

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>

14,342,450

Confirmed cases of
Covid-19 in the
Americas



Countries



Highest number of
cases in the
Americas:

USA (6,334,158)
BRA (4,162,073)
PER (691,575)
COL (679,513)
MEX (642,860)

Analysis and scenarios

The latest from the IICA Blog:

[Virtual dialogue: Challenges for the agrifood sector in the Americas and horizontal cooperation in the aftermath of the pandemic](#)

Agriculture is a **crucial** sector for humanity; however, it is important to increase its **sustainability**, foster greater **digitalization** within the sector, as well as drive commercial and productive **innovation**. These efforts will contribute to attracting the **younger generations** to this activity.

****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. The views expressed herein are not necessarily the opinion of the Institute, but a reflection of developments worldwide.*

“The current pandemic has provided greater recognition for the sector, which we must maintain. One can play with many things in life, but not with health or food. The population has a greater appreciation for the sector”, stated the Minister of Agriculture, Fisheries and Food (MAPA) of Spain, Luis Planas, in a high-level virtual discussion with Manuel Otero, Director General of the Inter-American Institute for Cooperation on Agriculture (IICA).

“We must produce sufficiently, both **quantitatively** and **qualitatively**, to feed a growing world population, but at the same time to do it in such a way as to not harm the only planet we have. We need **modernization** and **data use**; we must figure out how to make mechanisms for irrigation, fertilization and phytosanitary control more effective. This is all aimed at having more **natural, organic food**, which is a trend among a lot of young people”, added Planas.

The Minister agreed with the Director General of IICA that one of the biggest challenges facing the sector is how to **attract the youth to agriculture**. This requires more **education** as well as more **digitalization** and **connectivity**, in order to make this activity more attractive and profitable for the younger generations.

With respect to **technology** and **generational continuity**, Manuel Otero offered the vision of Latin America and the Caribbean. “That region holds the key to rekindling the love affair between the youth and agriculture; if this does not happen, the problems we are experiencing could get worse. The Americas is a hemisphere with a demographic advantage that it must take advantage of. They are the future; without them agriculture will not evolve”.



Planas and Otero agreed to **build a bridge**, via IICA, that would create **networks between professional youth** in the Americas and Europe, for sharing knowledge and experiences through exchange programs and internships.

Other **areas of horizontal cooperation** foreseen by Minister Planas during the virtual discussion, in which Spain has broad experience, were **agricultural insurance, efficient use of water, associativity and cooperativity**, as well as strengthening the **negotiating capabilities** of the producers to obtain better prices.

Find out all the details in this week’s post by Luis Planas, Minister of Agriculture, Fisheries and Food (MAPA) of Spain, and Manuel Otero, Director General of the Inter-American Institute for Cooperation on Agriculture (IICA). <https://bit.ly/3hnH3TP>

Full dialogue available at: <https://bit.ly/2Fp9xil>

This week's graph

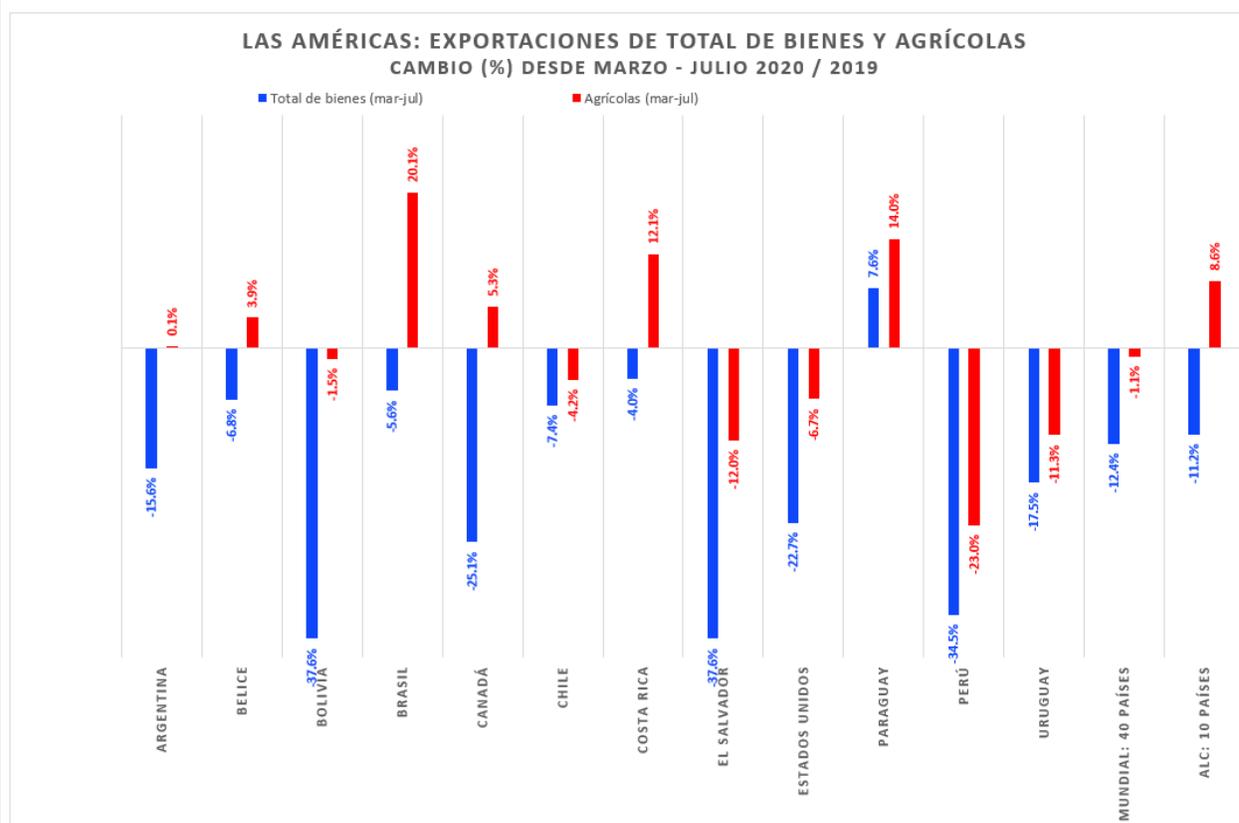
Monitoring trade and its impact on the sector during Covid-19: **Which countries in Latin America and the Caribbean are setting the bar for global agricultural trade during the Covid-19 pandemic?**

