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CENTRAL AMERICA: Coffee rust risks hunger crisis

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Abstract

Coffee disease in Central America.

Coffee rust disease (*hemileia vastatrix*) has been destroying plantations across Central America for the last three years, causing immense financial losses and leading workers and their families to debt, poverty, famine and malnutrition. All the coffee growing areas in the region have seen a drop in production of 30% or more for the second year in a row. According to the US Agency for International Development (USAID), the total losses for the region over the same period amount to around 1 billion dollars.

Full Text

SUBJECT: Coffee disease in Central America.

SIGNIFICANCE: Coffee rust disease (*hemileia vastatrix*) has been destroying plantations across Central America for the last three years, causing immense financial losses and leading workers and their families to debt, poverty, famine and malnutrition. All the coffee growing areas in the region have seen a drop in production of 30% or more for the second year in a row. According to the US Agency for International Development (USAID), the total losses for the region over the same period amount to around 1 billion dollars.

ANALYSIS: Impacts.

Coffee remains the main agricultural activity in Central America and the Caribbean, producing 27% of world

coffee exports.

Around 4 million people in the region rely on coffee -- directly or indirectly -- for their livelihoods.

According to the USAID, half a million jobs -- mostly small farmers and seasonal workers -- are in danger

Coffee rust mainly affects plants of the arabica type, which constitute 70% of the world's production.

Aging coffee plants are more vulnerable to the disease; years of low prices have made it hard for smaller farmers to replace them.

Devastating effects.

The rust fungus causes the coffee plant to lose its leaves, leaving seeds exposed to insects and other natural elements. In Central America, the fungus has been endemic since the 1970s, but outbreaks had been limited to lower altitudes, and farmers had learned to live with it. The current spread takes place in higher altitude, where the main plantations are located. It is generally explained by global warming, as unusually warm weather and humidity help fungus to grow.

Coffee rust was first detected in Arabica plants in Guatemala in 2010. By the the second half of 2012, it had spread to the whole region. It has now reached southern Mexico (especially the states of Chiapas, Oaxaca and Veracruz), Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica and as far south as Panama (though only detected in four regions).

According to FAO, the disease has now affected at least 505,000 hectares of coffee-growing plantations in Central America (some 55% of the total area). Exports from the region have plummeted from 3.63 billion dollars in 2011-2012 to 2.4 billion in 2012-2013.

Affected economies.

Mexico.

The worst affected areas are also the country's poorest: out of the 324,000 hectares affected by the disease, half of them are in Chiapas. This year's production is expected to be the worst in three decades, down 40%, from 4 million bags (of 60 kg each) to 3.1 million. The government has promised aid to the farmers in the affected area in the form of low-interest long-term loans; the complete aid package has not yet been revealed.

Guatemala.

Half a million jobs are directly tied to the crop. As many as 300,000 Guatemalans could need emergency food aid later this year, according to the World Food Programme. The government has earmarked 100 million dollars to provide low-interest loans to farmers affected by the disease. The country's coffee board considers that the local industry could need three years to recover by replacing sick plants with new ones, or healing old ones.

Honduras.

Honduras is the hemisphere's second poorest country after Haiti and the worst affected country by the disease. Production has fallen 43%, from 1.4 billion dollars to 795 million dollars. Coffee provides 20% of GDP. Help from the government to the affected communities has been negligible.

El Salvador.

The government declared a "sanitary emergency" as production has dropped 57% since last year, when it was 1.73 million quintals.

Nicaragua.

Nearly a third of its working population -- 750,000 people -- depend on coffee directly or indirectly for a living. Coffee provides 20% of GDP, and rust caused the loss of 35% of local crops.

Costa Rica.

Coffee production fell 26.7% between 2012 and 2013. However, according to the National Coffee Institution, the 2014 harvest will increase by 7.25%, as plants have been replaced and fertilisers are widely used.

South America.

Colombia and Peru have also seen outbreaks of the disease, although not on the same scale as in Central America. As Colombia has a reputation of successfully fighting coffee rust, representatives of Central American countries affected by the disease have visited Colombia to study the local strategy. This has consisted of constant availability of seeds, low-interest loans, permanent technical assistance and the development of long-term planning, including research into rust-resistant coffee hybrids.

International involvement.

FAO.

A two pronged FAO programme has commenced in Guatemala and El Salvador -- soon to be extended to other countries. It involves installing an early alert system in every country in the region. Simple technology (ie, internet and cell phones) could provide a picture of the spread of the fungus in real time.

European Union.

An EU donation of 750,000 euros (1 million dollars) has been pledged to help the people most affected in the region. The EU contributes to PROMECAFE, the Regional Cooperative Program for the Modernisation and Technological Development of Coffee. This is a network of research and cooperation formed by coffee organisations of Guatemala, El Salvador, Honduras, Costa Rica, Panama, Dominican Republic and Jamaica.

United States.

Although most of the coffee that the US imports comes from Asia, the more expensive, higher quality varieties come from high altitude Central American plantations. Some of Washington's concerns are that displaced coffee workers could:

join organised criminal groups that operate in the region eg. the Mexican cartels or the Central American gangs (see CENTRAL AMERICA: Gangs are regional security challenge - July 2, 2014);

replace coffee farming with growing of illicit crops (see LATIN AMERICA: Coca growing down, yields up - July 1, 2014); or

attempt illegal migration into the United States.

In partnership with Texas A&M University's World Coffee Research, the US government has offered financial support for research into rust-resistant coffee varieties. This effort may take years, even decades, to yield results.

Outlook.

In many countries affected by the disease, hundreds of thousands are vulnerable to hunger. Foreign aid

remains crucial in the short term to avoid a humanitarian crisis. Farmers also need financial and technical assistance for the control of the disease by chemical means or to switch to other viable crops. Assistance with non-chemical means (pruning the plants, controlling the amount of shadow they receive) could also provide a sustainable and cheap way of fighting the disease.

CONCLUSION: For the 2013-2014 harvest cycle, the UN Food and Agricultural Organisation (FAO) expects that production will fall between 16% and 32%, compared to the previous cycle. Recent reports indicate that the spread of the disease has been contained; however, recovery of the region's coffee industry will take several years. In the short term, a global coffee drought is unlikely, but prices will increase and quality decrease. Given that the disease spreads in warmer weather, global warming constitutes an important threat to coffee production over the longer term.

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