

International Agribusiness Center

Weekly Country Report, July 13-17, 2020

Lindsey Sarbacker, Food Export Intern - IABC



GAINS Reports

US-Japan Organic Equivalency Arrangement Expanded to Include Animal Products – [link](#)

The U.S.-Japan Organic Equivalency Arrangement will be extended to livestock products on July 16, 2020. This arrangement will allow USDA-certified organic animal and processed animal products to be sold as organic in Japan. The U.S.-Japan Organic Equivalency Arrangement has included plant and plant processed products since 2014.

Third-wave of COVID-19 Prompts Nighttime Dining Ban – [link](#)

In view of the recent surge of local COVID-19 cases, the Hong Kong government re-introduced a series of measures to combat the disease outbreak in the city; and for the first time, a ban on nighttime dining will be imposed effective July 15, 2020. The ban will be in place for one week. This measure will be reviewed later to determine whether it needs to continue. The industry estimated that the week-long ban will result in a loss of HKD3 billion (USD386 million).

Panama – Retail Foods – [link](#)

This report provides information to U.S. exporters of agricultural and related products on how to do business with the retail food sector in Panama. The sudden and ongoing shutdown of economic activities in Panama to address the coronavirus (COVID-19) pandemic has forced the sector to adapt and innovate with e-commerce and delivery platforms. In the short and medium term, consumers are expected to stay at home more and consequently eat more meals at home. Panama will continue to be one of the top markets for U.S. consumer-oriented products in Central America.

Jordan - Food for Progress Jordan Success Story - Where Harvesting Every Drop of Water Counts - [link](#)

Since fiscal year (FY) 2012, the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) and the Hashemite Kingdom of Jordan's Ministry of Planning and International Cooperation (MOPIC) have agreed to the supply of U.S. agricultural commodities under the Food for Progress Program (FFPr). Three separate U.S. agricultural commodities donations, benefiting U.S. farmers, total \$54.2 million. These FFPr program allocations have strengthened the relationship with a strategic ally, and free trade agreement partner, in the politically tumultuous Middle East. The FFPr Badia Water Harvesting project (\$4 million) is making a positive return on investment; at 60 percent complete, water is already being collected in the volume of millions of cubic meters.

Colombia Imposes 2 Year Duty on US Ethanol After CVD Investigation – [link](#)

On May 7, 2020, the Colombian Ministry of Trade, Industry and Tourism (MinCIT) issued a final ruling in its countervailing duty (CVD) investigation into U.S. ethanol, placing a \$0.066/kg duty on imported U.S. ethanol for the next two years as compensation. This report summarizes the Colombian ethanol market and the CVD case on U.S. ethanol.

Peru - Food Processing Ingredients – [link](#)



Wisconsin Department of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive, P.O. Box 8911, Madison, 53708-8911

Peru's food processing industry is a dynamic sector of the national economy. The food industry in Peru accounts for almost 24 percent of the industrial GDP and 2019 sales reached \$12.4 billion. U.S.-origin food processing ingredient exports to Peru reached \$206 million in 2019.

Food Processing Magazine

Center-Store Items Still in High Demand – [link](#)

Processors who supply pantry staples are still struggling to meet the surge in demand caused by the pandemic, even with longer production runs, the Wall Street Journal reports. Out-of-stocks for packaged goods in general hit 10% by the first week of July, compared with a usual level of 5% to 7%, according to IRI research quoted in the Journal. Processors who specialize in center-store pantry staples, like soup, pasta, rice and flour, can't keep up with increased demand

How Food and Beverage Companies Will Need To Adjust Strategy Post-Pandemic – [link](#)

Food manufacturers, processors and distributors have seen high demand during the Covid-19 crisis, as consumers strove to keep pantries stocked and refrigerators full to comply with stay at home orders. Yet the situation across the sector is uneven and the industry will face significant challenges as lock-downs are lifted. Many companies will need to rethink their strategy and adjust their focus to meet changing demand in the post-pandemic world.

Food and beverage companies constitute essential businesses, but those serving hospitality and restaurants have experienced significant declines in demand. According to a survey conducted in late April by Clear Seas Research, 53% of food and beverage processors are concerned about supply chain challenges. While that situation stabilized, food and beverage companies will have to adapt to the new normal going forward. As the country reopens, food and beverage manufacturers, processors and distributors will need a come-back strategy. The article outlines several ways companies will need to rethink and redirect their businesses.

FDA Releases 'New Era of Smarter Food Safety Blueprint' – [link](#)

On July 13, FDA Commissioner Stephen Hahn unveiled FDA's "[New Era of Smarter Food Safety Blueprint](#)." It builds on the Food Safety Modernization Act (FSMA) and outlines the approach FDA will take over the next decade. Influenced at least in part by the coronavirus pandemic -- which also caused a delay in finalizing the document -- the plan is centered around four core elements:

1. Tech-enabled traceability
2. Smarter tools and approaches for prevention and outbreak response
3. New business models and retail modernization
4. Food safety culture

Food Prices Edge Up for Second Month – [link](#)

Food prices went up slightly in June, the second straight month of increase, according to the U.S. Bureau of Labor Statistics. The cost of food at home went up 0.7% in June, following a 1.0% increase in May – a state of affairs almost entirely attributable to the pandemic. But that seemingly innocuous increase comprised some bigger swings, both up and down, for specific food categories.

Meat in particular got more expensive, with the price of bacon up 8.1%, hot dogs up 4.9%, beef and veal up 4.8%, and pork up 3.3%

Disclaimer: This list is by no means complete, for more information please refer to the links above.

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Country reports were started in March 2020, as a result of the COVID-19 pandemic

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