

Thursday, 4 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>

### 3,114,133

Confirmed cases of  
Covid-19 in the  
Americas



### Countries



Highest number of  
cases in the  
Americas:

USA (1,867,620)  
BRA (584,016)  
PER (183,198)  
CHL (118,292)  
MEX (101,238)

### Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX>. Data as at 4 June 2020 (16:00 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:

### [Presentation by Senator Beatriz Paredes at the hemispheric forum on: “Rural women and equity during the Covid-19 pandemic”](#)

Remedying the situation of rural women, female peasant farmers and indigenous women will require a **grand coalition** to join them in seeking **solutions to their problems and overcoming centuries of marginalization**.

The use of the term Rural Women, of necessity, requires an **analysis of these women’s innate differences**.

This differentiation and an understanding of their distinctive characteristics is imperative, in order to devise **effective public policies or social organization strategies**.

Particular emphasis must be placed on the importance of guaranteeing public health coverage, social security and food security; providing financial assistance and credit; developing health and prevention protocols; guaranteeing safe and friendly borders; establishing a regional job creation plan, as well as promoting other efforts to overcome inequality.

**Find out all the details this week** in a presentation by Beatriz Paredes, *Mexican Senator and President of the Mexican Senate’s Commission on Science and Technology*. <https://bit.ly/3cztCOB>

### [Reponses to Covid-19 in Latin America and regional coordination](#)

We could begin by looking at the current situation of the various **regional integration bodies** in Latin America, which are undergoing a phase of **acute crisis**.

Two of the three most emblematic institutions that emerged during the first decade of the 21<sup>st</sup> century (UNASUR and ALBA) are practically paralyzed and the Mexican President Pro Tempore of the third one—CELAC—is attempting to rescue the organization. Thus far, these efforts, while based on good intentions, have not yielded concrete results. No-one can ignore the fact that this situation partially stems from the **fragmentation of the region** brought on by crisis in Venezuela. However, **failed regional integration** has deeper roots.

Indeed, the exodus of Venezuelans, who have fled their country and scattered to a great extent throughout the continent, has only brought to the fore this lack of communication.

**Find out all the details this week** during a presentation by Carlos Malamud, *Professor of American History at the National Distance Education University (UNED) and Principal Researcher on Latin America at the Elcano Royal Institute* <https://bit.ly/3cztCOB>

# Relevant issues for the agrifood sector

<b>Production</b> * 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><b>Argentina: soy harvesting is in its final stages, with total production estimated at 49.3 million tons</b></p> <p>The Buenos Aires Cereal Exchange has reported that only 200,000 hectares of the crop remain to be harvested, with estimates forecasting a total production of 49.3 million tons.</p> <p>Wheat crop planting is also progressing and 30% of the projected 6.8 million hectares has been sowed (estimates predict record wheat production in 2020-2021, to the tune of 21 million tons). On the other hand, 55.6% of the 6.2-million-hectare corn crop has already been harvested.</p> <p><a href="https://bit.ly/2ABH9rc">https://bit.ly/2ABH9rc</a></p>	<p><b>Brazil: Coronavirus strikes 2,400 meat plant workers in the state of Rio Grande do Sul</b></p> <p>The number of infected workers equates to 25.7% of the confirmed Coronavirus cases in the state of Rio Grande do Sul. Meatpackers in the state employ 50,000 workers.</p> <p>According to Reuters, two of Brazil’s largest meatpackers, JBS SA and BRF SA, own plants in Rio Grande do Sul state. Both firms had temporarily closed some units in the state, due to outbreaks of the novel Coronavirus.</p> <p>Brazil is the world’s major beef and chicken exporter and the fourth largest pork exporter.</p> <p><a href="https://reut.rs/2Y15GOB">https://reut.rs/2Y15GOB</a></p>
<p><b>Colombia: Ministry of Agriculture prepares potato zoning map</b></p> <p>According to the map, during the first cropping season, the country will have 510,475 hectares of land available for industrial cultivation of the Diacol Capiro potato variety (a variety developed by the Colombian Agricultural Institute – ICA) and 509,122 hectares available during the second season.</p> <p><a href="https://bit.ly/3gV0x2Z">https://bit.ly/3gV0x2Z</a></p>	<p><b>El Salvador: coffee growers are requesting that funds be redirected to address the crisis</b></p> <p>The Coffee Growers Association of El Salvador has appealed to the Ministry of Agriculture and Livestock to divert funds from the \$0.85 per quintal contributions paid by producers, in addition to \$6 million dollars from the Fideicomiso de Apoyo a la Producción de Café (Trust Fund in Support of Coffee Production), to address the crisis in the sector (low production, low prices, lack of funding), which has been further exacerbated by the pandemic.</p> <p>Official figures from the Salvadoran Coffee Council, as at April 30, indicate that production fell 24% in relation to the previous season.</p> <p><a href="https://bit.ly/2UbdEDA">https://bit.ly/2UbdEDA</a></p>

