

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>

3,916,365

Confirmed cases of Covid-19 in the Americas



Covid-19 in the world



Source: Johns Hopkins University, available at <https://bit.ly/3dJ1CZX>. Data as at 16 June 2020 (12:00 CST).

Countries



Highest number of cases in the Americas:

USA (2,123,124)
BRA (888,271)
PER (232,992)
CHL (184,449)
MEX (150,264)

*** 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:

This week's graph

Monitoring agricultural trade during the Covid-19 pandemic: [overall global commodities trade collapses, whereas agricultural exports hold their own](#)

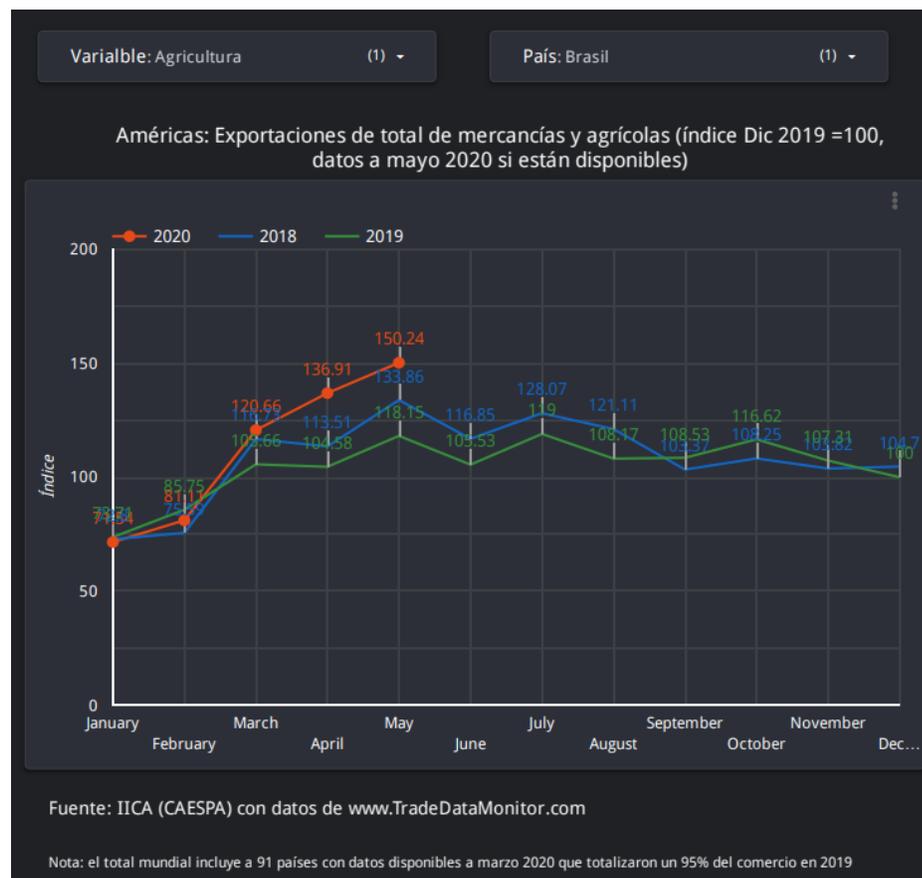
As at May 2020, Brazilian agricultural exports had grown 27% in comparison to May 2019 (see graph), while total exports of goods had fallen 13% (if we exclude the increase in agricultural exports, the decline in exports would be much greater). On the other extreme, agricultural exports from El Salvador declined by 38.8%, whereas total exports of goods fell 60.5%. Paraguay enjoyed a 6.4% increase in exports, despite a 0.17% overall decline in exports.

Data as at April 2020 indicates that Peruvian agricultural exports dropped 42% in relation to the same month in 2019, and total exports also dwindled, but by 56.5%. Exports from Chile, Canada, Ecuador, the

United States and Uruguay also contracted, but to a much lesser extent.

By way of reference, global exports dropped 8.6% in March 2020, in comparison to March 2019, even as agricultural exports grew 2.5%.

In April 2020, as the pandemic progressed, agricultural exports, too, began to decline. Global trade in goods (based on a sample of 57 countries that submitted data up to April), fell 19% vis-à-vis 2019. In contrast, agricultural exports by the same countries and over the same period contracted by only 1% on average.



