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# THE AFTERMATH OF THE CORONAVIRUS CRISIS AND LESSONS FOR THE AGRI-SECTOR

(The article is discussing Global Problems while often using Africa as a Case Study)

#### FROM KNOWLEDGE TO POWER TO SECURITY!

### Preface;

The Coronavirus crisis brings with it fear, morbidity, and considerable worldwide economic damage. However, the purpose of this manifest is to present reality as it is, and in particular to illuminate the foreseeable future with its business risks and opportunities so that the Agri-Sector can take advantage of it. I wish you a pleasant reading and would like, and appreciate it if you comment and add your 2 cents on this post. Dr. Nimrod (nisraely@biofeed.co.il, WhatsApp +972-542523425)

## **ECONOMICS**

The expected worldwide cost of the Coronavirus crisis is nearly \$3 trillion (source).

By comparison, the economic long-term worldwide effect of the 9/11 attack is estimated to be 'only'**\$ 2 trillion** (source).

There is no question that the above economics will have a long-lasting effect on our lives, business, trade, regulations, economic development, etc.

What interest me is – how will it affect the agri-industry, and more specifically, the fresh produce exports from Africa and elsewhere to premium markets?

## REGULATIONS MAKE THE WORLD GO ROUND, OR STOP!

Now it's clear; regulators control the world's international trade.

When there is a health/trade risk, by a virus, a germ, a fungus or a pest, the Regulator will do his job to protect us and keep our future safe; by prohibiting people and goods movement.

The change from 'normal' mode to 'full stop' may be a heartbeat away!

This is true for times when the Regulator is fighting to prevent the entry of human virus carriers (e.g. Coronavirus) or agricultural guarantine pests.

Regulators know it well, unless you have an effective vaccination or pest control method, your best alternative to fight an epidemic or an invasive pest, is through **quarantine or Import Ban** of any source of danger, may it be people or agri-produce.

#### Coronavirus is the **September 11** of the worldwide bio-security.

On September 11 (2001) – intentionally terrorists got on plans, created horror, death, and economic damage. That changed our view of Homeland Security.

On the Coronavirus crises – unintentionally travelers got on plans, created horror, death, and Worldwide large scale economic damage.

Will that change our view of Bio-Security and the ways to cope with it?

Will we see a *Minister of Bio-Security?* Maybe.

For sure, one can expect that future international flights and trade in fresh produce will have stricter restrictions.

The Coronavirus crisis gives us a glimpse into the future of international trade and freedom of movement of people and goods.

The big question is - How do we prepare, and thrive, in the coming turbulent future we are facing?

I believe the steps forward should be in the following order - analyzing the situation, creating high probability scenarios, and predictions. Next, is setting goals, targets and a work plan of achieving it. Last, is the implementation of the work plan.

## THE CORONAVIRUS OF AGRICULTURE

"Bactrocera dorsalis is a highly invasive species "affecting "over 300 species of commercial/edible and wild hosts... is now found in at least 65 countries, including parts of America and Oceania, and Africa sub-Saharan countries..."

"The potential risk of its introduction to a new area is facilitated by increasing international tourism and trade... After introduction, it can easily disperse as it has a high reproductive potential... a rapid, dispersal, ability and a broad host range."

"The economic impact would result primarily from the loss of the export markets, and the costly requirement of quarantine restrictions and eradication measures."(CABI)

It is clear, *Bactrocera dorsalis* is not an ordinary pest. It affects the economics of fruit and vegetable growers, more than any other pest.

It is the #1 fruit pest in the world and the most invasive. Hence, on the top list of national and international quarantine organizations.

