

Tuesday, 19 May 2020



Food Security Monitor for the Americas

Full Report on the Agrifood Sector in the Americas during the Coronavirus Pandemic

Previous editions available at: <https://iica.int/en/monitor>

2,176,729

Confirmed cases of Covid-19 in the Americas



Countries



Highest number of cases in the Americas:

- USA (1,524,156)
- BRA (271,628)
- PER (99,483)
- CAN (80,458)
- MEX (51,633)

Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX> . Data as at 19 May 2020 (15:00 CST).

***This monitor is a dynamic, constantly updated tool created by IICA to analyze and forecast the impact of the world health crisis on food security in the Americas.*

Analysis and scenarios

The latest from the IICA Blog:

The Inter-American Institute for Cooperation on Agriculture (IICA) has launched a series of webinars entitled, “**Reflections on the World and Food Security in Latin America and the Caribbean post-Covid-19**”. The initiative is designed to **anticipate possible solutions and the requisite policies to contribute to food security, economic reactivation and trade in the aftermath of the pandemic.**

There will be **6 webinars** in total. Please see below the **presentations for the second webinar:**

[Ricardo Abramovay, economist and professor in the Faculty of Economics, Business and Accounting of the University of São Paulo \(USP\)](#)



“We must reconsider what **we eat and how we produce it.** Today’s global agrifood system is supplying societies with products that can hardly be categorized as food, which has disastrous consequences for public health. **The pandemic is forcing us to reassess this crucial aspect of the everyday relationship between society and nature**”. <https://bit.ly/2LJNeE0>

Complete webinar at:

<https://www.facebook.com/IICAnoticias/videos/2750821951692880>

[Guillermo Valles, former Director of International Trade at the United Nations Conference on Trade and Development \(UNCTAD\)](#)



“I believe LAC has a great deal of potential, especially if we **redefine our vision of the region’s agriculture sector,** by viewing ourselves as bioeconomies. **To a lesser or greater extent, there is an urgent need** to delve more deeply into clean and sustainable production of renewable biological resources throughout the entire chain”.

<https://bit.ly/2WJWhew>

Complete webinar at:

<https://www.facebook.com/IICAnoticias/videos/2750821951692880>

Relevant issues for the agrifood sector

<h2>Markets</h2> <p>*Report from the MIOA, a cooperation network comprising the Agricultural Market Information Systems (AMIS) of the 33 countries in the hemisphere. Information is compiled on a per country basis.</p>	
<p>Bolivia: Some of the measures taken include the closing of borders, opening of markets in the mornings only and restrictions on the movement of people. Currently, markets have not completely resumed normal operations, due to measures to contain the spread of the virus.</p> <p>Markets are spread out, with the demand concentrated in district markets, which are primarily retail.</p> <p>With respect to supply, there has been no disruption in the supply of tubers, vegetables and fruit, since most reaping was completed in April and May. There were price increases, which could have been attributed to transportation logistics and price speculation. The National Government, with the support of local governments, instituted reference prices, leading to the stabilization and subsequent reduction of prices.</p> <p>There have been no issues with respect to beef prices for consumers. Chicken and pork prices have fallen, as a result of the reduced demand from the gastronomy and hotel sectors.</p>	<p>Brazil: Wholesale markets are operating throughout the country, with some instituting different operational measures to curb the spread of infection. Activities and price fluctuations are monitored daily. Some markets have reduced operating times and established measures to control the flow of people.</p> <p>In order to protect market reporters from the risks of physical contact, price queries are done via digital platforms or on the telephone.</p> <p>Regional markets that had been temporarily closed due to the pandemic have gradually reopened. Opening is in keeping with the guidelines established by the Ministries of Agriculture and Health.</p> <p>Some platforms serve to connect producers with end consumers, while charging only a minor percentage of the total transaction price.</p> <p>A WhatsApp chat was set up to allow producers to report losses or surplus production. The Ministry of Agriculture and the National Food Supply Company (CONAB) have been managing efforts to connect supply with the demand. They are developing technological tools to support this process.</p>
<p>Chile: A Supply Committee was set up to oversee chain logistics, by applying safety measures and protocols in the different markets.</p> <p>The food supply chain has been operating relatively smoothly. There have been price increases for some products, but for the moment the situation has stabilized.</p> <p>Wholesale markets are operating despite the curfew. Due to quarantine measures, sales to the consumer will be suspended in wholesale markets. The supply side is functioning well, in keeping with the seasonal availability of products.</p> <p>Market reporters must respect curfew hours and must therefore report to work later than usual. Disruptions were occurring in the export market even before the pandemic had reached Chile’s shores, given that Covid-19 was already present in China and Europe.</p>	

Production

* Measures related to the agrifood production sector, and information on impact channels and areas affected in the countries of the Americas (products grown or harvested during this time of year).

