

Thursday, 25 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>

4,730,991

Confirmed cases of Covid-19 in the Americas



Countries



Highest number of cases in the Americas:

USA (2,398,491)
BRA (1,188,631)
PER (264,689)
CHL (259,064)
MEX (196,847)

Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX>. Data as at 25 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 and food security in Sub-Saharan Africa

Projections indicate that Covid-19 could wipe out years of progress in reducing poverty and hunger. **Given that rural areas are expected to bear the brunt of the impact, agriculture will play a critical role in safeguarding income and the nutritional welfare of the population.**

At least **three measures** will have to be introduced, as a matter of urgency, to contain the impact. First, leaders must gain an understanding of **the impact of food policies on the price of food and income of farmers**, in order to design effective and efficient programs. Secondly, **intra-regional trade must be fostered** as a means of accelerating trade flow and the stability of food markets. Third, **investment in innovative technologies** will be critical to transforming food and production systems.

Find out all the details this week in a blog post by *Imara Salas, Economist in the Department of Agriculture and Food for the Sub-Saharan African Region, World Bank, and Diego Arias, Lead Economist in the Department of Agriculture and Food for the Sub-Saharan African Region, World Bank.*
<https://bit.ly/2VgtGfW>

Relevant issues for the agrifood sector

| Production | |
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| <i>*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).</i> | |
| Argentina: swarm of locusts continues to plague the rural south of the province of Corrientes The Télam news agency has reported that technical staff from the Corrientes Ministry of Production and from the National Service of Agrifood Health and Quality (SENASA) are tracking the swarm to monitor its path and to prevent damage to crops. The locust cloud is now at the border of the province of Entre Ríos, but its path is uncertain, as locusts require special conditions to take flight, such as temperatures of between 23 to 25 degrees and wind. https://bit.ly/3fXgdRV | Brazil: a phytosanitary emergency is declared as the locust cloud approaches In response to an alert by the Government of Argentina about the movement of a locust cloud heading towards Uruguay, Brazil's Ministry of Agriculture, Livestock and Supply declared a phytosanitary state of emergency in the Rio Grande do Sul and Santa Catarina states, as a preliminary measure in the event that the plague enters in the country. The aim is to implement a plan to tackle the locust plague in production areas and to adopt emergency measures. The state of emergency will be in effect for one year. https://bit.ly/3eFJa4Q y https://bit.ly/3fZbvDq |

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| <p>Colombia: World Health Organization grants Colombia foot and mouth disease-free status</p> <p>Colombia has recovered its foot and mouth disease-free status, which was suspended in 2018 after an outbreak at the national level.</p> <p>With the certification, the country hopes to regain its level of meat and animal exports. Currently, it is putting in place measures to control the smuggling of animals into the country at border crossings. https://bit.ly/31h6d1W</p> | <p>Costa Rica: Government issues decree to legalize the status of migrant agricultural laborers</p> <p>The decree was signed by the President of the Republic, to streamline the normalization of the migrant status of foreign agricultural laborers, working in the country.</p> <p>Foreigners are required to prove that they entered and remained in Costa Rica between 15 January 2016 and 15 January 2020. https://bit.ly/3i1xlHY</p> |
| <p>Guatemala: agriculture sector to cut 40,000 jobs</p> <p>The Chamber of Agriculture (CAMAGRO) has estimated that 40,000 jobs will be lost in the sector this year. The hardest hit industries will be rubber and coffee, followed by vegetables and fruit, due to the cancellation of contracts.</p> <p>A third survey on the impact of COVID-19 on agriculture has revealed that 55% of employers in the sector have suspended work contracts, with 24% of them having to lay off between 50 to 100% of their workers.</p> <p>However, only a handful of survey respondents have suspended the contracts, using the Employment Protection Fund, since a significant percentage of producers are self-employed or belong to small production units, and many are part of the sizable informal sector, which would exclude them from these programs. https://bit.ly/2Vk2z3t</p> | <p>Uruguay: MGAP estimates that the locust invasion will bypass the country</p> <p>The Ministry of Livestock, Agriculture and Fisheries (MGAP) estimates that it is hardly likely that the plague of locusts will enter the country, given current weather forecasts. Nonetheless, it is constantly monitoring the situation, in conjunction with Argentina, and is urging the public to immediately report any sighting of locusts in Uruguay.</p> <p>El Observador newspaper reports that, in the event that the locusts do enter, the Ministry will analyze the reported cases and based on that will issue recommendations. https://bit.ly/3eyp1O3 and https://bit.ly/3fv7PSY</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.

