

Thursday, 22 October 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>

# 19,078,313

Confirmed cases of  
Covid-19 in the  
Americas



## Countries



Highest number of  
cases in the  
Americas:

USA (8,308,971)  
BRA (5,273,954)  
ARG (1,018,999)  
COL (974,139)  
PER (874,118)

## Analysis and scenarios

### The latest from the IICA Blog:

#### [The new normality of the rural world](#)

Rural women constitute one quarter of the world's population. Several gaps in the rural sector prevent us from achieving gender equality. For example, less than 20% of the world's landowners are women. In rural areas, the gender wage gap is 40%.

*\*\*\* 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.*

There are also digital gaps that create additional obstacles to achieving gender equality, by depriving women of information that could improve their decision-making with respect to production, trade and use of financial services, as well as participation in social and political organizations.

In commemorating the International Day of Rural Women on October 15, those of us in the social sector have been reflecting, in a bid to identify certain areas of opportunity – ensuring a consistent and specific focus on gender-related matters, as well as on development, which respects the identity of indigenous peoples and the inclusion of the Afro-descendant community, the disabled and LGBTQ+ people.

These areas include employment, health, social protection, child development, education, pensions and migration.

Some of these areas of opportunity have a common denominator – the lack of infrastructure and access to information and communication technologies. Digitalization in the region is an important step to bridging these gaps and attaining development in Latin America and the Caribbean.

To further explore this issue, I invite you to join us for a presentation of the study, [Digital Rural Gender Divide in Latin America and the Caribbean](#)”, which was undertaken by a team of researchers from the University of Oxford, with the support of the Inter-American Development Bank, the Inter-American Institute for Cooperation on Agriculture and the International Fund for Agricultural Development, in Commemoration of the International Day of Rural Women.

Find out all the details in an article by **María Caridad Araujo**. *As the lead economist in the Social Protection and Health Division of the IDB, she has also worked on child development and poverty alleviation programs. She was a Professor at Georgetown University and was employed to the World Bank. Ms. Araujo has a Doctorate in Agricultural Economics and Natural Resources from the University of California, Berkeley.* <https://bit.ly/3jevxe5>



*María Caridad Araujo, Head of the Gender and Diversity Division of the IDB.*

## 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><b>Brazil: delays in the planting of soybean crop may affect corn and cotton production in 2021</b></p> <p>The magazine, Revista Globo Rural, has reported that the main soy producing regions of Mato Grosso, Paraná and Rio Grande do Sul are delaying the planting of the soybean crop, as they await increased rains. This has created some concerns, as it could affect the corn and cotton harvest and compromise the quality and output of the soy crop.</p> <p><a href="https://glo.bo/3odoeHg">https://glo.bo/3odoeHg</a></p>	<p><b>Colombia: Ministry of Agriculture approves budget to assist potato producers</b></p> <p>The Ministry of Agriculture and Rural Development has allocated \$30 billion pesos to further the development of the Program <i>Apoyo a la Comercialización de Papa en Fresco</i> (Support for the Fresh Potato Trade), which offers a direct financial incentive to small farmers who grow this tuber and who have been affected by the price situation and the over-supply caused by the pandemic.</p> <p>The initiative aims to assist close to 23,000 potato small farmers. The program will be rolled out in three phases, starting on 1 November and ending on 15 December, under the supervision of the Colombian Mercantile Exchange.</p> <p><a href="https://bit.ly/37u1BII">https://bit.ly/37u1BII</a></p>
<p><b>Ecuador: Ministry of Agriculture to create trust to subsidize the agriculture sector</b></p> <p>The newspaper, El Comercio, reports that the Ministry of Agriculture (MAG), with the support of the Ministry of Finance, will be establishing a trust fund to subsidize five percentage points of the interest rate on agricultural loans.</p> <p>The initial fund will be for USD 4 million and the expectation is that it will take effect within a month. According to El Comercio, producers will be able to access loans at interest rates of less than 6% for genetic improvement and irrigation. Actions will be coordinated by the National Finance Corporation.</p> <p><a href="https://bit.ly/2TdbYrY">https://bit.ly/2TdbYrY</a></p>	<p><b>Honduras: 10% contraction in economic activity in August</b></p> <p>Data from the Monthly Economic Activity Index (IMAE), prepared by the Central Bank of Honduras (BAH), indicates that there was an accumulated variation up to August 2020, with a 10% drop in the original series, in terms of the national production of goods and services. On the other hand, the interannual variation was -8%.</p> <p>In terms of agriculture, livestock rearing, forestry and fisheries, the sector experienced a 1.7% decline (-0.5% vis-à-vis August 2019), according to BCH data. The fall-off was due to decreased agricultural production, particularly coffee, banana, cantaloupe and watermelon.</p> <p><a href="https://bit.ly/37t58qP">https://bit.ly/37t58qP</a></p>

**Mexico: downturn in economic activity; estimates project 7.9% and 6.9% decline in August and September**

The National Institute of Statistics and Geography (INEGI) presented a new economic activity indicator—the *Indicador Oportuno de la Actividad Económica*, IOAE (Timely Indicator of Economic Activity)—which generates timely estimates of the evolving Global Indicator of Economic Activity (IGAE). The results of this new indicator will be released one week before the data of the IGAE is published.

