

Agrievolution Alliance COVID-19 Global Impact Survey

- Survey participants are the listed Agrievolution Alliance member associations whose responses reflect their knowledge of what is occurring within their own countries and what their agriculture equipment manufacturing member companies are experiencing.
- This survey will be conducted periodically for as long it remains relevant and participation continues, with the first survey results published March 27, 2020.
- While the goal is to receive consistent responses from all Alliance members, some Alliance members may not respond for each reporting period and therefore their country will not be included in the results.

Agrievolution Alliance Members



ABIMAQ
Brazilian Association of Industrial Machinery and Equipment



AEA
Agricultural Engineers Association



AEM
Association of Equipment Manufacturers



ANSEMAT
Association for Agricultural, Forestry and Landscaping Machinery



ATMAK
Tractor, Combine, Machinery and Agricultural Equipment Manufacturers Association



AXEMA
Association for Industrial Agricultural Equipment



CAMDA
China Agricultural Machinery Distribution Association



CEMA
European Agricultural Machinery Association



FEDERUNACOMA
Italian Farm Machinery Manufacturers Association



FICCI
Federation of Indian Chambers of Commerce and Industry



JAMMA
Japan Agricultural Machinery Manufacturer's Association



KAMICO
Korean Agricultural Machinery Industry Cooperative



ROSSPETSMAH
Russian Association of Specialized Machinery and Equipment Manufacturers



TARMAKBIR
Turkish Association of Agricultural Machinery & Equipment Manufacturers

OVERVIEW

February, 23rd 2021

The agricultural equipment sector continues to successfully deal with the impact of the pandemic. The response to the pandemic is outlined in this summary of the most recent survey of Agrievolution Alliance members made up of associations that represent equipment manufactures around the world. This survey provides an update and comparison to the last impact survey done by the alliance in July 2020 with data going back to April 2020.

Significant change since the July reporting period with only South Korea and the United States still reporting some closures of manufacturing facilities in the range of 1-20%. Facilities have made the necessary changes in process and protective procedures to open facilities.

Many regions report significant disruptions in the supply chain. Disruptions vary from availability of product, deliver times, to increasing costs of raw materials and components. England reports disruptions in the supply chain being exacerbated by Brexit with additional testing and customs procedures at the borders. South Korea notes entry isolation for 2 weeks when they go to abroad to adding challenges to conducting business.

Even with supply chain disruptions most regions are feeling positive about the next 6-12 months. Over the next six months seven regions report expected increases of whole good sales of 1-10 percent with two other regions suggesting sales will remain level and three regions report a slight decrease as indicated in the survey results.

Sentiments are mixed regarding the return to “normal” business activities for agricultural equipment manufacturers. Five regions feel a return to normal will occur in part due to vaccines now becoming available in varying degrees around the world. Brazil, Spain, and the United Kingdom expect a return to normalcy in 4-6 months with Japan, Turkey, South Korea and the United States projecting it will take 7- 12 months for normal business activities to return. All other regions expect “normalcy” to return immediately.

Overall, positive indications from the agricultural equipment manufacturing segment with a positive outlook and expectations of a return to “normal” business practices over the next 12 months.