Ecuador-EFTA trade agreement will facilitate access to international markets and economic reactivation

A free-trade agreement between Ecuador and the European Free Trade Association (EFTA) will soon enter into effect. EFTA is comprised of Switzerland, Liechtenstein, Norway and Iceland. The hope is that the agreement will jumpstart the economy in response to the pandemic, given that EFTA has 14 million potential consumers with high purchasing power.

Ecuador's agricultural exports to these countries climbed 17.7% over the first four months of 2020, including products such as fruit, live plants, fats and oils and vegetables. Vegetable and fruit sales experienced the greatest boost.

Even amidst the Covid-19 pandemic, this signals that Ecuador continues to move ahead with its trade policy commitments, while expanding market access for its agricultural products and services and attracting investment.

<https://bit.ly/2A27kHp>

Electronic phytosanitary certificate between Chile and the United States will facilitate trade

Faced with the Covid-19 pandemic and the need to offer solutions to companies, Chilean and U.S. authorities have accelerated the pace of negotiations that began in 2013, to simplify transactions and facilitate the trade of plant-based products. EPhyto certification is the only means of streamlining trade and reducing the costs of exchanging documents for agricultural and forestry products, as well as for propagation material.

The United States is Chile's leading agricultural export partner, although sales during the first four months of 2020 are 1.9% lower than in 2019. The South American country mainly exports grapes, oranges, mandarins, apples and blueberries to the U.S. and in turn imports mostly its corn, wheat, almonds and soybean.

<https://bit.ly/2Z7sQmJ>

USDA and FDA statement respond to restrictions on U.S. products

Various countries have recently restricted the entry of foreign products, due to outbreaks of Covid-19 in production facilities. China, for example, has restricted purchases of meat from the United States, the United Kingdom, France, Germany, Canada and Brazil.

In response, Health and Agriculture authorities in the United States have stated that their agencies are guaranteeing the food security of U.S. products, including exports.

They also expressed concern about the restrictions on these purchases, since there is no evidence that Covid-19 can be contracted from food or food packaging.

China could face new tariffs as markets for U.S. lobster dwindle

Markets for U.S. crustaceans and molluscs are drying up amidst the pandemic, with exports waning by close to 30% over the first four months of this year.

Lobster sales fell 38% and are expected to fall even more, given the import restrictions imposed by China last week. The industry is still reeling from the effects of the tariffs imposed by China in 2018 and the collapse of restaurant sales during Coronavirus lockdowns.

In response, the President of the United States has signed a memorandum to protect fisherfolk. Among the measures will be the application of reciprocal tariffs on China's seafood sector, which has failed to