The IOAE is estimating a variation in the Global Economic Activity Indicator (IGAE), with an annual contraction of 7.9% for August 2020 and 6.9% for September.

<https://bit.ly/2TgSuTC> and <https://bit.ly/35klqzj>

**Peru: moratorium on entry and production of transgenics extended to 2035**

El Comercio reports that the Peruvian Congress has approved an extension of the moratorium on the entry and production of living modified organisms (LMOs, also known as transgenics) up to 2035, with a view to “developing an infrastructure and generating baselines with respect to native biodiversity, which will allow for a proper assessment of activities to release LMOs into the environment”.

The newspaper reports that there are divided opinions within the sector in response to the measure.

<https://bit.ly/3dMie3p> and <https://bit.ly/2TgR8bu>

## 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.

### Roundtable for the agrifood sector generates USD 11 million of expected business

The II Business Roundtable for the Agrifood Sector doubled the level of expected business from the first edition earlier this year. A total of 374 participating companies from 22 Latin American and European countries promoted the trading of 16 products, for example, coffee, fruits and vegetables, basic grains, cocoa and chocolate, which were some of the most represented commodities. Of the businesses, 34% are women-led and 11% are managed by individuals under the age of 30. This attests to the capacities of young people and women in agribusiness, which should be further strengthened, while taking into account that 25% of the entities are family farming businesses. This SIECA-FAO-ALADI-IICA initiative is vital, given the efforts for economic reactivation amidst the Covid-19 pandemic.

<https://bit.ly/3obu5Nn>

### Paraguay: corn shipments decrease, but soybean exports could reactivate the economy

Between May and September 2020, grain exports fell by 51% compared to the same month last year, due to a reduction in the exportable supply as well as logistical delays resulting from the pandemic. The primary destinations of shipments were Brazil (65%), Uruguay (7%) and Saudi Arabia (5%). On the other hand, international demand for soybeans has increased, as have exports. Compared to the first nine months of 2019, exports of this product grew by 25% in value and 27% in volume. Shipments to Brazil, Argentina and Uruguay have increased. By 2021, the product could play a key role in economic recovery, provided that demand increases, yields are similar to this year's harvest, and rainfall levels are adequate.

<https://bit.ly/3ob3i3H> ; <https://bit.ly/31tQGes>

### Brazil temporarily eliminates tariffs for the purchase of soybean and corn

In September of this year, the Brazilian government also suspended tariffs on rice with a quota of up to 400,000 tons, in an effort to stabilize prices. The temporary tariff suspension for soybean and corn will remain in effect until January 15 and March 31 of next year, respectively. This provision, which applies to products imported from non-Mercosur countries, seeks to maintain a balanced supply in the domestic market. Although supplies will increase, the country will not lower prices.

