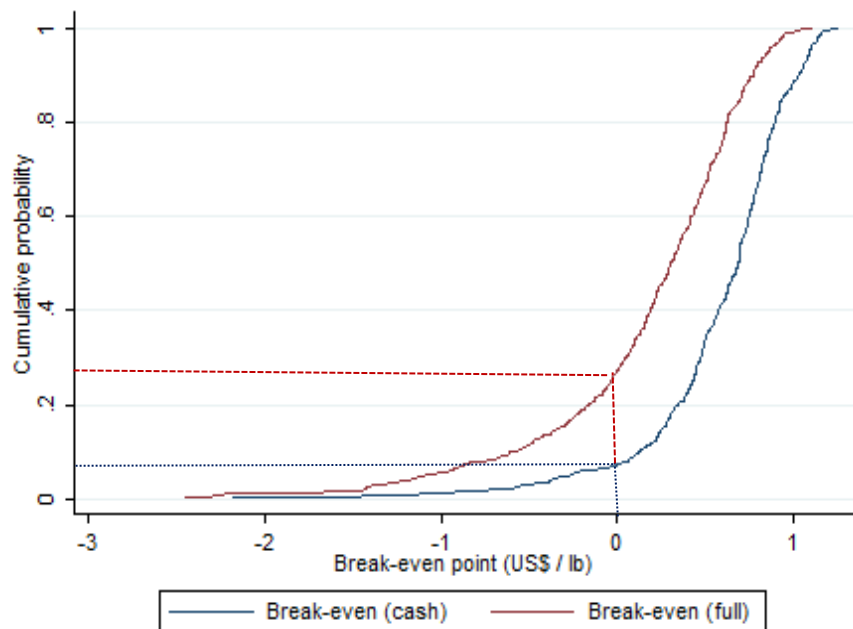
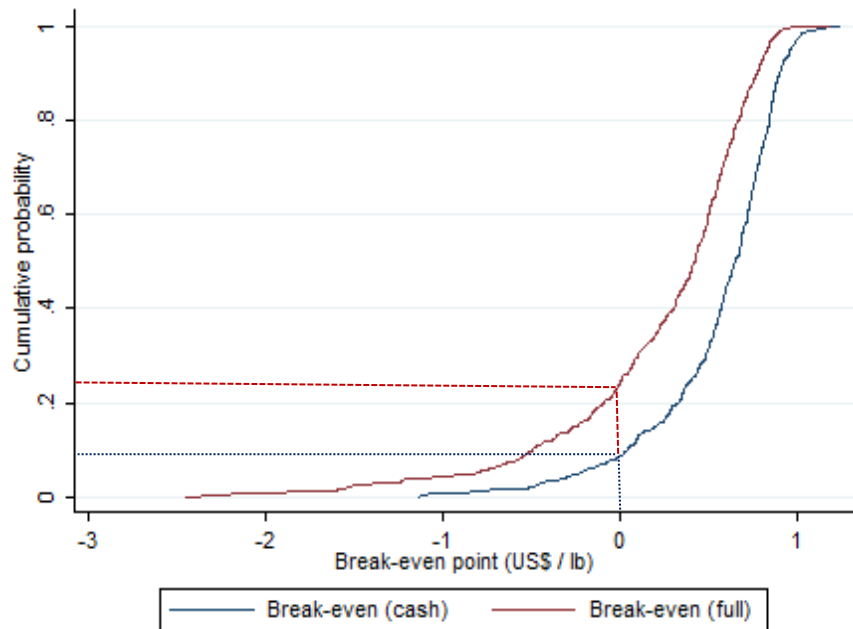




B. Heterogeneous prices







growing

Assessing the economic sustainability of coffee

Emerging Coffee Markets: South and East Asia.

Coffee Market Report February 2019.

Coffee Production Costs and Farm Profitability:

Strategic Literature Review

*USDA Foreign Agricultural Service, Global
Agricultural Information Network. GAIN Report Number HO1603.*