



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 11/4/98

GAIN Report #NU8009

## **Nicaragua**

### **Agricultural Situation**

# **Nicaragua: Preliminary Agricultural Damage Report from Hurricane Mitch 1998**

Prepared by:

**AgAtt:CRBertsch**

**U.S. Embassy**

Drafted by:

AgSpec:SCastellon

---

#### **Report Highlights:**

**Hurricane Mitch substantially damaged a large percentage of Nicaraguan agriculture. For most commodities, the damaged crop was the second and largest of up to three crops grown annually. Adding to the severity of the problem, major and extensive infrastructure damage will disrupt the harvesting and marketing of the crops that have survived.**

---

Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
San Jose [CS1], NU



## NICARAGUA: PRELIMINARY AGRICULTURAL DAMAGE REPORT FROM HURRICANE MITCH

The Nicaraguan Ministry of Agriculture and Livestock reports widespread severe damage to the current crop of most commodities. This current crop is the second and largest of up to three crops grown in Nicaragua annually. FAS/Managua is working on what the Ministry's figures mean in terms of total annual production and tonnage and will report this as soon as possible.

It should be noted that the Ministry's figures are very preliminary; assessment teams are unable to actually visit most of the areas. It should also be noted that Hurricane Mitch caused extensive major damage to infrastructure (e.g., roads, bridges) as well as to farm equipment. As such, there will be substantial challenges to harvest and to market the crops that have survived Hurricane Mitch's floods.

### ESTIMATED LOSS OF SECOND CROP AS A PERCENTAGE

Commodity	Percent Lost (second crop only) 1/	Annual Production 1997/98 2/
White Corn	42% (other sources report 50%)	292,000 tons
Small Red Beans	50% (other sources report 50-70%)	72,000
Millon Sorghum	74%	59,000 (all sorghum)
White Sorghum	20% (matches other source estimates)	
Rice (dry; i.e., no irrigation)	62%	220,000 (all rice, rough)
Rice (irrigated)	50%	
Peanuts	80%	
Soybean	20%	24,000 (1996/97)
Sesameseed	40%	
Coffee	30% (only crop)	879,000 60-kg bags

1/ Source: Nicaraguan Ministry of Agriculture and Livestock

2/ Note - 1997/98 figures were affected by "el Niño" weather phenomenon.

Although there are no figures as yet, there has been substantial damage as well to sugar, banana and vegetable crops. The livestock sector was also heavily hit.

### IMMEDIATE SUPPLY SITUATION

The Minister of Agriculture and Livestock held a press conference to help address possible panic buying in Managua that could exacerbate the supply problem. He stated that Nicaragua has enough grain stocks from the First Crop, as follows:

---

Commodity	Volume in cwt	Approximate Duration of Supply
-----	-----	-----
White Corn	2,400,000 (109,000 MT)	6-month supply
Rice	2,800,000 (127,000 MT)	7-month supply
Dry Beans	250,000 ( 11,000 MT)	2-month supply

To help fill the dry bean shortfall expected to start in January 1999, the Minister announced that dry beans would enter duty-free on a temporary basis. (Note - Nicaraguans consume small red beans.) The Minister also said that the GON will fine people or companies that are found exporting corn rice or beans to other countries.