**Guatemala: producers grapple with the pandemic and Tropical Storm Amanda**

The Agricultural Chamber conducted a study in May, which revealed that 75% of the agribusinesses surveyed were experiencing liquidity problems. Approximately 36% were facing price fluctuations and 33% had been subject to cancellations or a reduction in orders. Others had been affected by logistical problems and policy changes by buyers, due to the pandemic.

The Ministry of Agriculture had assessed damages arising from Tropical Storm Amanda, which has affected crops in 7 sub-divisions, including corn, rice, white corn and onion.

<https://bit.ly/371DBdH>

**Mexico: SADER estimates that the pandemic will not affect the current production season**

The Secretariat of Agriculture and Rural Development (SADER) estimates that the pandemic will not disrupt the current production season, given that subsidies had been distributed to producers early on and drought conditions this year were not as extensive as last year (when they affected 60% of the country).

As at 31 May, the Producción para el Bienestar program – PbB (Production for Well-being Program) had provided subsidies to 79.6% of the producers slated to receive support in 2020.

<https://bit.ly/2AFEI6G>

## 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: China overtook Brazil as Argentina's largest trading partner in April**

A report by the Chamber of Exporters indicates that during April, Argentina's exporters to China rose to US\$509 million as compared to US\$338 million during the same period last year, accounting for 11.7% of sales.

Argentina recorded a US\$98 million trade surplus with China.

Major exports included soybeans (52% of sales), frozen and boneless beef (29%) shrimps and prawns (8%) and animal or vegetable fats and oils (6%).

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

### **Bolivia: banana exports slide 70%**

The 70% decline stems from decreased demand from Argentina due to the pandemic, and the newspaper, Los Tiempos, has published data provided by a consultant to the Agricultural Chamber of Cochabamba, indicating that the fall-off amounts to US\$21 million.

Each box of bananas costs farmers 2.5 dollars to produce, although Argentina pays only 1.8 dollars per box.

The price on the national market remains stable, despite a 40% drop in demand due to declining incomes.

<https://bit.ly/3dC00Rp>

### **Colombia: coffee exports dip in May, even as production rises**

According to the National Coffee Federation, 1,186,000 bags of coffee (of 60kg each) were produced in May—a 6% increase over May 2019—despite shortages of labor to reap the crop.

Colombia is estimating that 14 million bags of coffee will be produced in 2020.

The country exported 871,000 60kg bags in May – 15% less than May 2019. This year, total accumulated exports thus far amount to 4.6 million bags, which is 16% less than the equivalent period in 2019.

<https://bit.ly/3dA6L6m>

### **Costa Rica: coffee is the best performing agricultural export in the first four months of the year**

During the first four months of 2020, the value of coffee exports climbed 27%, with US\$92 million exported between January to April.

The Costa Rican Coffee Institute, ICAFE has indicated that both producers and exports have increased overseas sales, as a result of the pandemic. Another positive development has been the high prices paid for the country's coffee on the international market. The average accumulated value of Costa Rican coffee exports for this year is \$203 per quintal.