Find out all the details at <https://bit.ly/3gqwMGU>

Relevant issues for the agrifood sector

Production	
<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>Bolivia: agricultural associations urge the government to implement measures to reactivate the sector</p> <p>Farmers are asking for measures to reactivate the sector, for example by providing lines of funding for the summer crop season to ensure food supplies in the country are not disrupted.</p> <p>According to media reports, the Ministry of Rural Development and Lands will outline the government’s plan for the agriculture sector on Thursday. https://bit.ly/3e7miuL</p>	<p>Brazil: value of agricultural production will climb to R\$703.8 billion in 2020</p> <p>Estimates by the Ministry of Agriculture, Livestock and Supply, project that the value of agricultural production will overtake 2019 levels by 8.5%.</p> <p>This will be due to record grain production; agricultural prices for crops such as soybean, and the strong performance of crops such as coffee and sugar cane. https://bit.ly/3e33j4I</p>
<p>Canada: an emergency fund for food processors has been launched</p> <p>The \$77.5 million fund aims to support food processors in implementing changes to guarantee the health and security of workers during the Covid-19 crisis, as well as to modernize and upgrade facilities to boost food production capacities. https://bit.ly/2AIXxX3</p>	<p>Costa Rica: 5.7% contraction in economic activity in April</p> <p>According to a monthly Central Bank report, lock-down measures and restrictions on the movement of people, adopted since mid-March, have triggered an overall reduction in national production.</p> <p>The greatest contraction was seen in the trade and tourism sectors.</p> <p>Activity in the agricultural sector declined 0.7%, mainly due to decreased external demand for commodities such as pineapple. https://bit.ly/2zFGlvO</p>

Honduras: 87% of the coffee bonus has been distributed

The Coffee Bonus has already been distributed to 79,672 coffee producers—87% of the total—who received 496,000 quintals of fertilizer.

When this hand-over is completed, the second phase will begin, and will involve the establishment of a baseline to define conditions and needs of the sector.

<https://bit.ly/3e7msCl>

Uruguay: citrus production predicted to fall in 2020

According to projections by the Office of Agricultural Statistics (DIEA) of Uruguay's Ministry of Livestock, Agriculture and Fisheries, 235,000 tons of citrus will be produced in 2020, which is 3% less than the output in 2019.

Orange production will decline significantly (by 22%), although mandarin, lemon and pomelo production will increase.

Estimates predict that 97,000 tons of citrus will be exported in 2020, that is, 41.5% of total production.

<https://bit.ly/2N4j92l>

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 Dominican Republic is courting the European Union fruit and vegetable market

The first online agricultural trade fair between the Dominican Republic and the European Union (EU), entitled “*Dominicana Productos Frescos: Rondas de Comercio B2B*”, will take place on 24 – 30 June.

It is a public-private initiative to resolve problems in conducting activities or undertaking trade missions, due to Covid-19 restrictions.

The Ministry of Foreign Affairs (MIREX), through the Dominican Embassy in Brussels; the Dominican Republic Center for Exports and Investment (CEI-RD) and the country’s European Chamber of Commerce are driving this initiative.

<https://bit.ly/3fB9c9r>

Brazil, Canada, Chile and Mexico have signed the Ottawa Group Action Plan on Covid-19

The Ottawa Group, comprising 12 countries and the European Union, met to devise an action plan to combat the Covid-19 crisis.

The proposals, which will be submitted to the WTO, cover 6 fundamental aspects: transparency of government measures to deal with the pandemic, for example, trade restrictions and bans; improvements in the agricultural trade flow to guarantee food security; efforts focusing on e-commerce and trade facilitation; medical supplies and the dissemination of trade policies.

<https://bit.ly/2N0Gv9u>

Peking meat and fish inspections ramped up amidst Covid-19 outbreak

China is the leading global consumer of beef, having already purchased 4 million tons of the product in 2020 from suppliers that include Latin American countries such as Argentina, Brazil and Uruguay.

It is also a major purchaser of seafood products and has increased its exports from the Americas by 5.5% over the first 5 months of the year. Its top suppliers include Ecuador, the United States, Chile and Argentina.

However, Norwegian seafood producers have reported that China has suspended its imports of fish. The country’s authorities will also increase inspection of all types of fresh and frozen meat, in the event the products have been contaminated in the Xinfadi wholesale food market.