## DANGEROUS RESEMBLANCE

## Coronavirus for humans = Bactrocera dorsalis for fruits/vegetables

Key characteristics -

Characteristics	Coronavirus	Bactrocera dorsalis
Endanger	People	Fruit/vegetable crops
Terminal	1%-5% Death	30%-80% Infestation
Expected duration	1-2 years	Decades
Spatial dispersion	Global	Asia, Africa, America
The intensity of infections (per country)	> 0.01% (China)	100% of orchards having susceptible crops (Africa/Asia)
Spreads	exponential *	exponential *
Exclusion	The entire population	Export ban (per crop)
Economic damage	Billions USD	Billions USD

<sup>\*</sup> Coronavirus is transferred by humans that on average transfer to 2 others. *Bactrocera dorsalis* infection is transferred (i.e. reproduced) by each female fly to tens of fruits.

## **REGULATION IS THE KING**

**CORONAVIRUS** - All countries first hesitated how to deal with the Coronavirus, but later realized that the best immediate action is: *isolation and quarantine of any potential source of Coronavirus carriers*.

The isolation instructions come directly from the state's top regulator, which is the Parliament and executed through the head of the country, i.e. PM or President, and his Ministers.

**FRUIT FLIES** - are already subject to massive regulations, including export ban and severe quarantine requirements.

However, these regulations are known to be somehow "flexible". They allow export to continue even after repeated interceptions of produce infested by the quarantine pest.

Hence, fruit flies, and especially *Bactrocera dorsalis*, continue to expand to 'new' territories and bring enormous destruction wherever it arrives.

## **FORECAST**

In light of the Coronavirus crises, one can expect that quarantine regulations will be imposed on any person, produce or goods that may pose a hazard to the introduction of invasive disease or pest.

Agriculture is no exception to the role. Regulators active in the agri-sector will eventually decide or forced to adopt a stricter line of quarantine.



## ZERO TOLERANCE

The 'new approach' will resemble the stricter "zero tolerance" line towards the ability of people to travel between regions or countries while they are sick (even if unaware), or suspected of being sick.

It is likely that in the future we will not be able to board a plane without a health certificate. Probably it will become the responsibility of the traveler to obtain and present a *Certified Health Form* from a qualified and certified source.

## **GatesNotes**

SIGN UP

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Eventually we will have some digital certificates to show who has recovered or been tested recently or when we have a vaccine who has received it.

Of course, this would be in addition to advanced technological means at the entrance of countries, to identify potentially sick people.

Similarly, the *Plant Protection and Inspection Services* authorities are expected to adopt a stringent and stricter regulation, especially for imported fresh produce.

Furthermore, future bio-security inspections will be more diligent and approach towards non-compliance will be far less forgiving.

## **FUTURE LOSERS**

For 1-2 years following the crisis, one can expect to see a decline of the World Bank investments in developing countries, and the same trend with other banks and donors.

Markets may shrink, as people will have less available money. Hence, the competition between exporters and fruit traders will be fierce.

It will take a while, but *Investigative Committees* will be established in many countries. They will probably recommend preventative measures to avoid future disastrous cases, e.g. Coronavirus, of bio-security.

It is clear that anyone who will be unable to meet future regulations will find himself outside the international trading market.

Those are very bad news for countries that today are unable to adequately control fruit flies and/or other quarantine pests. Unfortunately, for such countries, they may find themselves under strict Export Ban in a short while.

**IMPACT**: Premium markets, of developed countries such as Europe, China, and the United States may place stringent quarantine requirements from exporting countries, including a demand to provide a continual proof of their ability to export fresh produce, which will be totally, and unquestionably, **free of quarantine pests**, in addition to the zero-chemical residues demand.

## **FUTURE WINNERS**

Yes, as usual, any problem like the Coronavirus crisis will also create OPPORTUNITIES and WINNERS.

OPPORTUNITIES take place where there is CHANGE.

The Coronavirus crises bring about a huge change in all aspects of our life.

This change will probably affect international business and trade for decades to come!

Among others, it will create opportunities for disruptive business structures, technological solutions, protocols, and channels.

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Please stay focus on the next part, as it encapsulates the potential upside for fresh produce exports!