<https://bit.ly/2z8vMqk>

<p><b>United States: USDA has reduced its forecasts for agricultural trade in the country</b></p> <p>According to ERS-USDA, the shock to the world's economies generated by Covid-19 will cause a high level of uncertainty for the foreseeable future.</p> <p>USDA projects that agricultural exports in fiscal year 2020 will amount to \$136.5 billion, down \$3 billion from the February forecast, primarily due to reduced export of products such as soybeans, cotton, corn, and wheat.</p> <p>On the other hand, agricultural imports are projected at \$130.2 billion, down \$2.3 billion from the previous forecast. This decline is primarily driven by expected decreases in imports of horticultural products. <a href="https://bit.ly/3dy6Veh">https://bit.ly/3dy6Veh</a></p>	<p><b>Honduras: US\$713.65 million in coffee exports</b></p> <p>Coffee exports had grown 4% as at the end of May in comparison to the same period last year.</p> <p>The Honduran Coffee Institute, IHCAFÉ, reports that 5.68 million 46kg bags have been exported, representing an 11% decline in comparison to the previous period.</p> <p>The average export price for the products was USD124.52 per quintal, which is 17% greater than the preceding period.</p> <p><a href="https://bit.ly/3092d2Y">https://bit.ly/3092d2Y</a></p>
<p><b>Jamaica: rise in exports of local products</b></p> <p>The Ministry of Industry, Commerce, Agriculture and Fisheries says a number of Jamaican companies are experiencing a rise in the exportation of their products amidst the COVID-19 pandemic, having gained access to new markets and quickly adjusted, by diversifying their products.</p> <p>Sales of non-traditional exports, such as animal feed, dairy products, eggs and yams, increased by 24.7% in January, when compared to January 2019. <a href="https://bit.ly/3dAwE5T">https://bit.ly/3dAwE5T</a></p>	<p><b>Mexico: negotiations with the United States and Canada on USMCA regulations have concluded</b></p> <p>Uniform regulations seek to provide guidance to ensure greater compliance with the rules and procedures of the treaty, especially in terms of the interpretation, application and administration of the chapters on rules of origin, procedures of origin, textile goods and clothing, as well as customs administration and trade facilitation.</p> <p><a href="https://bit.ly/2z2hmvE">https://bit.ly/2z2hmvE</a></p>

## Supply

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

### **Honduras undertakes the most extensive agricultural support strategy in its history, with supervision and technical assistance from IICA**

Through the Solidarity Production Bonus and the Coffee Bonus, the government of Honduras is seeking to transform the country's agriculture sector and spur productivity amidst the COVID-19 pandemic.

Authorities have appointed the Inter-American Institute for Cooperation on Agriculture (IICA) to administer and provide technical support for the programs, in a bid to ensure transparency and effective execution.

This timely and decisive action by the Honduran Government was prompted by the fact that many producers are fearful of going out to plant in the fields, although a critical time for food production is approaching, with the imminent arrival of the rains after an extensive drought.

<https://bit.ly/3e8ZwTe>

### **High-level government officials and representatives of the dairy sector discuss the impact of Covid-19 and the future of dairy farming in the Americas**

Senior government officials and representatives of the dairy sector of the Americas participated in a public-private dialogue, sponsored by the Inter-American Institute for Cooperation on Agriculture (IICA), to foster the development of policies and cooperation actions in different regions in response to the Covid-19 crisis.

The meeting, which was held to discuss the challenges facing the sector, included the participation of government officials, industry experts and a discussion panel. <https://bit.ly/2N5otTJ>

### **Institutional purchasing of family farming food products is now mandated by law in Brazil**

At least 30% of the resources earmarked for food purchases by the State will be used to buy agroecological products. <https://bit.ly/2MGxfCJ>

### **Chile reports that meat supplies remain stable on the local market**

The Chilean Government has assured that there are ample supplies of red and white meat and that prices have remained stable, amidst the social crisis and the pandemic. It insists that there is no reason for price speculation and hoarding because the Chilean food chain for this important product is functioning smoothly. <https://bit.ly/2AEHQ2Z>

### **Despite increases, Mexicans are stocking up on more groceries to avoid running out**

A Nielsen study reports that Mexicans are purchasing more grocery items and in larger sizes, to avoid frequent trips to the supermarket, as a means of preventing the spread of Covid-19.

The market study revealed that during the 19<sup>th</sup> week of the quarantine (coinciding with the May 10 festivities), consumers made less supermarket trips and seemed to be stocking up on groceries, given the apparent preference for items in larger sizes.

In the traditional channel of in-store purchases, sales of non-alcoholic beverages in large sizes increased, most notably juices. There were also increased sales of chlorine and bleach. <https://bit.ly/2z2nqjO>