

Tuesday, 30 June 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>

# 5,240,414

Confirmed cases of  
Covid-19 in the  
Americas



## Countries



Highest number of  
cases in the  
Americas:

USA (2,606,211)  
BRA (1,368,195)  
PER (282,365)  
CHL (279,393)  
MEX (220,657)

## Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX>. Data as at 30 June 2020 (12:00 md 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:

### [Covid-19 in the food industry: from crisis to new reality](#)

“The economic fallout to date and the economic projections for the next few years paint a **grim picture for the region**, which will require our governments to introduce drastic economic measures geared toward industry, especially small- and medium-sized enterprises.

We urgently need to **create a new equilibrium** to adequately protect citizens against public health risks, while ensuring food security, the competitiveness of industry and the sustainability of food systems”.

Find out all the details in this week’s #IICA Blog post, by *Michel Leporati Néron*, Director of CERES BCA and Director of Technology Transfer at the University of Talca. <https://bit.ly/2NKWrgl>

### [Analysis of chicken, potato and rice prices in Lima, Peru](#)

“The prices shown provide an acid test of the situation in the market for products and demonstrate that, on average, there are no significant changes in the price for a basket of goods. One would assume that the absence of or **reduction in income**, for much of the population, **would affecting consumers’ purchasing power** (the lower the income, the lower the consumption). However, **the volume of goods supplied to markets has not decreased**.

There has been a **consistent oversupply** of goods to markets for many years. The Peruvian agriculture sector **produces more** than what we consume, which causes **food prices to remain low”**.

Find out all the details in this week’s #IICA Blog, by *Angel Manero Campos*, Senior Agribusiness Consultant and former Operations Manager at Sunshine Export (Peru’s leading exporter of mangoes); National Director of the Agricultural Bank, General Manager of Azucarera Andahuasi, Project Manager at Grupo Camposur, National Director of Business Promotions at Sierra Exportadora and Director General of Agribusiness at the Ministry of Agriculture and Irrigation. <https://bit.ly/2BTaNc5>

# Relevant issues for the agrifood sector

<h2>Production</h2> <p>*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>	
<p><b>Argentina: economic activity fell 26.4% in April</b></p> <p>Economic activity in Argentina was hardest hit by the pandemic during the month of April. The Monthly Economic Activity Index reported that there was a 26.4% interannual contraction in the economy (and a 17.5% decline in its seasonally adjusted estimates, in comparison to March).</p> <p>The decline affected all sectors of the economy, including sectors that did not completely shut down activities, such as agriculture, which experienced a 10.3% interannual decline.  <a href="https://bit.ly/3ijjTzi">https://bit.ly/3ijjTzi</a></p>	<p><b>Brazil: Ministry implements pre-emptive measures against the possible arrival of the local plague</b></p> <p>The measures are to be finalized by the governments of Rio Grande do Sul and Santa Catarina, based on control procedures defined by the Department of Plant Health and Agricultural Inputs in the Secretariat of Agricultural Defence at the Ministry of Agriculture.</p> <p>Details are to be outlined regarding measures to be adopted by the respective agencies, such as channels for the exchange of information, pest monitoring and control procedures, as well as mechanisms for control of pesticide trade and recommendations for pesticide use. The government has authorized the use of two biological insecticides and released information on active ingredients that are currently approved for use in controlling other species of locusts.  <a href="https://bit.ly/2YMwbc0">https://bit.ly/2YMwbc0</a></p>
<p><b>Canada: wheat crops areas have increased</b></p> <p>Total wheat crop areas increased to 25 million acres, which is a 1.5% increase over 2019. Dry conditions at the start of the planting season contributed to this upsurge.</p> <p>In contrast, there was an 0.8% and 11.3% decrease in canola and soybean cultivation areas, respectively.</p> <p>According to Statistics Canada, the pandemic has given rise to unique challenges for the production and distribution of crops.  <a href="https://bit.ly/2YKQWVc">https://bit.ly/2YKQWVc</a></p>	<p><b>Costa Rica: sanitary protocols for the coffee sector have been approved</b></p> <p>The approved protocols contain guidelines for reapers, producers and extension officers, among others. The measures address areas such as signage, identification of critical points, use of personal protective equipment, residue management and timetables that facilitate the creation of “work bubbles” and social distancing among workers.</p> <p>The protocols were devised with the assistance of representatives from the coffee agrochain, in collaboration with IICA.  <a href="https://bit.ly/3dPtsCG">https://bit.ly/3dPtsCG</a></p>

**Guatemala: Ministry of Agriculture introduces official sanitary measures for agriculture**

The anti-COVID-19 temporary measures for the agriculture sector—to take effect on Wednesday—are designed to mitigate and prevent the spread of the disease in the sector.

