

Wednesday, 2 December 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>

# 27,278,279

Confirmed cases of Covid-19 in the Americas



## Countries



Highest number of cases in the Americas:

USA (13,783,886)  
BRA (6,386,787)  
ARG (1,432,570)  
COL (1,324,792)  
MEX (1,122,362)

## 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).

#### Brazil extends stipulated period for adoption of new beer production standards

Due to the decline in domestic consumption of beer, as well as obstacles created by the pandemic, Brazil's Ministry of Agriculture, Livestock and Supplies (MAPA) has extended to one year the time period for breweries to adopt new quality and identity standards, which include production classification and denomination and prohibited ingredients, while also establishing labelling standards for beer. <https://bit.ly/39xd2R7>

#### Chile: economic activity declined 1.2% in October

According to a report by the Central Bank of Chile, the monthly economic activity index (IMACEC) recorded a 1.2% decrease in October in comparison to the same period in 2019. The seasonally adjusted series showed a 0.5% decline compared to the previous month and an accumulated decline of 0.9% over 12 months. Economic activity was affected by the pandemic, which curtailed the movement of people and the normal functioning of production establishments.

<https://bit.ly/2L1MgGg>

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| <p><b>Colombia: value of coffee harvest has climbed to 8.7 trillion pesos (20-year record high)</b></p> <p>According to data provided by the Ministry of Finance at the launch of the National Congress of Coffee Growers, coffee has contributed significantly to the Colombian economy. This year, the value of the coffee harvest has reached unprecedented levels.</p> <p>A report by daily newspaper, El Tiempo, states that data from the National Coffee Federation (FNC) indicates that the value of the harvest has climbed to 8.7 trillion pesos, its highest in 20 years. The Congress also pointed out that this year also saw a 15% increase in domestic consumption of the production.</p> <p><a href="https://bit.ly/2l1G8fW">https://bit.ly/2l1G8fW</a> and <a href="https://bit.ly/3lBPfl7">https://bit.ly/3lBPfl7</a></p> | <p><b>Honduras: 9.5% falloff in economic activity (accumulated value as at quarter 3)</b></p> <p>A Central Bank of Honduras report has revealed that economic activity in the country (calculated by way of the Monthly Economic Activity Index, IMAE), registered a 9.5% accumulated decline, due to the impact of the pandemic and the restriction measures that were imposed.</p> <p>On the other hand, activity in the Agriculture, Livestock, Forestry and Fisheries sector fell 3.1%, given the decline in the production of coffee, cantaloupes and watermelon.</p> <p><a href="https://bit.ly/3nBpgM7">https://bit.ly/3nBpgM7</a></p>   |
| <p><b>Mexico: 12.1% increase in GDP in the 3<sup>rd</sup> quarter</b></p> <p>Figures from the National Institute of Statistics and Geography (INEGI) confirm that there was a 12.1% increase in GDP during the 3<sup>rd</sup> quarter of 2020 vis-à-vis the previous quarter. The annual comparison (3<sup>rd</sup> quarter of 2019) showed an 8.6% contraction in the GDP.</p> <p>On a component basis, the GDP of primary activities (agricultural), increased 8% over the previous quarter and 7.4% over the equivalent quarter in 2019.</p> <p><a href="https://bit.ly/37vTcTp">https://bit.ly/37vTcTp</a></p>  | <p><b>Dominican Republic: October brings 4.3% interannual slide in economic activity</b></p> <p>According to a report by the Central Bank of the Dominican Republic (BCRD), monthly economic activity in the country, measured by the Monthly Economic Activity Index (IMAE), saw a -4.3% interannual variation in October. The BCRD expects performance to continue to trend upward in November and December and estimates that at year end 2020, the Dominican economy will show a 6.7% / 6.8% decline in real GDP. On the other hand, activity in the agriculture sector experienced a 0.6% interannual decline in October.</p> <p><a href="https://bit.ly/3lyMYHF">https://bit.ly/3lyMYHF</a></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.

### **Mexico pushes trade with Latin America and the Caribbean**

As a result of a business roundtable organized by the Secretariat of Development (SEDECO) and the Latin American Integration Association (ALADI), 294 virtual business meetings were scheduled for 1 – 4 December 2020. The event sought to assist businesspeople to showcase their products and services to buyers from 12 countries in the Americas. The food and beverage sectors were included in the roundtable. It bears mentioning that of the Jalisco companies that participated in the event, 98 were exporters and 24 were importers, demonstrating that there will be opportunities to conduct business in both directions.

<https://bit.ly/37s1H22>

### **The COVID-19 pandemic has changed European consumption habits**

A survey of 5,000 consumers in 10 European countries concluded that lockdown measures may have ushered in lasting changes in food consumption. The EIT Food report indicated that the pandemic triggered positive habits, particularly around sustainability and health, which represents an opportunity for the agrifood industry. Although 34% of Europeans lost part or all of their income, in general, the population increased its consumption of food. European consumers spend more time in the kitchen, preparing homemade food; they consume a more varied diet; and purchase food in bulk and online. Consumers expect food to become increasingly affordable.

<https://bit.ly/3ltEu4k>

### **Report reveals that the Global Smart Agriculture Market will garner \$29.23 billion**

An Allied Market Research report has stated that the smart agriculture industry was pegged at \$16.74 billion in 2019 and is expected to reach \$29.23 billion by 2027. The sustainable increase in agricultural productivity, climate change and the ease of crop monitoring and harvesting have boosted the growth of the global smart agriculture market. In the context of Covid-19, the lack of laborers, the greater need to improve yield and the disruption in agricultural operations, due to social distancing measures, have increased the demand for smart agriculture.

<https://bit.ly/2Jq0ZKu>

<https://bit.ly/3721Dpp>

### **Goods Barometer signals trade resilience capacity**

According to the WTO's latest Goods Trade Barometer released on 20 November, world merchandise trade appears to have rebounded strongly after plummeting amid the COVID-19 pandemic. The rise was driven by a major surge in exports. However, it is unclear whether growth can be sustained in the future. The recovery was driven by exports of goods and trade in agricultural raw materials. It is worth noting that the increase in the trading of agricultural raw materials was above the trend of the WTO index, which is 100. The index for agricultural products was rated at 103.6.

<https://bit.ly/2JEZU1t>

## From our IICA Specialists

### IICA study proposes 9 recommendations to improve transparency in agricultural trade

Findings of a study carried out by the Inter-American Institute for Cooperation on Agriculture (IICA) proposed nine recommendations to improve transparency in agricultural trade. The results were released during a meeting of the World Trade Organization (WTO) Committee on Agriculture.

The study included the participation of 33 member countries of IICA and the WTO, grouped into five regions, and was conducted during the final six months of 2019 and first six months of 2020.

#### The findings

The countries' recommendations to improve transparency in agriculture and participation in the Committee on Agriculture included greater involvement by the Ministry of Agriculture of each country; political commitment and involvement of the authorities; creation of forums for discussion (possibility of fostering cooperation and experience-sharing among friendly countries) and institutional coordination, as well as support from international organizations and the private sector.

Respondents also referred to the need for technical training and post-training support; the modernization of learning tools; creation of a department dedicated to WTO matters; the fostering of institutional commitment (finding ways to transform individual effort into an institutional commitment that persists even after a staff member has demitted office), while stressing the need to learn by doing.

**Retos y oportunidades de los países del IICA en la participación en el sistema multilateral de comercio: el caso del Comité Agricultura de la OMC**



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