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

### Chile and India will strengthen trade agreement through new opportunities for agriculture

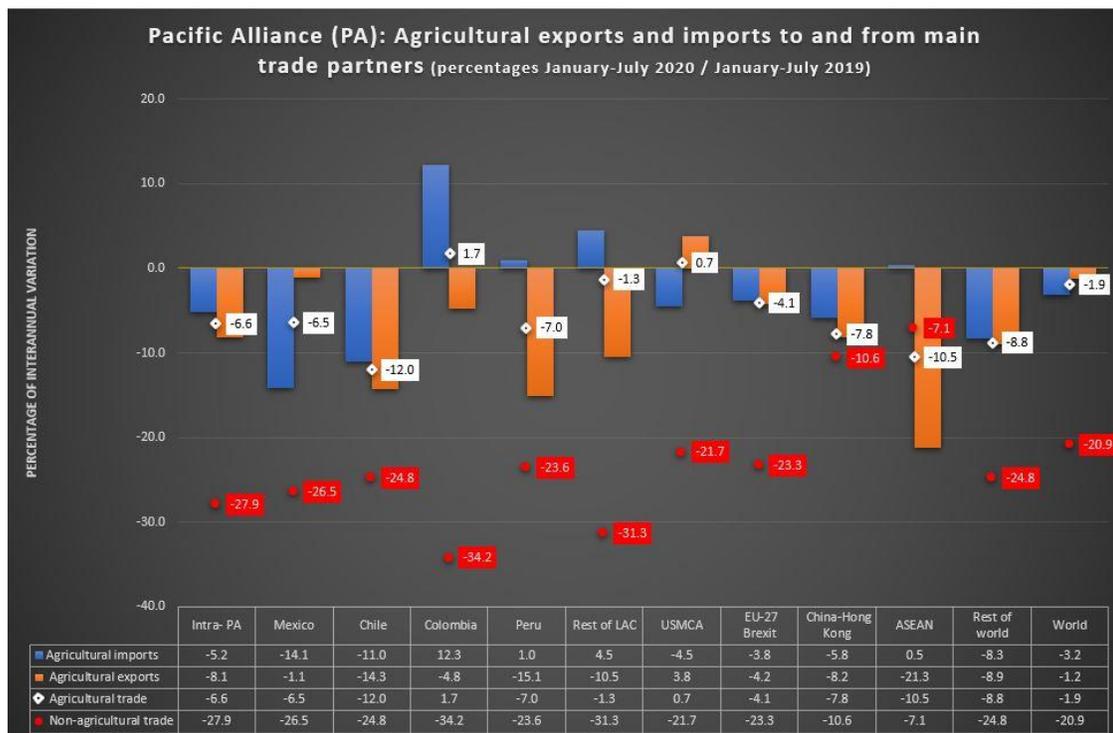
The trade agreement between Chile and India entered into force in 2007; however, there are still numerous untapped opportunities for trade and investment, especially during the post-Covid-19 economic recovery process. Authorities from both countries have agreed to strengthen bilateral trade and cooperation in several areas, including agriculture. In recent years, mineral exports have remained active, while agricultural exports have decreased. For instance, during the first 8 months of 2020, trade in these goods dropped by 8%. However, exports of some products, such as vegetable and fruit preparations, vegetable or animal fats and oils, and food preparations did experience significant growth. <https://bit.ly/35kl4I7>

## Pacific Alliance sources food from Latin America and the Caribbean during the pandemic

Extra-regional agricultural imports by the Pacific Alliance (PA) fell for all trading partners (dropping 3.2 percent to USD 25.2 billion), with the exception of imports from Latin America and the Caribbean (which excludes PA member countries). Imports from these regions increased by 4.5 percent, reaching a total of USD 5.1 billion.

The USD 221.9 million increase is largely explained by an increase in the Alliance's rice imports (USD 137 million), mainly from Brazil, Paraguay, Uruguay and Ecuador. Similarly, soybean imports, especially by Mexico and Chile from Brazil, increased by USD 91.3 million, whereas sugarcane imports by all PA member countries and mainly from Brazil, Guatemala, Colombia, and Nicaragua, increased by USD 58.6 million, ranking third in importance. PA imports from Latin America also increased for ethanol (106 percent), milk and cream (193 percent), vegetables (279 percent), and corn (6 percent), among other products.

Extra-regional agricultural imports from Latin America and the Caribbean represented 20.7 percent of total agricultural imports between January and July 2020, an increase of 19.1 percent compared to the same period in 2019 and 18.6 percent compared to the same months in 2018.



Find out all the details in this week's post by **Joaquín Arias**, *International Technical Specialist at IICA's Center of Strategic Analysis for Agriculture (CAESPA)*, available on the #IICABlog at <https://bit.ly/3jnwHUK>.

## Digital exclusion: an obstacle that hinders rural women's work

In most Latin American and Caribbean countries, rural women are the group that is least connected to Information and Communication Technologies (ICTs), reveals a study carried out by the University of Oxford with support from the Inter-American Institute for Cooperation on Agriculture (IICA), the Inter-American Development Bank (IDB) and the International Fund for Agricultural Development (IFAD).

### DIGITAL RURAL GENDER DIVIDE IN LATIN AMERICA AND THE CARIBBEAN



The study was overseen by Italian social scientist Valentina Rotondi, based on data from the Gallup World Poll, information on the countries and digital trace data from Facebook, in 17 out of the 23 countries analyzed.

One of the results of the study was that, compared to their male counterparts, women are less likely to report that they own a mobile phone. Low-educated women living in rural areas are also the least “connected” group.

Fewer women than men report owning a mobile phone. However, this varies between rural and urban areas. Characteristics such as gender and location of residence interact with each other producing multiple layers of disadvantage for women living in rural areas.

The topic of this study is particularly relevant amidst the Covid-19 pandemic, which has accelerated changes in production methods and marketing networks for all types of products, such



as food and other goods supplied by rural areas.

Presentation of the study at: <https://bit.ly/3ogxuKL>