

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>

1,626,552

Confirmed cases of Covid-19 in the Americas



Countries



Highest number of cases in the Americas:

USA (1,250,805)
BRA (127,655)
CAN (66,087)
PER (58,526)
ECU (30,298)

Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX>. Data as at 07 May 2020 (14:00 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:

Reflections on family farming in the era of Covid-19

The Covid-19 pandemic represents an opportunity to accelerate change in family farming. Production organization will be subject to numerous innovations of an economic, technological and social nature, as well as in the area of support services and the market.

The **trade barriers** that affect small farmers **endanger agroecological** or **clean production** and the welfare of an important sector in society. Producers may increase the use of agrochemicals out of desperation to increase their output.

Find out about the changes that have been **detected, trends in the demand, the food supply, technology, as well as the opportunities and challenges facing family farming.**

More on these topics in a post by **Gastón López**, *international consultant and specialist in value chains, political advocacy, participatory methods and the promotion of development platforms for rural innovation and agribusiness*; **Daniel Rodríguez**, *M.A. in Agricultural and Rural Development from the Institute of Social Studies (ISS) and the International Agricultural Center (IAC), Wageningen – the Netherlands*; and **María Fernández**, *PhD in Agriculture and M.A in Rural Development from the University of Redding, England*. <https://bit.ly/3b8ayWo>

What are the dominant issues and policy measures most frequently used by countries to tackle the pandemic?

The policy measures most frequently used by countries are related to:

1. Moratoriums, whether for repayment of debts; utility services, such as electricity and water; social security contributions or taxes and tariffs.
- 2) Trade facilitation measures, including those that expedite import procedures.
- 3) Phytozoosanitary measures.

Other measures involve price controls, certification and export restrictions.

More on these topics in a post by **Joaquín Arias**, *International Technical Specialist at IICA's Center for Strategic Analysis for Agriculture (CAESPA)*; **Daniel Rodríguez Sáenz**, *Manager of IICA's International Trade and Regional Integration Program*; **Nadia Monge**, *national Technical Specialist of the aforementioned Program* and **Eugenia Salazar**, *national Technical Specialist of the Center for Strategic Analysis for Agriculture (CAESPA)*. <https://bit.ly/3bckMFi>

Relevant issues for the agrifood sector

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: the pandemic will trigger a 10% decline in sales of agricultural equipment</p> <p>Estimates of the Chamber of Agricultural Equipment and Tools indicate that the pandemic will result in a 10% decline in the sale of agricultural equipment in 2020.</p> <p>According to the Chamber, the greatest slump in sales will occur between April to June, surpassing the 6.4% growth recorded in the first three months of the year.</p> <p>The most serious challenges that are being faced are in sugar and cotton production. https://glo.bo/2WcdrkB</p>	<p>Brazil: 18.5% growth in sugar production predicted for 2020-21</p> <p>Brazil is expected to produce 35.3 million tons of sugar, as mills allocate more cane to make sugar and less to produce biofuel ethanol.</p> <p>Ethanol production was estimated at 32 billion liters, 10.3% lower than usual levels. https://reut.rs/2L5cYdH</p>
<p>Colombia: April sees a 28% interannual decrease in accumulated coffee production</p> <p>The National Federation of Coffee Producers has reported a 28% decline in coffee production in April, compared to the same month last year, due to Covid-19-related restrictions on mobility that have led to a fall-off in harvesting. Between January and April, Colombian coffee experienced an accumulated decline of 17%.</p> <p>Coffee exports fell 32% in April vis-à-vis the same month last year. Approximately 500,000 families depend on this activity. Colombia forecasts that the country will reap 14 million bags in 2020. https://bit.ly/3fr6Vy5</p>	<p>El Salvador: producers are imploring that agricultural packages be distributed during the month of May</p> <p>In response to the government’s announcement that it will suspend the distribution of agricultural packages until May 22, given the restrictions imposed on the movement of people outside their communities, agricultural producers are fearing that the measures will be further extended. They are therefore requesting that inputs be distributed in May in time for the 2020-2021 planting season. https://bit.ly/2yBMyhc</p>

El Salvador: crisis in the coffee sector could leave 15,000 workers unemployed

The Coffee Growers' Association of El Salvador is advising that the sector is facing a 26.17% decline in the 2019-2020 harvest and a slump in the demand, due to the pandemic.

