

Voluntary - Public

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## Venezuela

**Post:** Caracas

### **Bolivarian government temporarily takes coffee plants**

**Report Categories:**

Agricultural Situation

Coffee

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**Report Highlights:**

The Ministers of Trade, and Agriculture and Lands ordered the temporary occupation of two coffee processors, Cafe Madrid, and Cafe Fama de America. The government does not discard the possibility that they will be nationalized if irregularities in their administration are found.

**General Information:**

**Government authorities temporarily take Café Madrid and Fama de America coffee plants**

The Ministers of Trade and Agriculture and Lands ordered the temporarily occupation of two leading coffee processors, and indicated that they could be nationalized if it is determined that they are not administered according to the law.

The Minister of Trade, Eduardo Saman, pointed out that the preventive measure seeks to ensure coffee supply and that the product does not end up as contraband. He clarified that this is not an expropriation, but if monopolistic practices or smuggling are demonstrated, they will propose the nationalization and workers will control the company. He also indicated that they

have the support of the Fama de America workers union.

The Minister of Agriculture and Lands, Elias Jaua, said that the government will continue to apply the Constitution against monopolies and oligopolies and added that they will not allow blackmailing against the coffee supply. He recalled that eight months ago the Executive adjusted the coffee price and exhorted the owners of these companies to guarantee coffee supply. He accused the private industry of marketing distortion, favoring extraction contraband, distorting the functioning of small coffee plants, and that is why they government is taking these actions.

Minister Jaua said that as previously done with other companies, the conditions of these workers are guaranteed. He emphasized that they are prepared to confront the measures that affect consumers. "The agro-industrial monopolies will not put anyone against the wall, it was demonstrated with the rice plants at the beginning of the year," he said.

The Minister of Agriculture said that the government will put on the market 16,000 quintals of coffee (quintal = 46 kilograms) to cover two months of demand of one of the most traditional food products for Venezuelans. He added that the law foresees a period of three months of plant occupation to process the coffee from the reserve that the government is going to operate.

Since the beginning of the year, producers and industry have constantly informed the government that the coffee sector was undergoing a series of problems such as a decrease in coffee production, low industry inventories, and that imports will be needed for the first time ever.