The protocols include the provision of personal protective equipment for workers; daily cleaning and disinfection; maintenance of records of all those who enter work areas and adherence to social distancing guidelines.

They also establish guidelines in the event a worker begins to display symptoms, such as procedures to report the case to health authorities and to isolate the worker and his/her contacts.

<https://bit.ly/3dQp0DM> and <https://bit.ly/3eMehvz>

**Peru establishes sanitary protocols for the agriculture, forestry and livestock sectors**

The established actions seek to mitigate the risk of the disease spreading, bearing in mind the specific nature of each activity. Detailed information on the protocols is available at <https://bit.ly/3gfR8BI>.

Protocols must also take into account the responsibilities of companies and organizations, as well as of farmers and individuals. In the case of forestry, they should also address matters that should be considered prior to resuming activities; general and specific guidelines for COVID-19 monitoring, prevention and control, and any related activities.

<https://bit.ly/3gdUCVE>

## 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.

### The «Origen Chubut» brand aims to position local products in Argentina and the rest of the world

Emphasis on distinctive and greater value-added products is growing amidst the Covid-19 pandemic. Trademarks such as “Origen Chubut” are promoting the trade positioning of local products. The Government of the Province implemented this initiative in 2019, through the Ministry of Agriculture, Livestock, Industry and Commerce. It has been enshrined in law and has a technological platform that enables different sectors to promote their businesses.

Companies and initiatives with production activities based in Chubut and that meet the required standards for the designation may apply via [website](#), [email](#), [Facebook](#) or [Instagram](#).

Several service-sector companies have already registered in the program, as well as others in the textile and food industry, including for products such as wine, cakes, juices, pickles, honey, infusions, liquor, preserves and frozen fruit. “Origen Chubut” has a distinctive logo, applications that distinguish the brand, a page with a section for registration, a digital catalogue and information on all the activities in which it is involved – all of this with a view to building a distinctive image for Chubut in Argentina and the rest of the world.

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

### The virtual edition of the Ecuador Food Fair gets underway

Once more technology-based innovation is gaining ground as a way of conducting business.

This first Virtual Fair has attracted 150 Ecuadorian exporters, with products such as coffee, cocoa, processed food, sauces and marmalades, traditional fruits, as well as banana and plantain, to name a few, all of whom are targeting markets in Europe and the Americas.

Agricultural exports from Ecuador grew 10% in the first four months of 2020 and the country continues to expand its markets. Through the fair, meetings were held with 250 potential buyers from the United Kingdom, Spain, France, the Netherlands, Italy, Germany, Hungary, Cuba, Belgium, Turkey, Sweden, Bolivia, Peru, Colombia, Argentina, Chile, Brazil, Guatemala, Mexico, the United States and Canada.

Ecuador is adapting to trade promotion via this type of platform, which has yielded rapid results and brought foreign exchange earnings for the country, which will be critical to the economic recovery of the country from the effects Covid-19 pandemic.

<https://bit.ly/2YLn4Ux>

### WTO and G-20 members appeal for trade facilitation and the guarantee of food security

IICA participated in discussions regarding trade measures and restrictions at a meeting with the WTO Committees on Agriculture and on Sanitary and Phytosanitary Measures on 18 – 24 June.

In addition to the G-20 countries—which include Argentina, Brazil, Canada, the United States and

### The sugar sector to figure prominently in Mercosur discussions

The Trade Group of the Policy Concertation and Consensus Building Forum (FCCP) and the Ad Hoc Sugar Sector Group kicked off discussions at Mercosur’s virtual Summit of Heads of State. Uruguay will assume the presidency of Mercosur for the next 6 months.