<p>Brazil: Agricultural consultancy firm AgRural reduces estimate for the year's second corn crop</p> <p>Estimates for the country's second corn crop have been reduced due to dryer climate conditions than normal. AgRural forecasts that farmers in Brazil's south-central region will produce 66.7 million tons of corn in the second season, or close to 75% of total production in the country for the season. The second crop is planted after soybean harvesting has been completed. Total corn production in Brazil during this season is estimated at 97.7 million tons. https://reut.rs/3e0VL1t</p>	<p>Colombia: agriculture sector records 6.8% interannual growth in the first quarter</p> <p>According to DANE, the growth in agriculture was driven by gains in specific areas, such as fisheries and aquaculture (31.5%); temporary, permanent and other crops (8.6%); livestock (7.1%); and silviculture and wood extraction (2.6%). During this quarter, the crops that achieved the most growth in sales were plantain (35%); corn (29.4%); rice (20.9%) and potato (11.2%). https://bit.ly/2ZgFOeN</p>
<p>El Salvador: handover of agricultural packages resumes</p> <p>The assistance program for the western region began on 27 April but was temporarily suspended after the announcement of the special home quarantine measures.</p> <p>During this phase, 193,541 packages of agricultural inputs will be handed over in the central and paracentral regions. https://bit.ly/2zS8bKx</p>	<p>United States: USDA establishes Coronavirus payments for corn, soy and wheat</p> <p>Payments made to farmers will be calculated based on half of their 2019 production or the supply that they have in hand as at 15 January. Payments have been set at 45 cents per bushel of soybean, 32 cents per bushel of corn and 18 cents per bushel of wheat. Other crops such as barley, canola, cotton and oats are also eligible for payment. https://reut.rs/3bJCwls</p>
<p>Mexico: beer industry to resume production in June</p> <p>Following a month and a half suspension of activities due to measures arising from the pandemic, the beer industry is preparing to resume production in June. Mexico is the major global exporter of beer and the product accounts for 25% of the country's agroindustrial exports. It generates 650,000 direct and indirect jobs, with 5,000 farmers cultivating 323,000 hectares of barley for its production. https://bit.ly/2LKmymN</p>	<p>Dominican Republic: agriculture is one of the sectors that contributed the most to the GDP</p> <p>The annual growth rate of the agriculture sector reached 5.0% during the first quarter of 2020. The sector's added value grew by 5.9%, primarily due to an increase in the production volumes of raw tobacco (72.9%); rice (12.6%); coffee (10.5%); tubers, bulbs and roots (6.5%); other vegetables (4.4%); sugarcane (3.7%); corn (3.3%); bananas (2.7%); cocoa (1.5%); plantain (1.2%); beans (1.1%) and citrus fruits (1.1%). https://bit.ly/2XbEdZU</p>

Trade

*Trade-related measures taken by the countries, description of the impact on products usually exported during this time of year, problems in trade logistics and global supply chains.

Argentina and Brazil hold a new meeting to address the drop in the water level of the Paraná and Iguazú rivers

During the meeting, Brazil announced that approval had been granted to relax water level limits, which would allow for opening the dam that feeds the Paraná river. Specifically, "the Baixo Iguazu power plant will continuously release 200 m³/s of water to create water reserves that can be used later on, should the situation worsen".

The drop in the Paraná River's water level has generated numerous logistical issues. A financial team of the Rosario Stock Exchange (BCR) estimates that the situation could generate losses of US\$244 million in exports during the first four months of the year.

<https://bit.ly/2ZmNq4a>

Costa Rica has yet to reach an agreement with the transport sector

Costa Rica is defending the health monitoring measures it is implementing for truckers entering the country, which have been criticized by Central America's transport and trade sectors, leading countries like Nicaragua and Panama to close their borders with Costa Rica.

In response to the situation, Costa Rica proposed that a regional protocol of biosafety measures be developed, as well as regional working groups to guarantee the flow of trade in the region, but an agreement has yet to be reached.

<https://bit.ly/36bV1nJ>

Chile and Peru stand out as the leading global suppliers of table grapes

During the October 2019-March 2020 period, Chile was the top global exporter of table grapes, while Peru ranked fourth.

Peru exported 364,846 tons of table grapes worth US\$924 million. These results represent a 3% drop in volume, but an 8% increase in value.

<https://bit.ly/2ylwXCm>

Chile: China reopens its market to Chilean citrus fruits after 20 years

The Chilean Minister of Agriculture announced that China has opened its market to citrus fruits from Chile (oranges, clementines, tangerines and lemons), which have met sanitary requirements. Orchards and packing facilities inspected during a visit in August 2019 have been given the green light to export their products.