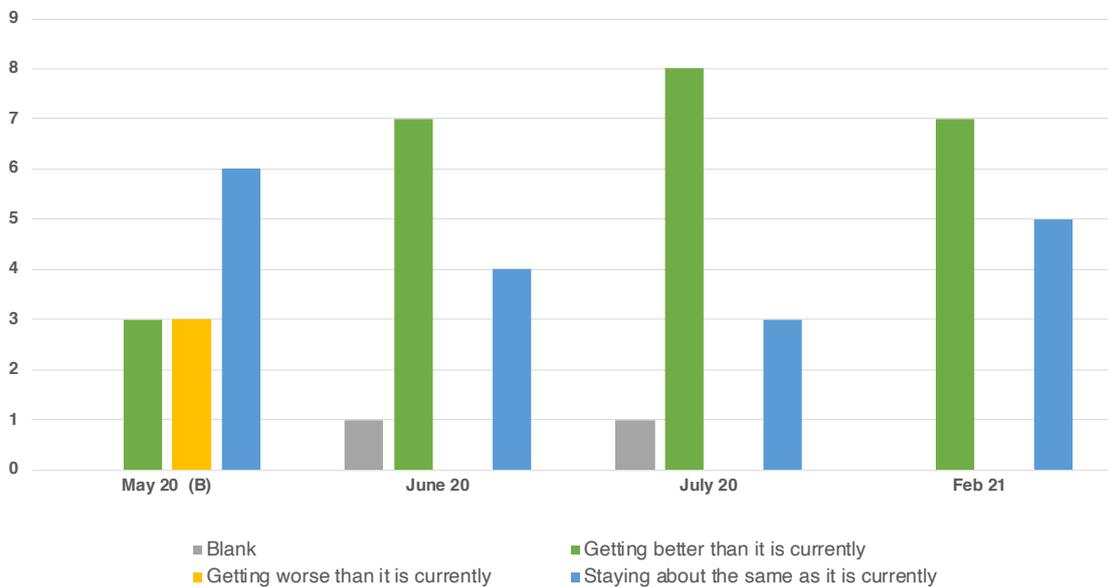
Charlie O’Brien

Agrievolution Secretary General

Q1

Over the next 30 days what is the perception of your member companies regarding the financial outlook for business in the agricultural equipment manufacturing sector?

All regions report that the financial outlook for the next 30 days is either staying about the same or getting better than it is today. China, France, India, Italy, Spain, South Korea, and the United States all expect the financial situation will improve from its current level. No regions reported that the financial situation will decline in the next 30 days.



Country	May 20	Jun 20	Jul 20	Feb 21
Brazil	GW	GB	GB	TS
China	TS	GB	GB	GB
France	TS	GB		GB
India	GB	GB	GB	GB
Italy	GW	TS	GB	GB
Japan	TS	TS	TS	TS
Russia	TS	TS	TS	TS
South Korea	GW		GB	GB
Spain	GB	GB	GB	GB
Turkey	GB	GB	GB	TS
United Kingdom	TS	GB	GB	TS
USA	TS	TS	TS	GB

