

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 11/8/2010

GAIN Report Number: VE1111

Venezuela

Post: Caracas

The government announces new coffee prices

Report Categories:

Coffee

Approved By:

Randall Hager

Prepared By:

Clara Nuñez

Report Highlights:

The Venezuelan government has reviewed and adjusted the fixed producer prices for green coffee. The new prices were published in the Official Gazette of November 5, 2010, and will take effect retroactively from October 1. Some coffee producers consider the measure insufficient.

General Information:

The Government of Venezuela announced an increase in the price of green coffee

The vice-president of the Bolivarian Republic of Venezuela announced on November 5 an increase in the price of green coffee paid to producers. Per the announcement, a quintal (45 kilograms) will increase from Bs. 585 to Bs. 747, or 29 percent. The Resolution was published in Official Gazette No. 39,546 of November 5, 2010.

This increase will take effect from October 1 of the current year. Thus, coffee producers that have already delivered their product to the processors, either public or private, may get a retroactive payment for the price difference. The vice-president also said that the government is studying new prices for ground coffee.

Table 1. New Coffee Prices

Quality	Price in Bolivars, per quintal
Good washed "A"	747
Good washed "B"	691
Good washed "C"	623
Natural good	613
Natural regular	595

Producer's point of view

The increase in coffee prices is lower than requests made by the sector. Producers opine that the measure will not promote any significant increase in production for the next cycle.