<https://bit.ly/2N0VDnp>

Ecuador: pitahaya fruit sales have resumed in Hong Kong and producers are seeking new markets.

After a hiatus of several months, the country has resumed exports of pitahaya (a.k.a. dragon fruit) to Hong Kong, at even lower prices. The price of the Palora or yellow pitahaya has dropped from USD 7 per kilogram in 2019 to USD 2.5. Over production, resulting from the closure of many markets, has also affected this fall in prices.

Currently, Ecuador is the fourth largest exporter of the fruit in the Americas. Foreign sales grew 19% this year, in comparison to the first fourth months of 2019. However, the pandemic has affected several sectors, particularly the Ecuadorian pitahaya industry, which means that the public and private sectors will have to join forces to identify new markets.

<https://bit.ly/2UQT37D>

Argentina: calls for the elimination of export tariffs on beef and pork

Given the almost total closure of the European market and the fall in the per ton value being paid by China, the Argentinian Federation of Regional Cold Storage Facilities (FIFRA) and various actors in the chain have called for the elimination of export tariffs on beef and pork, in a bid to boost competitiveness.

Currently, the export tariff on beef is approximately 9%.

<https://bit.ly/2N4bAsW>

Mexico is analyzing tariff defense against United States seasonal agriculture, as provided by the USMCA agreement

Economic authorities in the country are analyzing a tariff response in the event that the United States government approves the issue of seasonal agriculture, which was not negotiated as part of the new agreement between countries in the North American hemisphere. They will rely on the USMCA and other instruments of the WTO to defend this response.

<https://bit.ly/30Mzgdh>

Supply

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

Rural youth of the Americas share requirements for becoming involved in building the new agriculture

Rural youth from different regions in Latin America and the Caribbean (LAC) discussed needs, challenges and outlooks for effectively participating in public policymaking and building the new post-COVID-19 agriculture.

Youth and leaders involved in various business undertakings, coffee farming, environmental issues and the academic sector shared their ideas during the first of a series of virtual forums organized by the Inter-American Institute for Cooperation on Agriculture (IICA). The forums seek to raise the voices of rural youth and assist in tearing down the barriers that hinder their development in rural areas.

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

Spread of the pandemic exacerbates inequalities and poor nutrition in Latin America

Brought together by the Joint Summit Working Group of the Organization of American States (OAS), representatives of multilateral organizations analyzed the main effects of the global health crisis on the agrifood chain and the measures implemented by countries to bridge existing gaps, which are worsening.

During the virtual meeting, the Director General of the Inter-American Institute for Cooperation on Agriculture (IICA), Manuel Otero, discussed the impact of Covid-19 on food security, value chains and intraregional trade. The virtual dialogue also provided an opportunity to assess the situation that Latin American and Caribbean countries are facing with respect to food security and the strategies that countries will adopt to overcome the crisis.

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

Mexico's agricultural exports rise during the first four months of the year

Aristóteles Vaca Pérez, specialist in agroindustry, underscored the fact agricultural exports increased during the first four months of the year, totaling close to 1.8 billion dollars.

Exports of agricultural goods increased by 6.4% compared to the same period last year. Vaca Pérez noted that pork and milk were the main livestock products exported. <https://bit.ly/3hYlkZc>

Foreign exchange strategy adopted by Argentina's government may impact agriculture and facilitate imports

An anti-inflationary fiscal policy, or a simple coincidence? The Central Bank slowed down the devaluation of the *peso* in the wholesale market. The dollar had been rising 9 cents per day, but during the last two days of the past week, it increased by 6 cents per day, meaning that the daily devaluation rate shifted from 0.13% to 0.08%. The lower devaluation rate will impact agriculture and is already facilitating imports. <https://bit.ly/2N2NKhl>

2020 World Dairy Summit suspended in Chile

The Office of Agricultural Studies and Policies (ODEPA) of the Ministry of Agriculture announced that, following an analysis and review process, the National Committee of the International Dairy Federation (IDF), comprised of the Ministry of Agriculture and dairy sector stakeholders, decided to suspend the World Dairy Summit, which was scheduled to take place in Puerto Varas, from 8 to 11 November 2021.

<https://bit.ly/2Y5GqaQ>