



## **PRESS RELEASE**

### **The ICO Commits to Mobilizing Vital Resources for Victims of Hurricane Iota and Eta**

**London, 30 November 2020** – In the wake of hurricanes Iota and Eta, the International Coffee Organization (ICO) stands in solidarity with the victims of this devastating disaster and commits to mobilizing much-needed resources towards the recovery.

“We are working to mitigate the impact of this climate-related tragedy on the life and work of coffee farmers in the region. The ICO and its staff express their sincere condolences to the people of Honduras, Nicaragua, Panama, El Salvador and Guatemala. People have lost their lives, their homes and their livelihoods. We are taking immediate action to support our friends in Central America, we will get through this together,” said José Sette, ICO’s Executive Director.

Hurricanes Iota and Eta were some of the most powerful Atlantic storms on record, with the countries worst hit being Honduras and Nicaragua; meanwhile, covid-19 is circulating in the affected areas and further aggravating the disaster. Using its convening power, the ICO is rallying the international community on this issue, including ICO Members, other international organizations and donors, the private sector, regional organizations and financial institutions such as the Central American Bank for Economic Integration (CABEI) and the Inter-American Development Bank (IADB).

“The ICO was there for our country after Hurricane Mitch in October 1998, supporting the rehabilitation of coffee production in Honduras and Nicaragua, and it is here for us now. We welcome this much-needed support and the mobilization of the global coffee community. In Honduras, the Government and all coffee institutions are coordinating cooperation efforts with all international organizations and financial institutions. This is the time for the ICO, its Members and the private sector to support us during this tragic moment in which 3.5 million people have been affected in Honduras and where a large part of the coffee infrastructure has been destroyed. The coffee sector is the most important agricultural sector in Honduras, generating 1.5 million jobs during harvest times,” said H.E. Ambassador Ivan Romero Martinez of Honduras.

Hurricane Iota was the second major hurricane to hit Central America in a matter of weeks. The first was Hurricane Eta which made landfall on 3 November 2020 as a category 4 storm, causing landslides and flooding that displaced thousands and left scores of people dead or missing. The damage to coffee-growing communities in the region is considerable.

In Honduras, according to an initial assessment by CONCAFE (the National Coffee Council), the passage of Hurricane ETA and IOTA affected 60% of the coffee-growing municipalities and 14 of the 15 departments that produce coffee, totally damaging some 3,409 hectares and partially damaging 4,144 hectares of coffee farms. The impact on production is calculated to be 1.5% directly affected and another 1.5% is at risk in the partially affected areas. The assessment noted that there is a great risk that the harvest will not reach processing and export centres due to severe damage to roads and infrastructure. The main damage to infrastructure includes the impacts of landslides, roadblocks, damaged bridges or collapsed river crossings. Total production lost due to the impact of the hurricanes is estimated to be approximately 3% of the exportable production forecast for the 2020/21 harvest, up to 200,000 60kg bags are at risk of loss. Considering that the rains continue to cause significant water saturation in the soil, there is a risk of further landslides.

According to a preliminary report by the Nicaraguan authorities, three million people, almost half the population, in 56 municipalities in the country have been affected by the cyclones and the total damage to the Nicaraguan economy is estimated at US\$742.7 million, 6.2% of the national GDP. The coffee-growing areas most affected were the coffee provinces of Jinotega, Matagalpa, Boaco, Estelí, Madriz and Nueva Segovia, covering an area of 23,337 square kilometres. Whilst the full impact on the coffee harvest in Nicaragua is still being evaluated, official reports estimate that 3,407 hectares of coffee farms were damaged. Heavy rainfall, landslides and flooding greatly affected the coffee plantations and coffee infrastructure. Despite this, small-scale coffee farmers in the affected areas, thousands of whom have lost or have had their homes damaged, have joined the country's efforts to rescue their crops, clearing roads of debris and demonstrating remarkable resilience.

According to ICO data, in the global coffee value chain, Honduras and Nicaragua together accounted for a total of 7.4% of world exports from producing countries in 2019 (5.14% in Honduras and 2.24% for Nicaragua). The top destinations for exporting coffee for both countries are the USA, Germany, Belgium and Italy.

“The ICO will work with partners to help rebuild resilience and promote recovery in the region, including through supporting the recovery of production, logistics assets and infrastructure. We shall build on the ICO’s previous successful efforts, such as when we helped countries in the region to recover their trade and production assets in the aftermath of Hurricane Mitch and Denis.

We will mobilize co-funding through the Common Fund for Commodities (CFC) and local government. We do not leave our Members out in the cold, we are there in their darkest hours,” said Mr Sette.

The ICO and its Members once again would like to express their strong resolve to stand in solidarity with the people of Honduras, Nicaragua and the rest of Central America following the impact of these serious natural disasters.

**Notes to editors:**

**International Coffee Organization**

The International Coffee Organization (ICO) is a multilateral organization supporting countries to improve the sustainability and prosperity of the coffee sector. It provides a high-level forum for all public and private stakeholders in the sector; official statistics on coffee production, trade and consumption; and support for the development and funding of technical cooperation projects and public-private partnerships.

**The data in this press release**

Data is from the International Coffee Organization, the governments of Nicaragua and Honduras, the National Hurricane Center, CONCAFE Honduras, COPECO Honduras, SINAPRED Nicaragua, CONRED, the National Coffee Fund (FCN), Honduran Coffee Institute and the Central Bank of Honduras.

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