GB = Getting better than it is currently

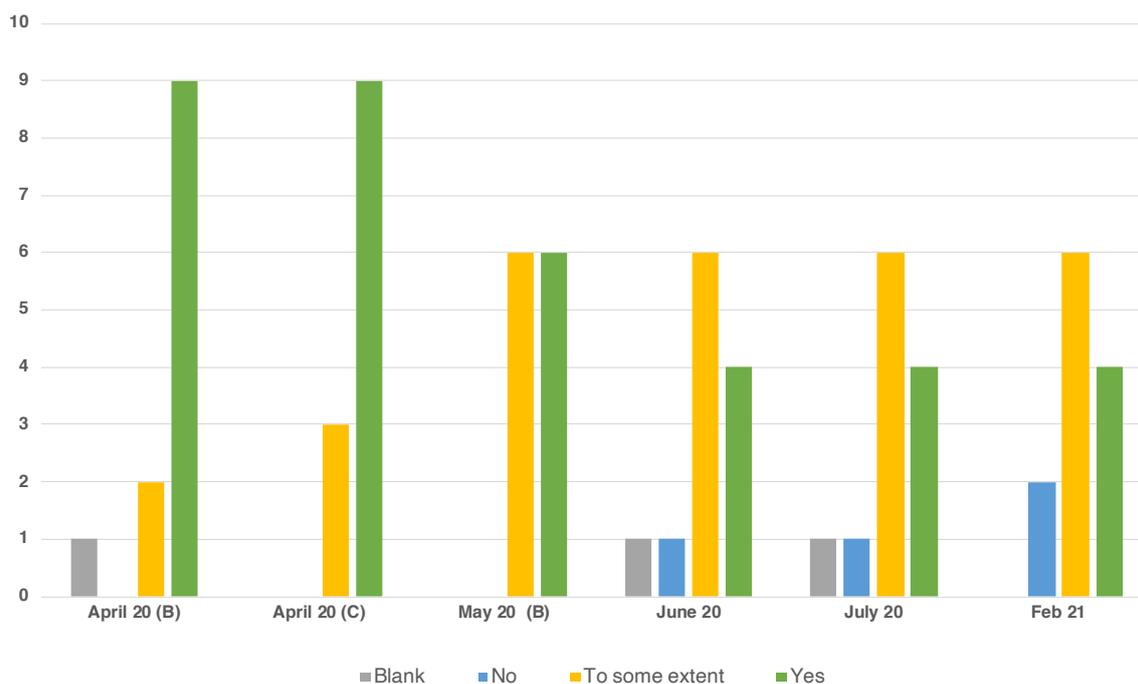
GW = Getting worse than it is currently

TS = Staying about the same as it is currently

Q2

Has international travel for people been banned at this point?

Only Russia and Turkey report no international travel restrictions currently. All other regions have varying degrees of travel restrictions. The results are similar to travel restrictions by most regions over the last 8 months.



Country	April 20 (b)	Apr 20 (c)	May 20 (a)	May 20 (b)	Jun 20	Jul 20	Feb 21
Brazil	YES	YES	TSE	TSE	TSE	TSE	YES
China		TSE		TSE	TSE	YES	TSE
France	YES	YES		YES	YES		YES
India	YES	YES	YES	YES	YES	YES	TSE
Italy	YES	YES	YES	TSE	TSE	TSE	TSE
Japan	YES	YES	NO	YES	YES	TSE	YES
Russia	YES	YES	NO	YES	YES	TSE	NO
South Korea	YES	YES	TSE	TSE		YES	YES
Spain	YES	YES	YES	TSE	TSE	TSE	TSE
Turkey	YES	YES	YES	YES	TSE	NO	NO
UK	TSE	TSE	NO	TSE	NO	TSE	TSE
USA	TSE	TSE	TSE	YES	TSE	YES	TSE

TSE = To some extent

Q3

What is the one biggest concern relative to agricultural equipment manufacturing being raised today by members of your association because of the COVID-19 pandemic?

All countries except for Spain and Russia report difficulties with disruptions found in the supply chain. Disruptions vary from availability of product, deliver times, to increasing costs of raw materials and components. England reports disruptions in the supply chain being exacerbated by Brexit with additional testing and customs procedures at the borders. South Korea notes entry isolation for 2 weeks when they go to abroad to adding challenges to conducting business.

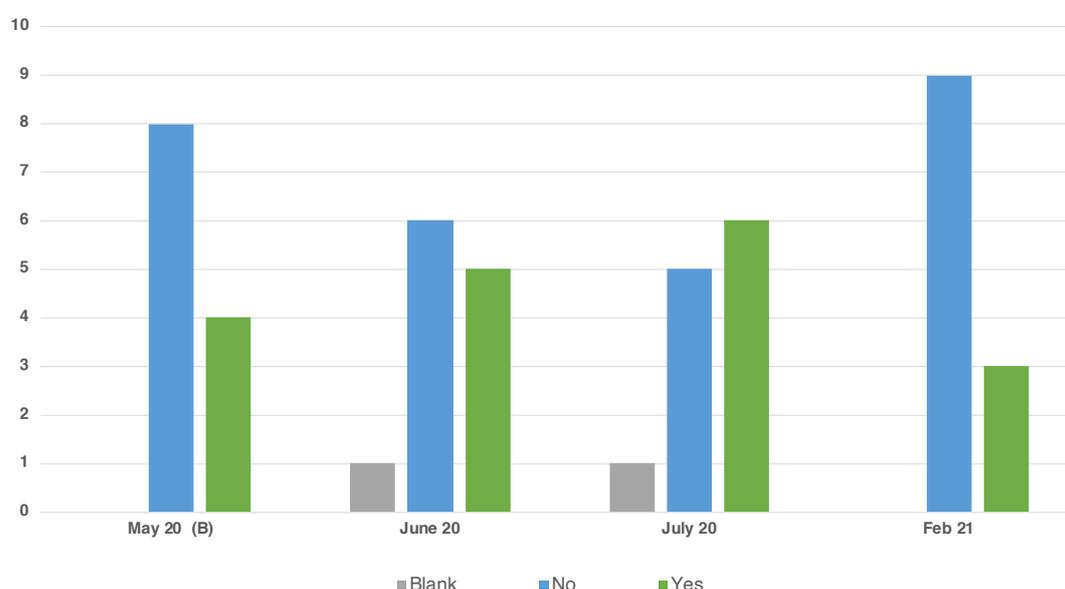
Country	February 2021
Brazil	Cost of raw materials and components
China	Exports
France	Supply difficulties
India	Rising cost of steel will affect the industry
Italy	Supply chain and price of raw material
Japan	They can't do normal business activities because of the Covid-19 pandemic.
Russia	No problems related to COVID-19
South Korea	Entry isolation for 2 weeks when they go to abroad
Spain	No specific concern has been raised lately. Business is improving every month regardless of the external crisis.
Turkey	Employee health, disruption of the supply chain, high steel prices and supply difficulties
UK	Disruptions to the global supply chain, although exacerbated by Brexit. Some is testing at the borders, some is extra customs procedure.
USA	Supply Chain Disruption



