

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Costa Rica

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Crop losses amount to \$40 million.

Report Categories:

Agricultural Situation

Coffee

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Report Highlights:

The Costa Rican Ministry of Agriculture estimates that crop losses as a result of Hurricane Thomas amounted to \$40 million. Coffee production was particularly affected in different areas of the country. The crop estimate was reduced to 1,523,000 60 kg. bags by the Costa Rican Coffee Institute (ICAFE).

General Information:**Rains result in agricultural losses estimated at \$40 million.**

Losses in Costa Rica's agricultural sector resulting from the effects of hurricanes Nicole in September, and Thomas at the beginning of November, are estimated by the Ministry of Agriculture (MAG) at around \$40 million. Thomas in particular caused the loss of 28 lives and devastated infrastructure in different areas of the country. MAG's regional offices determined that Nicole caused roughly \$12.4 million in losses during the month of September. A preliminary estimate of the effects of Thomas totals \$26 million. However, total impact has not been fully quantified and estimates may increase. Based on data from the MAG, the losses represent about 1 percent of the country's Agricultural Gross Domestic Product.

Many small producers lost their entire crops. To mitigate the social and economic impact, the Minister of Agriculture announced an aid package of \$5.8 million to provide direct economic assistance to those producers. The resources, which come from MAG's budget, will be managed jointly with the Ministry of Labor and Social Security.

Horticultural products such as potatoes, onions, lettuce, tomatoes, peppers and carrots suffered damages from the excessive rains. The price of many of these products normally goes up during the last months of the year because they are used in seasonal dishes, "tamales" for instance. Local prices for these products are expected to increase further as a result of reduced supply.

Coffee, sugar cane, palm oil, citrus, rice, beans, melons and tilapia were also affected. Though, some products such as palm oil and sugar cane are able to withstand flooding much better than others. Damage was also caused to irrigation infrastructure and greenhouses.

One of the greatest concerns at this point is the coffee harvest. The Costa Rican Coffee Institute (ICAFE) is expecting significant losses during the 2010/2011 crop year. The effects of hurricane Nicole in September were worse than previously expected, primarily through the high incidence of fungus in the plantations and the loss of ripe coffee cherries. ICAFE had estimated losses of about 58,000 60 kg bags, reducing their crop estimate to 1,606,241 60 kg. bags (from now on "bags"). Although the effects of hurricane Thomas have not been fully accounted yet, it impacted one of the most productive and high quality coffee areas of the country, Los Santos (Tarrazú, Dota, Acosta), which was expected to produce roughly 490,000 bags of mostly hard bean coffee. According to preliminary estimates, 83,000 bags of coffee were lost as a result of Thomas, reducing the 2010/2011 crop estimate to 1,523,000 bags. The ICAFE has allocated almost \$1 million from its budget to assist in the road clearing process in the area. Many roads were destroyed and/or blocked by landslides making it difficult for workers to access many of the plantations right at the harvest time. The coffee producing areas that were affected include Los Santos, Perez Zeledón, Coto Brus, Aserrí and the Western Central Valley.