

Coronavirus May Cost Africa \$4.8 Billion in Crop Exports

- **McKinsey says exports of crops from cocoa to roses affected.**
- **Agriculture accounts for about 23% of the continent's GDP.**

The coronavirus pandemic could cost Africa as much as \$4.8 billion in lost agricultural exports and affect the livelihoods of 10 million farmers, McKinsey & Co. said.

Disruptions ranging from canceled flights to the closure of chocolate factories in Europe have limited exports of crops ranging from nuts to roses, according to the consultancy firm. Livelihoods will be affected through “job loss or price reductions,” McKinsey said.

Agriculture is key for African economies, accounting for 23% of gross domestic product and jobs for 60% of economically active people in the sub-Saharan region. Agricultural exports from the continent are worth between \$35 billion and \$40 billion annually.

McKinsey forecasts the following losses:

- Between \$500 million and \$2 billion in exports of fruit, vegetables and nuts from countries such as South Africa
- A fall in demand for chocolate and the resultant decline in prices could reduce cocoa exports by as much as \$2 billion
- About \$200 million in exports of coffee, a crop that supports 6.6 million jobs mainly in East Africa
- Between \$400 million and \$600 million in revenue from flower exports may be lost

The outbreak in Africa, which has about 190,000 confirmed infections and over 5,000 deaths, could also disrupt preparations for the next planting season and hamper efforts to curb an invasion of crop-eating locusts in East Africa.





Still, bumper harvests from the current season in some countries could cushion the blow.

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<https://www.bloomberg.com/news/articles/2020-06-08/coronavirus-may-cost-africa-4-8-billion-in-agriculture-exports>

