

Rwanda's coffee industry grinds to a halt - traders

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KIBUNGO, Rwanda, May 9 (Reuter) - Rwanda's mainstay coffee industry, ravaged by war between rebels and government forces, has completely collapsed, traders said.

The traders said functions at the partly state-owned Rwandex - miller and sole exporter of coffee - had stopped completely after rebels captured north and eastern Rwanda.

"No Rwandan coffee is being harvested, no coffee is being milled and no coffee is being marketed at the moment," a Uganda-based trader told Reuters.

Fighting in the capital Kigali has also brought Rwandex head-office operations to a standstill.

Farmers should have began picking coffee last month in readiness for the start of the 1994/95 season exports in June.

"But they never started and as you very well know they will not be able to do so because either they are dead or in refugee or displaced people's camps in the country and outside the country," a trader said.

The latest conflict in the small central African state, in which an estimated 200,000 people have died, erupted after President Juvenal Habyarimana died in a plane crash on April 6.

Outside Kibungo, a Rwandan town captured by Rwanda Patriotic Front rebels a week ago, a Reuters correspondent saw abandoned coffee fields. Most were becoming overgrown with weeds.

The fighting has also destroyed warehouses and milling plants. The southern coffee-growing area of Butare - where most of Rwanda's prime coffee is grown - has seen some of the worst violence in the fighting, the traders said.

Marketing of coffee was brought to a complete halt after the RPF captured the border town of Rusumo last week, depriving the industry of its only remaining reliable land export route through the port of Dar es Salaam in neighbouring Tanzania.

Other reliable export routes through Uganda closed down two years ago when the rebels first drove out government troops from northern Rwanda. There is still an export route through Burundi, but instability in that country meant no smooth transportation of the crop can be guaranteed, traders said.

"It's what I call a complete collapse. You cannot call it anything else," another trader based in the Kenyan capital Nairobi told Reuters.

Last month, traders said output in Rwanda would fall below the 1994/95 estimated levels of 28,000 tonnes. But most now agree it is unwise to even talk about figures at the moment.

At the time, traders said production would plunge not only because of the violence, but due to drought which has ravaged the region and coffee berry disease since farmers could not afford pesticides to spray coffee bushes.

Rwanda produced 29,200 tonnes of coffee in 1993/94, down from 39,000 tonnes in 1992/93.

“It is completely unwise to even mention figures at the moment. The whole industry has collapsed, there is not even the slightest movement taking place,” another Uganda-based trader added.

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