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Peru

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El Niño 2015-16 - More of a Mite than a Godzilla

Report Categories:

Agriculture in the News

Agriculture in the Economy

Avocado

Climate Change/Global Warming/Food Security

Vegetables

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Report Highlights:

For Peru the 2015-16 El Niño Southern Oscillation (ENSO) weather phenomena came in weaker than anticipated. El Niño related agricultural losses reported at about \$80 million are significantly lower than earlier projections which ran potentially as high as \$5 billion. This El Niño impacted 46,000 hectares of agricultural lands, lowering crop yields in about eight percent of Peru's productive area. Overall agricultural production suffered a less than one percent drop. The greatest impact occurred in southern Peru, where the 2015-16 El Niño disrupted production in some 38,000 hectares. The Ministry of Agriculture and Irrigation has reportedly provided some \$30 million in emergency assistance in the form of food aid, farming supplies, seeds, and fertilizers.

General Information:

For Peru the 2015-16 El Niño Southern Oscillation (ENSO) weather phenomena came in weaker than anticipated. El Niño related agricultural losses reported at about \$80 million are significantly lower than earlier projections which ran potentially as high as \$5 billion. This El Niño nonetheless impacted 46,000 hectares of agricultural lands, lowering crop yields in about eight percent of Peru's productive area. Overall agricultural production however suffered a less than one percent drop. The 1997-98 El Niño by comparison resulted in \$3.5 billion in losses, shaving off five percent from Peru's gross domestic product (GDP).

Minimal losses occurred in the northern coastal agricultural production areas as a result of somewhat increased rainfall. Flooding was largely contained thanks to Ministry of Agriculture and Irrigation-led improvements to waterway drainage. Higher than normal temperatures did however impact avocado and asparagus production; both are major Peruvian export crops to the United States. In calendar year (CY) 2015 Peru's exports, by volume, of avocados (HS 0804-40) at 175,000 metric tons (MT) were down globally about two percent; shipments to the United States at 47,000 MT were however off 28 percent. Asparagus (HS 0709-20) exports at 129,000 MT were down globally by three percent; shipments to the United States at 91,000 MT were off roughly 1.5 percent.

The greatest impact occurred in southern Peru, where the 2015-16 El Niño disrupted production in some 38,000 hectares. Poor rains, along with lower than normal temperatures during the November-January period (spring-summer), disrupted crop production in the Departments (i.e., States) of Puno, Apurimac, Ayacucho, Huancavelica, and Cuzco. Crops affected include potatoes, pulses, quinoa, squash, and corn. Drought-like conditions in Apurimac led the government to declare a state-of-emergency. The Ministry of Agriculture and Irrigation has reportedly provided some \$30 million in emergency assistance in the form of food aid, farming supplies, seeds, and fertilizers.

The 2015-16 El Niño did lower river water levels. Although Peru accounts for about four percent of the world's renewable water resources, 98 percent of its waters are east of the Andes mountain range in the Amazon region. Coastal Peru, where most commercial agriculture is located and where half of the national population resides, receives less than two percent of the national renewable fresh water supplies.

Low water supplies in river basins may disrupt agricultural production. Export agricultural production in CY 2015 accounted for around seven percent of Peru's gross domestic product of \$192 billion (Central Intelligence Agency). Last year Peru exported over \$1.9 billion in food and agricultural products to the United States. Roughly 80 percent of all water drawn in Peru is used for irrigation; by some estimates around 60 percent water loss occurs due to reliance on inefficient irrigation systems.

Water Levels		
North Coast	Central Coast	South Coast
Piura River - 92%	Chillon River - 44%	Ocoña River - 60%
Jequeteque River - 53%	Mala River - 93%	Camana River - 49%

SOURCE: Peru Newspaper Gestion.

Water scarcity is a concern for hydroelectric power generation. Electrical power output at the EDEGEL

(Santa Eulalia) and ElectroPeru (Mantaro) hydroelectric plants reportedly has dropped almost seven percent between July 2015 and April 2016. Concerns have been also raised about water reserves for Lima and Callao, where a third of Peru's 30 million inhabitants reside (Central Intelligence Agency – July 2015 estimate). Sources comment that up to a third of Lima's population remains unaware of potential water shortages.