If there is a similar fall-off in the next harvest, 15,000 jobs will be lost.

Given this situation, the sector is asking that it be included in the US\$1 billion package that the government has approved for the productive sector.

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

Dominican Republic: falling demand for pineapple is affecting more than 1,000 producers

Small- and medium-scale pineapple producers and exporters have asked the government to assist by purchasing 15,000 tons of pineapple over a three-month period and by providing a subsidy of 3 pesos per pound for processors who buy the fruit from local producers.

The weekly production of close to 400,000 pineapples has been impacted by hotel and restaurant closures, as well as by the partial closure of markets.

Food processors have also reduced their orders. <https://bit.ly/3dnVWUk>

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: pear and apple exports to Russia have climbed

According to the Ministry of Agriculture, Livestock and Fisheries, during the first three months of the year shipments of pears to Russia increased by 30% and of apples by 22%, in comparison to last year.

Argentinian fruits have benefitted from the 25% tariff reduction granted by the Eurasia Economic Union (EAEU), which is made up of the Republics of Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia.

<https://bit.ly/2yBAht8>

Peru: ADEX reports that Coronavirus has caused 63,000 export-related jobs to be lost

The Association of Exporters has reported that during the first quarter of the year 635,847 jobs were lost, which amounts to a 9.1% reduction compared to the same period last year.

The primary sector employed 192,175 people (- 19.6%) and the non-traditional sector employed 443,672 individuals (-3.7%). Employment in all subsectors fell, except agroindustry that continues to provide 313,142 jobs.

Fisheries, which once provided 30,586 jobs, is now the subsector where most jobs have been lost (- 36.9%). Traditional agriculture, which was in fifth position, went from providing 43,831 jobs in March last year to 29,508 jobs (-327%) during the same period in 2020.

<https://bit.ly/35GhNDI>

Canada: despite a rebound in exports of agricultural products, trade in goods fell in March

There was a 12% rebound in exports of agrifood products in March, primarily by agricultural products and by wheat and canola.

On the other hand, international trade in goods in Canada declined considerably during the month although the borders have remained open for trade. Exports fell 4.7% and imports decreased 3.5%. When expressed in US dollars, exports fell 9.2%, whereas imports decreased by 8.1%.

<https://bit.ly/3fzPg7J>

Costa Rica: MAG guarantees importation of beans from Nicaragua

Costa Rica's Ministry of Agriculture (MAG) confirmed that it has made an agreement with Nicaragua to import beans in the coming months (no details were provided on the amount agreed), which will ensure sufficient supplies in the country. Costa Rica produces 20% of the total beans consumed.

MAG reported that 50 thousand tons of rice will also be imported under the agreement. The country grows 35% of the rice consumed nationally.

<https://bit.ly/2L9IhnQ>

Central America: trailer drivers advise that they have difficulties with the time allocated for stays in the country