One of the measures will include demand for "Prohibition of entry to the country of people, and fresh produce unless there are evidence and a certificate showing that they are not carrying any quarantine disease/pest".

**WINNERS** - will become those who will be able to provide a **certificate of biosecurity** i.e. free of quarantine pests, free of chemical residues, and have the topquality produce.

They will gain smooth entry to the International Premium Markets and get a high price – reword of their efforts.

## **BENEFICIARIES**

Who will benefit from the coming changes?

Anyone who will understand the opportunities that this unfortunate situation brings with it can benefit.

Here is a shortlist of potential beneficiaries:

#### **AGRI-TECH COMPANIES**

that will provide education and **field-proven** technological solutions for the strict regulatory requirements.

#### SERVICE AND KNOWHOW PROVIDERS who will -

- (a) provide adequate **protocols** accepted by the regulatory authorities in the premium markets,
- (b) have the ability to implement such protocols, and
- (c) provide certification for standing up for the required demands.

#### **COUNTRIES** that -

- (a) will create the environment to grow and export fresh produce free of quarantine pests,
- (b) will actively support chosen pest control services providers that can assure the export quality of the produce
- (c) will provide the importing countries the trust, reliability, and comfort they need to enable an uninterrupted, continuous export.
- \* Please note that the attempt to certify the **entire state** as *Free of Quarantine Pests* is doomed to failure. It is therefore advised to start by certifying limited area/s as free of the main quarantine pest, e.g. *Fruit Fly Certified Trade Zone*.

#### **FARMERS**

who qualify for inclusion in the *Certified Trade Zone initiative* will gain access to export markets and therefore will significantly increase their income.

## FRUIT FLY CERTIFIED TRADE ZONE

Fruit flies are the number one reason for the inability to export fresh produce. Therefore, THE FOCUS should be on enabling farmers to export without the fear of fruit fly interception.

That move will create the highest and fastest return on investment (ROI) for stakeholders and will bring prosperity and economic success.

Countries that will overcome the regulatory hurdle will soon turn into *Export Centers* for high-quality produce. Those *Export Centers* will expand and in the future will provide much of the global demand of a specific crop/s.

It is my personal belief that inter-dependency and cooperation between countries is a proper direction that will encourage multi-national cooperation to invest and will decrease the tendency of armed wars or trade wars or any other kind of conflict between countries. We will see more economic international cooperation, and dependency, which in turn will bring more peace and prosperity to all.

\* The article was later published by <u>Agriculture Today</u> and <u>Farmers Review Africa</u>.

Let me know what you think - <u>nisraely@biofeed.co.il</u> or text me +972-5423425 (WhatsApp).

For a greener world Free of sprays Full of joy

See you soon, Nimrod



Biofeed
Better produce...
Better income...
Better future...

#### P.S.

Biofeed offers a Package to mitigate the Root Causes of the Main Problems – (a) the *FreeDome*, to assure effective fruit fly control, and (b) *Fruit Fly Certified Trade Zone* to enable regulators, exporters, importers and farmers alike to gain mutual trust, confidence and peace of mind in their present and future.

#### P.P.S.

In 2020 we will start in two countries two area-wide, high-level, multidiscipline *Fruit Fly Certified Trade Zone* projects.

Now is the time to contact us and make sure your country will be included in the *Fruit Fly Certified Trade Zone* project in 2021.

#### P.P.P.S.

FOLLOW me on **LinkedIn** for many more posts and updates.

#### P.P.P.S.

Now you can find the historical series <u>The Agricultural Gap</u> on <u>YouTube</u>. The 11,000 years history from the Agricultural Revolution to the Agri-industry Revolution.

The series is still in progress with more chapters to come. SUBSCRIBE for updates and new chapters.

#### P.P.P.P.S.

Available and free of charge is access to our Weekly EMAILS library.

Change Begins With A Decision
That The Existing Reality Is A Choice
And Not A Decree Of Fate