Market opportunities and impacts of COVID-19 on short supply chains of agroforestry products in Nicaragua and Costa Rica

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What did we want to know?

COVID 19 context

Changes in the interaction between offer - demand and the consumer behavior in the Agri-food value chain (global markets)

However, local fresh food markets still largely unknown

Agroforestry systems offer an opportunity to strengthen short agri-food supply chain

Short food supply chains

“It’s a mechanism to satisfy the demands of proximity markets. Key features: sustainability, trust, equality and growth in agricultural, food, business, social and heath”

(F.Galli, G. Brunori (eds.) (2013) ; FAO 2015)
Main objective


What did we do?

1. Offer and demand analysis
   - 20 AFS farms / 40 Local business
   - Local connection offer and demand / markets opportunities

2. Consumer trends
   - 2.738 responses (58.8% women)
   - Consumer buying behavior of fresh products / requirements

3. COVID-19 impacts
   - Same actors
   - Affected by regulations, consequences
What did we find?

The purpose was not to compare countries, but both countries are similar in…

**Offer / supply - AFS Farms**
- **High diversification** at AFS farms (around 22 – 64 agroforestry products)
- Roughly half the production is *for sale* (NIC: 61% - CR: 57.4%)
- **High variability** between farms (yields, cost, prices, channels markets) = lower competitiveness

**Demand - Local business -**
- **Disconnection** between products demanded and local production
- **Markets opportunities** for unsatisfied demand and for new products (fresh and value added)
- Requirements: hygiene, quality, freshness, and low pesticide use (or none)
What did we find?

Consumer trends

• Higher buying preference from local producers (NIC: 79.4%; CR: 86%)
• Family income ($p < 0.0001$) in CR and residency ($p < 0.0008$) in NIC were good predictors of buying behavior
• Same fresh products – different marketplaces
  “I don’t know where they can buy or how I can buy local products”

COVID-19 impacts

• Regulations: mobility restriction, border closures, biosecurity, and business closed
• Consequences
  • Farms: sales decreased (+30%) and supply costs increased (+30%)
  • Local business: sales decreased (+30%) and fresh products’ prices increased (+30%).
What did we learn?

- Real connection between local production (AFS products) with local demand
- Improve financial culture (producer families)
- Improve quality of AFS products
- Develop innovative and efficient mechanisms to connect offer and demand (TICs)
- Responsible use of natural resources
- Consumer awareness campaigns

We have a lot of challenges (old and new) in our new context
Thank you

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