Five Latin American and Caribbean countries continue to **set the bar for global agricultural trade, having increased their agricultural exports** by 13.6 percent during the five months of the COVID-19 pandemic, compared to March-July 2019, for a total of USD 77.8 billion: Brazil, Paraguay, Costa Rica, Belize and Argentina.

This outstanding performance of the agrifood sector is in stark contrast to the 11.2 percent **drop in total exports of goods experienced by those countries during the abovementioned period**. At the global level (40 countries), agricultural exports fell by 1.1 percent and total exports of goods by 12.4 percent. However, figures vary greatly **between exporting countries, export destinations, and export products**.

China remains the top destination market while **Brazil** is the top soybean and meat exporter. Although the **United States** has lost some of its soybean market share in China, it has improved its market share for other products.

Read the full article at: <https://bit.ly/2DKydl3> in the #IICABlog.



Source: IICA (CAESPA) with data from the Data Trade Monitor (consulted on 8 September 2020).

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>Argentina: family farming plan is launched</p> <p>The government of Argentina launched a new investment plan for the 2020-21 period worth more than 12.78 billion <i>pesos</i>, which will be geared towards strengthening the family farming sector. Family farming produces 62% of the food consumed in the country and accounts for 54% of rural employment. Eighty percent of these investments and initiatives will be carried out with funding from multilateral organizations. https://bit.ly/2R7vo0F</p>	<p>Bolivia: Rise in soybean prices affects pork and chicken producers</p> <p>According to newspaper <i>El Deber</i>, the price of soymeal has increased by 28% since January, negatively impacting pork and chicken producers, given that soymeal represents 15% to 20% of their total production costs. The poultry sector in particular demands more than 680 thousand tons of soymeal. In addition to this increase in costs, the sector has been affected by a decrease in demand, due to the impact of the pandemic on consumer income. https://bit.ly/3k2DvYA</p>
<p>Brazil: rice production expected to reach 12 million tons</p> <p>According to the National Supply Company (CONAB), rice production during the next harvest (2020/21) is expected to reach 12 million tons, which represents a 7.2% increase compared to the previous harvest. The Ministry of Agriculture, Livestock and Supply of Brazil is working to maintain the company's internal supply and lower the price of rice in the country. Based on its monitoring of the sector, the ministry does not foresee any rice shortages in the country. https://bit.ly/2FilcOY</p>	<p>Colombia: more than \$234 billion allocated to the agriculture sector in 2020</p> <p>According to data from the Ministry of Agriculture and Rural Development, this year, amidst the pandemic, the government has allocated more than \$234 billion to various support programs for the purchase of agricultural inputs, the transportation of perishable products, the purchase of machinery, the storage of rice, and other funding opportunities to support different chains, such as cotton and corn. https://bit.ly/3m6qKhD</p>
<p>Honduras: coffee production to reach 6.8 million bags by 2020-21</p> <p>In its report on the coffee market for the month of August, the International Coffee Organization estimates that Honduras will produce 6.8 million bags of coffee during the 2020-21 harvest, representing a 7.2% decrease compared to the previous harvest. According to <i>La Tribuna</i>, low prices and labor shortages, among other factors, have discouraged farmers from harvesting coffee. https://bit.ly/3k2qD4W</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.