Dominican Republic: milk imports jump 28.5% between January and March

<p>Costa Rica has stipulated that trailer drivers may remain in the country for a 72-hour period, which is much like measures applied in other countries such as Panama and El Salvador. As such, trucking associations have advised that drivers claim that the three-day period does not allow them sufficient time to load, unload and complete export procedures to return with new merchandise (they need a minimum of 10 days). Additionally, since May 5, Costa Rica, has been conducting Covid-19 testing on drivers of heavy-duty transportation vehicles.</p> <p>Various trucks have parked at the Costa Rican and Panamanian borders, as a means of pressuring the governments, which could affect the Central American supply chain. https://bit.ly/2WcFQXV</p>	<p>According to data from the General Directorate of Customs, milk imports for the first three months of the year grew by 28.5% in relation to the equivalent period in 2019, moving from US\$38.36 million to US\$49.30 million.</p> <p>Imports of dairy products in general increased 25.34% during the first quarter in comparison to last year.</p> <p>However, the Association of Milk Producers is requesting that the government prioritize local production, in view of the closure of markets, such as hotels and restaurants. https://bit.ly/3drdVsY</p>
<p>World: China increases agricultural imports by 12% in March</p> <p>China’s annualized total agricultural imports in March this year increased vis-à-vis March 2019. Imports from Latin America and the Caribbean contracted slightly—by 0.1%—representing a market share of 32.4 % (although LAC exports increased by 1.5% in comparison to December 2019). With the exception of MERCOSUR, exports to China from Central America, the Andean Region and USMACA grew considerably. https://bit.ly/2WBUHdj</p>	<p>World: Saudi Arabia allocates US\$533 million for agricultural imports</p> <p>The fund has been allocated for the purchase of agricultural goods to ensure the supply of food during the pandemic.</p> <p>The first phase will focus on products such as rice, sugar, soybean and yellow corn. Other products will be added in keeping with market needs. https://reut.rs/35FeqwP</p>
<p>Trade measures in the context of the pandemic (WTO and ITC)</p> <p>Below is a list of trade measures related to agrifood products notified during the past week (5 May to 7 May):</p> <ul style="list-style-type: none"> • United Arab Emirates: Measures taken by the United Arab Emirates regarding animal, agricultural and food consignments in response to the pandemic (SPS). • Ecuador: Measures to be implemented in certification processes (SPS) <p>WTO: https://bit.ly/3dOh5YJ ITC: https://bit.ly/2YdwEnB</p>	

Supply

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

Rural women will speak out to share the challenges they are facing during Covid-19

Rural women working in the production and marketing of food in the Americas will be given a voice in the series of online forums on “Rural Women and Equity During the Covid-19 pandemic”, discussing the challenges and needs that they face due to the current pandemic.

The forums have been organized by the Inter-American Institute for Cooperation on Agriculture (IICA) to shed light on the ways in which rural women are dealing with the effects of Covid-19 and the implications of the current health crisis. <https://bit.ly/3cgXmjw>

Unanimous support for IICA’s strategies to tackle the challenges of the pandemic

The Special Advisory Commission on Management Issues (SACMI), a special mechanism that advises the General Directorate of the Inter-American Institute for Cooperation on Agriculture (IICA), expressed its support for the hemispheric agency’s strategies to overcome the challenges of the pandemic. These include strengthening technical actions to support member countries, as well as implementing austerity and flexibility measures. <https://bit.ly/2L9Rtbl>

Demand for fresh and frozen products on the rise

Chile is recording an increased demand for its fresh products from U.S. retailers. Sales of frozen and shelf-stable foods are very high, increasing by 57.5% and 46.3%, respectively. <https://bit.ly/2WzX8NN>

The El Salvador business sector requests authorization for the food industry to continue working

The National Private Sector Association (ANEP) has requested that all chains involved in the production of food and beverages be authorized to continue their work. Members of Parliament approved legislation regarding the regulation of quarantines, physical isolation and mechanisms to monitor cases of Covid-19. In short, the new legislation has elevated the level of Executive Decree No. 21, which is a document that regulated aspects related to the management of the pandemic. <https://bit.ly/3fto1vc>

Mexico seeks to create a program for a fair, healthy and sustainable agrifood system

Mexico is working to create a special program to develop a fair, healthy and sustainable agrifood system, which has already been approved by the Secretariat of Finance. The Secretariats of the Environment; Health; Agriculture and Rural Development; Labor and Social Welfare; the Economy and Public Education, as well as the National Council on Science and Technology and the National Indigenous Institute are all collaborating on the project. <https://bit.ly/2YEVfs9>

Agroindustry’s role in surviving the pandemic is highlighted

The Argentine Seed Producers’ Association (ASA) underscored the importance of agriculture, in reiterating its commitment to produce food. According to data shared by participants in the Buenos Aires Grain Exchange, Argentina may achieve a record 24.75 million tons of production during the upcoming harvest, resulting in a 25% increase in earnings, which would amount to 1.2 billion at the national level.

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