<p>Mexico—many WTO members felt that countries should assist in safeguarding the food security of their partners, facilitating and opening up trade, rather than restricting it.</p> <p>At the same time, they also emphasized the right of countries to protect the health and food security of their own people, but urged that this be done on a temporary basis, taking science-based decisions; informing trade partners, while also respecting WTO rules and the regulations of other organizations involved in food safety and animal and plant health.</p> <p><a href="https://bit.ly/3ePYv2D">https://bit.ly/3ePYv2D</a></p>	<p>Other topics to be discussed will be measures to contain the spread of the virus that determined the course of action of Mercosur during the first half of the year, although economic activity in the region was generally buoyant. Agricultural exports grew 9% in Brazil and saw a marginal increase of 0.07% in Argentina during the first four months of the year, although they declined in Uruguay, Paraguay and Chile by 9%, 4.7% and 1.4%, respectively.</p> <p>One of these agricultural products, sugar, will be on the agenda for discussion, given that it is a product that is subject to many restrictions in intraregional trade and is also a heavily subsidized sector in Brazil.</p> <p><a href="https://bit.ly/2Nub73t">https://bit.ly/2Nub73t</a></p>
<p><b>Bolivia sees 23% drop in external sales, even as its super foods power ahead</b></p> <p>Official government statistics indicated that the most acute economic contraction was seen in the Agriculture, Livestock, Hunting, Forestry and Fisheries industries (-10,7%), Hydrocarbon Extraction (-13,5%), Mineral Extraction (-47,2%) and the Manufacturing sector (-17,5%).</p> <p>Between January to May 2020, chestnuts, bananas and beans were hardest hit. However, sales of superfoods, such as quinoa, chia and sesame seeds grew, by 1.2%, 27.2% and 18.5%, respectively.</p> <p>Imports also fell, vis-à-vis 2019, particularly fuels and lubricants, which plummeted 72.8%, as well as agricultural inputs such as fungicides, herbicides, insecticides and disinfectants. Nonetheless, the sector also increased its imports of milled products – by-products of the food and cereal industries.</p> <p><a href="https://bit.ly/2BRSbJu">https://bit.ly/2BRSbJu</a></p>	<p><b>Brazilian orange and orange juice exports to the United States fell</b></p> <p>Projections indicate that the 2019/20 Brazilian orange crop will decrease 19% in comparison to last year, due to the alternate bearing phenomenon in the Sao Paulo citrus belt and climate-related problems.</p> <p>Cumulative orange juice exports to the United States (July 2019 – May 2020) decreased 16% compared to the same period last season, due to the recovery of the Florida orange crop and the high U.S. stock/use ratio. Overall, Brazilian citrus exports to the United States fell 90% over the first four months of 2020, even as their exports to the rest of the world climbed by 13%, with The Netherlands and the United Kingdom being the main trading partners. Brazilian citrus products have also been gaining traction in non-traditional markets like Russia and Oman, surpassing last year's figures by 150%, over the same period.</p> <p><a href="https://bit.ly/2VviLPm">https://bit.ly/2VviLPm</a></p>

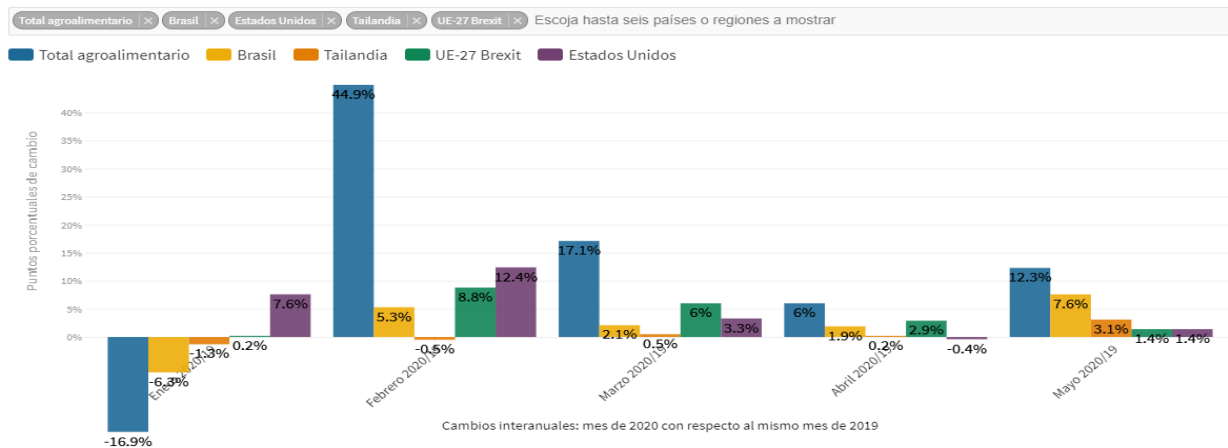
## This week's graph

### Monitoring agricultural trade during Covid-19: China increases agrifood imports by 11% in May (interannual)

Annualized data to May 2020 reveals that China's total agrifood imports were 11.1% greater than in May 2019, with sales from Latin America and the Caribbean increasing by 2.5% (see Figure 1 in the [#IICABlog](#). When compared to May 2019, China's agrifood imports grew 12.3% in 2020 (see graph below). Brazil was the greatest beneficiary of this increase, with sales growing by 7.6%; followed by Thailand, with 3.1% growth; and then by the United States and the European Union, both with 1.5% growth.