WTO continues supporting developing countries affected by the pandemic

The WTO Committee on Trade and Development is highlighting the work that member countries are carrying out within the framework of the Aid for Trade work program. This initiative seeks to foster more connected and sustainable trade, as well as increase trade integration and economic development in response to the impact of the pandemic on exports of goods and services. <https://bit.ly/32dJkMF>

Colombia fosters economic reactivation strategies to accelerate trade

Colombia is implementing trade promotion actions as part of its strategy to improve international trade, by establishing trade relations with new commercial partners and expanding its market. Companies from different sectors, including agriculture, are working to identify new commercial opportunities and improve their exportable supply to expand their market presence and improve their participation in international markets. Efforts are also being undertaken to strengthen the institutional framework to support companies' supply and continuous participation in markets. <https://bit.ly/3m53ocf>

WTO: agriculture shows resilience in the face of economic and trade forecasts

According to a report by the WTO on the sector's response to Covid-19, the pandemic generated a wide range of trade responses to the uncertainty with respect to food supply (to protect health) and food security, some more restrictive than others. Some measures adopted have been related to health, tariffs and taxes, while others have established provisions for the labelling of products and economic relief in countries throughout the Americas. Paraguay, for instance, has established measures to provide support via inputs, credit opportunities and improved technologies for productivity. Transparency, which involves informing trade partners of the measures that are being implemented in response to the crisis, is crucial for food security, because it prevents price speculation and allows for anticipating trade flows. Despite increases at the global level during June, prices are expected to exhibit a downward trend. <https://bit.ly/3mgVf4C> ; <https://bit.ly/33i8mJW> ; <https://bit.ly/3k242oV>

Agricultural exports from Mercosur increased by 8.7% as at July 2020

As at July 2020, Mercosur's agricultural trade with other regions had increased by 8.7%, according to data by IICA. Brazil is leading sales, accounting for 14%, while Uruguay's sales have dropped by more than 10%. On the other hand, trade between member countries of Mercosur increased by 2.37% during the same period, with Paraguay accounting for the majority of exports (36.8%). The trade bloc's leading partners are Argentina and Brazil, with stellar products such as food industry by-products, as well as fats and oils. Paraguay and other Mercosur member countries also form part of other integration schemes such as the Latin American Integration Association (ALADI).

This country also takes part in other preferential trade schemes such as free trade agreements, the Generalized System of Preferences, among others, which account for 86% of its exports, according to data from the country's Ministry of Finance. <https://bit.ly/35khhgz>

Virtual business roundtable: “An opportunity for economic recovery”

In late June, a **virtual business roundtable** was carried out to promote the business networks of small and medium-sized enterprises in the agrifood sector by means of virtual tools and platforms that will enable them to drive their recovery. **Daniel Rodríguez**, Manager of IICA's International Trade and Regional Integration Program, described the **main results and next steps**.

1. How did the idea to launch virtual business roundtables come about?

- We were seeking to foster trade linkages between companies in the agrifood sector, to help them consolidate or diversify their export markets in order to speed up their economic recovery after Covid-19.

2. Who can participate in these virtual business roundtables?

- Latin American and Caribbean companies that market agrifood products for free can participate in the virtual business roundtables.

Among the agrifood sector products that are being promoted through the activity are meat, dairy products, honey, animal or vegetable fats and oils, fruits and vegetables, basic grains and cereals, coffee, cocoa, nuts, instant and pre-cooked foods, drinks made with natural juices, carbonated drinks, snacks and appetizers, bakery and pastry products, as well as sauces and condiments.



Daniel Rodríguez, Manager of the International Trade and Regional Integration Program

3. The first virtual business roundtable was already held. Could you share the main results?

- A total of 574 companies participated in the first edition and 1,017 meetings were held. We achieved a purchase intention of USD 4.68 million.

3. Will more virtual business roundtables be held?

- The second virtual business roundtable will be held from 28 September to 2 October.

To participate, you must register in SIECA's Central American Trade Network

<http://www.redca.sieca.int>, complete your business profile and request to participate. You may register from 7 September to 2 October.

5. Who launched this initiative?

-This is a joint initiative of the Inter-American Institute for Cooperation on Agriculture (IICA), the Secretariat for Central American Economic Integration (SIECA), FAO Mesoamerica and the Latin American Integration Association (ALADI).