At present, the United States is the top destination for exports, receiving 283,000 tons (84.4%).

<https://bit.ly/2ZknDK7>

World: China establishes tariff for barley from Australia

China announced an 80.5% anti-dumping and anti-subsidy tariff on Australian barley imports starting on May 19.

Australia accounts for around 50% of China's barley imports. <https://reut.rs/2WJl1nh>

World: United Kingdom announces new post-Brexit tariff regime

The new post-Brexit tariff regime will replace the European Union's external tariff (EU CET), maintaining its 10% tariff on cars and levies on agricultural products such as lamb, beef, and poultry.

The UK is seeking to establish trade agreements within three years to cover 80% of British trade; therefore, the new regime will apply to countries with which it does not yet have an agreement. <https://bit.ly/2zd3B9C>

This week's graph

Monitoring agricultural trade during Covid-19: U.S. imports

Total U.S. agricultural imports increased by 2.8% in March 2020 compared to March 2019 (annualized data). Imports from Latin America and the Caribbean (LAC) increased by 6.5 %, achieving a market share of 36.5 %. Compared to the same period in 2019, imports from LAC during the January-March 2020 period increased by 3.9%. The countries that increased their exports to the United States the most (in proportion to their market share) were Mexico (7.7%), Peru (14%), Nicaragua (20.7%) and Ecuador (14.4%). The countries whose exports decreased the most were China (9.3%) and, in the case of LAC, the Dominican Republic (3.2%) and CARICOM (2.0%).

Estados Unidos: Importaciones agrícolas (SA 1-24) por región y país de origen

Índice en USD Enero -Diciembre 2019= 100, anualizados a marzo 2020



Fuente: IICA, con datos al 28 de abril de Data Trade Monitor (TDM). • Nota: Datos anualizados a cada mes (ene-dic, feb-ene, mar-apr, etc)



United States: Agricultural imports (HS 1-24) by region and country of origin

Rate in USD January-December 2019=100, annualized as at March 2020

LAC, Andean Region, Central America, MERCOSUR

Source: IICA, with data from the Trade Data Monitor (TDM) as at 28 April. Note: Data is annualized by month (Jan-Dec, Feb-Jan, Mar-Apr, etc.)

More information on agrifood imports and exports by trade partner in the blog post: [Monitoring agrifood trade during COVID-19](#) in the #IICABlog

Supply

* Measures taken by Ministries of Agriculture in different countries regarding food security.

Cenfotec University and IICA launch online technical Program on the Internet of Things for agriculture

CENFOTEC University and the Inter-American Institute for Cooperation on Agriculture (IICA) have launched a technical training program on the use of the Internet of Things (IoT) for agriculture, as a means of equipping the sector with technological tools that will enhance the efficiency and sustainability of food production.

In the medium-term, the institutions also plan to launch a Master's program in Digital Agriculture for the entire Latin America and the Caribbean, based in Costa Rica (where UCENFOTEC is headquartered).

<https://bit.ly/2zVl7z8>

Covid-19 is widening the gender divide and endangering the food and health security of farmers

In a series of virtual forums organized by the Inter-American Institute for Cooperation on Agriculture, rural women of the Americas spoke of the injustices and challenges that the current pandemic has brought to their lives, families and communities, and the consequent impact on food security.

Problems such as limited access to land, minimal training opportunities, economic constraints and an excessive share of family care responsibilities were some of the conflicts that were pinpointed during the discussions. The sessions saw the participation of producers, community leaders, as well as representatives of indigenous communities, government institutions and international organizations. <https://bit.ly/2Xkva8S>

Soybean: if current trends persist, exports in May could set a record in Brazil

Oilseed shipments remain active, with average daily exports of 879.39 thousand tons per day. External soybean sales specifically generate an average of US\$288.90 million per day.

Should these trends persist, Brazilian soybean exports could set a record for the month of May, with more than 15 million tons shipped. <https://bit.ly/3g7kenV>

Agroindustry: Argentina's sole source of foreign currency

According to the most recent Exchange Balance published by the Central Bank of the Republic of Argentina, the agroindustry sector is the only real source of foreign currency that allows for guaranteeing operations and employment in most sectors throughout the country.

<https://bit.ly/2LHapyT>

Mexico launches platform to support MSMEs

The Secretariat of Economy, the Internet Association of Mexico and various technology companies presented the initiative **#LeAtiendoPorInternet**, which will assist micro, small and medium-sized enterprises (MSMEs) in boosting their e-commerce sales. Advisory services will be provided for free on the platform. Entrepreneurs interested in learning how to sell their products online can receive training to learn how to provide home delivery, appear in search engines, and adequately utilize social networking sites to promote their services. <https://bit.ly/2TlvdQB>