#### China: Efecto del socio comercial sobre el crecimiento del total de las importaciones agroalimentarias

Cambios interanuales en puntos porcentuales (orden descendente en mayo 2020)



Fuente: IICA, con datos de Trade Data Monitor (TDM)



Specifically, China increased imports of Brazilian soybean and beef, Thai fruit and dates and U.S. pork, but at the same time reduced imports of U.S. soybean.

Products contributing the most to the overall growth in agrifood imports were pork (4.1%), beef (2.8%), crustaceans (1%), poultry meat and edible offal (0.9%), and some fruit (0.6%). However, the imports that declined the most were rape or colza seeds (code 1205), wool (5101), as well as flour, meals and pellets of meat or meat offal, of fish or of crustaceans (2301).

For further information, please see the interactive graph on the [IICABlog](#), which provides details, according to trading partners and products, using five slides: 1) index (2019=100) of annualized imports to May 2020, by trading partner, 2) index of interannual imports to May 2020, indicating the contribution of each trading partner to the overall growth of China's agrifood imports, 3) imports by country of origin, according to market share, 4) each product's contribution to the overall growth of agrifood imports, and 5) list of agrifood products imported by China (using the 4-digit harmonized system code). Find out more in this week's [#IICABlog](#) post: <https://bit.ly/3gprhrt>.

## Supply

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

### Central America will implement a regional plan to reactivate agriculture amidst the Covid-19 crisis

Central America will implement a regional action plan to address the immediate needs of the agriculture sector amidst the Covid-19 pandemic, with a view to guaranteeing food production and supply, as well as continued intraregional trade in agricultural products.

The Ministers and Secretaries of Agriculture of the region agreed to request the development of the plan during a virtual meeting of the Central American Agricultural Council (CAC), which included the participation of Manuel Otero, Director General of the Inter-American Institute for Cooperation on Agriculture (IICA).

<https://bit.ly/3iukpun>

### IICA will assist universities in Mexico and Guatemala to expand their agricultural online course offerings

The Inter-American Institute for Cooperation on Agriculture (IICA) will assist the Autónoma de Chiapas University (UNACH) in Mexico and the San Carlos University (USAC) in Guatemala to strengthen and adapt their agriculture- and food security-related courses to the online modality, given the situation imposed by the Covid-19 pandemic.

This proposal arose during an online forum entitled “Towards the First Mesoamerican Meeting on Science, Technology and Societal Development”, which brought together managers, researchers, academics and lecturers of both universities, who analysed opportunities to strengthen online training.

<https://bit.ly/3ge9wet>

### Agriculture sector in Mexico allocates 25 million pesos to tackle swarm of locusts

The Secretariat of Agriculture and Rural Development has allocated 25 million pesos this year for the operations and strengthening of its drive to protect 58 million tons of annual agrifood production, valuing 70 billion pesos, against the threat of the Central American locust (*Schistocerca piceifrons Walker*). The phytosanitary initiative is being undertaken in Campeche, Chiapas, Hidalgo, Oaxaca, Quintana Roo, San Luis Potosí, Tabasco, Tamaulipas, Veracruz and Yucatán.

<https://bit.ly/3eNVlft>

### Why are U.S. potato farmers stuck with millions of pounds of potatoes?

When COVID-19 closed down restaurants and hotels, potatoes destined for these services had nowhere to go.

<https://bit.ly/2Ai4LBj>

### The impact of Coronavirus on global supply chains

Global supply chains have been affected due to the closure of China—which has brought to light countries’ dependence on that market—and the successive elimination of the demand in markets impacted by Covid-19. The pandemic has fuelled increased demand for certain products, for example, supplies for the health sector, as the demand in other areas, such as tourism and fashion, has waned. Moreover, reduced purchasing power, a greater focus on essential items and a change in consumerism made the economic effects apparent.

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