

# International Agribusiness Center

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## GAINS Reports

Declining Area Planted May Present Opportunities for US Lumber Exports to South Africa – [link](#)

The production of timber is forecast to decrease by 20 percent to 12.4 million Metric Tons (MT) in the 2020/21 Marketing Year (MY), based on the decrease in area planted, fire damage, pests/diseases, and the slow-down in industry logging rates caused by the COVID-19 pandemic. The area planted to timber is expected to continue its decline to 1.18 million hectares (HA) in the 2020/21 MY, based on the low replanting levels, stringent government restrictions on water licenses and environmental policies restricting plantations in protected areas, and farmers replacing timber with other crops such as citrus, macadamia and avocados. South Africa is a promising market for U.S exports of wood pulp and high quality hard wood used in furniture making. The continued decline in timber area planted may also present opportunities for U.S exports of timber used for structural and industrial purposes if demand increases in the next 5 – 10 years.

Mexico - Front of Pack Labeling Law Verification and Enforcement Timeline – [link](#)

On July 31, the Secretariats of Economy and Health, the Federal Commission for Protection Against Sanitary Risks (COFEPRIS), and the Federal Consumer Protection Office (PROFECO) published an Institutional Agreement to the Federal Register, that establishes timelines for verification and enforcement activities of the NOM-51 Front of Pack Labeling Law. The law was signed on March 27, and will enter into force on October 1, 2020.

COVID-19 Triggers Structural Changes in the German Restaurant Sector – [link](#)

Propelled by COVID-19, Germany's restaurant sector is undergoing structural change. Five trends can be identified: 1) Delivery services will gain importance; 2) Chain restaurants invest in digitalization (apps for customers); 3) Automation in the kitchen and reduction of staff; 4) Chains will raise prices to invest; and 5) Small and independent businesses will be losers of this structural change.

Mexico - Livestock and Products Annual – [link](#)

In 2020, Mexico's livestock production continues to grow and has proven resilient against Mexico's economic recession and pandemic mitigation efforts. Mexico's beef and pork exporters are meeting growing demand for red meat. Pork exporters found new market opportunities in China, as well as continued complying with rigorous market requirements of Japan and South Korea. However, Mexico's beef and pork imports have not been as strong as in years past, declining due to Mexico's economic slowdown and an unfavorable currency exchange rate. In 2020, Mexico's retail meat consumption is driven by household demand for healthier, smaller, and more affordable portions. Retail consumers are switching from more expensive sources of animal protein, such as beef, to more affordable ones, such as pork and chicken, due to employment loss and diminished incomes. Post forecasts 2021 will see a better economic scenario over 2020 after pandemic emergency measures are lifted and economic activities resume.



Netherlands – Coronavirus Continues to Challenge Dutch Mink Farms – [link](#)

The number of Dutch mink farms which have been infected by the coronavirus rose to 27 as of July 31, 2020. While the industry is scheduled to cease operations on January 1, 2024 (pursuant to the Fur Animal Husbandry Act), the Dutch Outbreak Management Team has advised that if there are still new infections after mid-August that the Government consider cleaning up Dutch mink farms in a proactive manner (effectively ending production ahead of the 2024 deadline). The Government has said it will review whether an expedited closure of the industry is necessary, to prevent the spread of coronavirus, at year's end (before mating season begins in 2021). In the meantime, the Government continues to cull mink on infected farms and develop a program through which mink farms can voluntarily terminate their business operations sooner.

### **Specialty Foods Magazine**

Michigan Requires COVID Testing for Agricultural, Migrant Workers – [link](#)

The state of Michigan has ordered coronavirus testing of all agricultural and migrant workers after nearly a dozen outbreaks at farms and food processing plants in the past few weeks, reports *AP News*. The emergency order, issued by the state's Department of Health and Human Services, states that migrant housing camp operators and agricultural employers with more than 20 workers must ensure testing. For the housing camps, new residents must be tested within 48 hours of arrival, be provided separate housing, and then get a second test 10 to 14 days after arrival. Agricultural employers must test both current and new employees, as well as workers with any symptoms or suspected exposure to COVID-19. The testing must be implemented as "soon as practicable" and no later than Aug. 24, according to the order. State grants are available to help mitigate costs.

Support of RESTAURANTS Act – [link](#)

Postmates is urging Congress to pass the RESTAURANTS Act, which would help stabilize the restaurant industry and the farmers, distributors, fishers, wine and beer producers, and distributors the are part of the supply chain. The Real Economic Support That Acknowledges Unique Restaurant Assistance Needed to Survive Act of 2020, which was introduced in May by U.S. Rep. Earl Blumenauer (D-OR), calls for a \$120 billion restaurant stabilization grant program.

### **Food Processing Magazine**

USDA Sued Over GMO Label Rules - [link](#)

A coalition of consumer groups and other opponents of genetically modified organisms in food are suing the federal government, seeking changes to regulations around GMO labeling. **The suit charges** that the label mandated by **the 2016 law** isn't explicit enough with references to "bioengineering" and "bioengineered ingredients." The use of that label isn't mandated until 2022, but some processors are now using it voluntarily.

The lawsuit was filed July 27 in federal court in Portland, Ore., by the Center for Food Safety, Natural Grocers, Citizens for GMO Labeling, Good Earth Natural Foods and others, against the USDA. It seeks to have the language on the label changed to "genetically modified" or "genetically engineered." In addition, the plaintiffs want to overturn a rule stating that GMO ingredients need not trigger the label requirement if they are processed before being incorporated into the final product. They also oppose allowing marketers to furnish GMO information online via a scannable code on labeling.

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