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| <p>Prior to these measures, the Government had issued guidelines for manufacturing and processing plants to contain the spread of COVID-19 among workers.</p> <p>https://bit.ly/3eyssnN</p> | <p>honor purchasing commitments made in Beijing under the Phase 1 trade deal between both countries. The U.S. will also provide assistance to lobster fisherfolk to protect them from harmful trade practices.</p> <p>https://reut.rs/2YxZIGj</p> |
| <p>MAGYP-COVID19: a food security and logistics tool for Argentina</p> <p>During an inter-institutional meeting dealing with logistical matters governing the trade of cereals and by-products for domestic and international markets, Argentina’s Ministry of Agriculture, Livestock and Fisheries (MALF) announced that it is developing a tool focusing on the transportation and supply of food.</p> <p>The app is geared toward the transport sector and will be built on the platform of the Rosario Grain Exchange’s Muvin App. It will interface with the Ministry of Transport’s STOP system to track drivers who may have contracted COVID-19 or are displaying symptoms.</p> <p>This tool will facilitate real-time monitoring of cases, broken down by chain and location, and will also allow users to view queries or suggestions submitted to MALF’s COVID 19 Line, channelling them to the relevant persons to jointly find a solution.</p> <p>https://bit.ly/2Nub73t</p> | <p>Costa Rica: United Nations recognizes the Borbón Market’s s move to online trade amidst Covid-19</p> <p>With more than 60 years in existence, the Mercado Borbón, one of San Jose’s main agricultural markets, introduced ecommerce in 2019. In 2020, the market’s system has demonstrated its capacity to adapt to new trends in supplying food to the population amidst Covid-19. For this reason, it has been recognized as an example in Latin America.</p> <p>At first, its strategy targeted young consumers, but the pandemic has allowed it to reach other clients through social media and its home delivery webpage, as well as by telephone and WhatsApp.</p> <p>The Market is supplied by a network of cooperatives and other external providers, who are adhering to rules and safety standards for the delivery of food.</p> <p>https://bit.ly/2A3FLh3</p> |
| <p>Brazilian coffee leads market despite the pandemic</p> <p>Brazil’s of Coffee Exporters Council (CECAFÉ) has indicated that the sector is investing in communication and training for employees. It has developed various initiatives, such as the development of tickets. A number of initiatives have been carried out, including the development of cards, applications and other information tools, to guarantee the safety of employees and guide other professionals around the world. Efforts are also being undertaken to uphold quality standards and strengthen the agribusiness sector, by investing in research and technology to meet demands, as well as to comply with sustainability criteria and international standards. Thanks to these measures and other efforts aimed at strengthening businesses, Brazil continues to lead the coffee market, despite the coronavirus pandemic. Although this year’s exports have fallen by 2.8% compared to the January-May 2019 period, Brazil is still the world's leading coffee producer and exporter, with a 40% share of the global coffee market. China, Germany, Switzerland and Colombia follow the country in the list of top coffee exporters.</p> <p>https://bit.ly/3fSayg8</p> | |

Supply

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

Ecuador organizes hackathon to design software to connect agricultural producers and consumers

Young technology students and professionals in the hemisphere will get the chance to participate in a hackathon, aimed at developing technological solutions to facilitate continued operations of the agrifood chain in Ecuador.

Organizers are seeking to address the pressing need to connect producers to consumers during the Covid-19 crisis, by developing software to enable the continued supply of food, in accordance with strict sanitary standards, while also fostering trade short circuits.

<https://bit.ly/2Vlcx10>

Vi Café youth cooperative: a passion to produce the best coffee

A group of young coffee producing families from San Antonio Huista in northern Guatemala have decided that the time has come to modernize ancestral practices that are hampering the production and sale of their crops, and to cater to their fellow countrymen's appetite for first class coffee.

One of the founders, 28-year-old José López, explained to IICA that, "At first, I got together with a group of 5 other friends and co-workers because the very outdated practices in the Huista Region were causing problems. We decided to set new market trends, understand what the roasters wanted, seek out better markets and to improve marketing practices". Vi Café currently has 27 members, ranging from 24 to 33 years of age. Many, like José, have studied agronomy and marketing.

<https://bit.ly/3eBQ22X>

Digital agriculture: crisis or opportunity?

Mexico could face a major social crisis in the next five years, because rural workers who are crossing over into the United States or who already live there may no longer be needed. Migration to the United States is becoming a political and racial "problem", but in the near future another enemy may emerge – automation.

<https://bit.ly/3g1FryL>

The Chilean agriculture sector remains optimistic

Chile has an export potential of 33.2 billion dollars, as indicated by an analysis in the *Export Potential Map*, prepared by the International Trade Centre (CCI). The map provides dynamic information about supplies of products that are part of the exportable supply of each country, comparing the value of actual exports to the potential value, if full capacity were achieved.

<https://bit.ly/37ZtKWg>

Government of Peru to establish 50 temporary markets at the national level

An Executive Decree today authorized the establishment of 50 temporary markets (MT) throughout the country, with S/ 6 million in resources, in order to provide optimal conditions for the supply of essential goods.

Emergency Decree No. 073-2020—published today in El Peruano—authorizes the allocation of resources to the Ministry of Production (PRODUCE) to fund the establishment of temporary markets, as an Investment of Optimization, Marginal Expansion, Rehabilitation and Replacement (IOARR).

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