Q4

Is the agricultural equipment manufacturing sector receiving any government financial support during the COVID-19 pandemic?

At this point most governments are not providing financial support to agricultural equipment manufacturers with the only exceptions being France, Russia, and the UK.

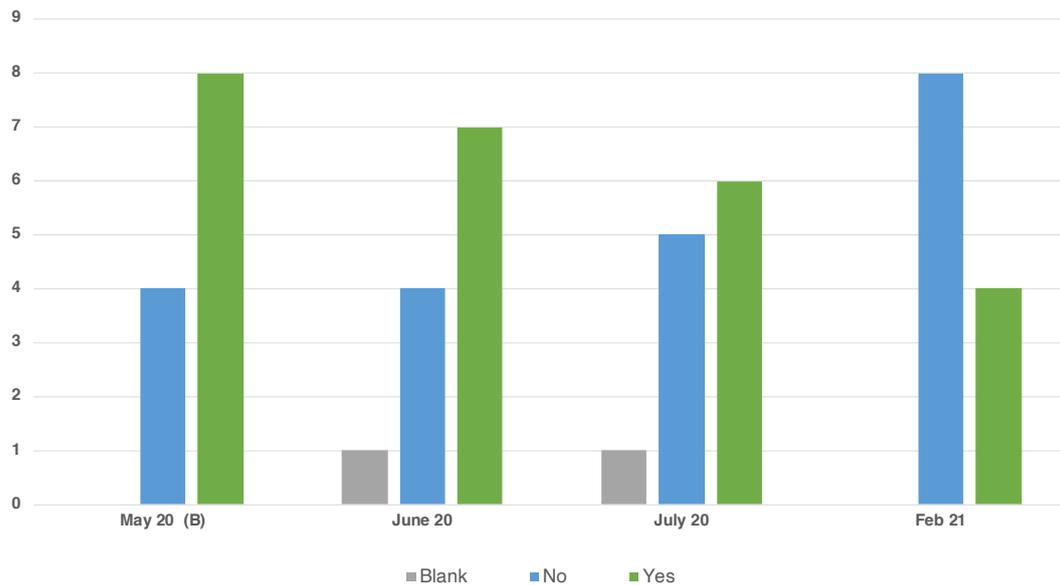


Country	May 20	Jun 20	Jul 20	Feb 21
Brazil	NO	YES	YES	NO
China	NO	NO	NO	NO
France	NO	NO		YES
India	NO	NO	NO	NO
Italy	YES	YES	YES	NO
Japan	NO	NO	NO	NO
Russia	YES	YES	YES	YES
South Korea	NO		YES	NO
Spain	NO	NO	NO	NO
Turkey	NO	NO	NO	NO
UK	YES	YES	YES	YES
USA	YES	YES	YES	NO

Q5

Is the agricultural equipment manufacturing sector receiving any administrative or similar support that loosens restrictions or policies during the COVID-19 pandemic?

Since the last report at the end of July we are seeing a decline in administrative or similar support that loosens restrictions or policies on business practices resulting in streamlining procedures.

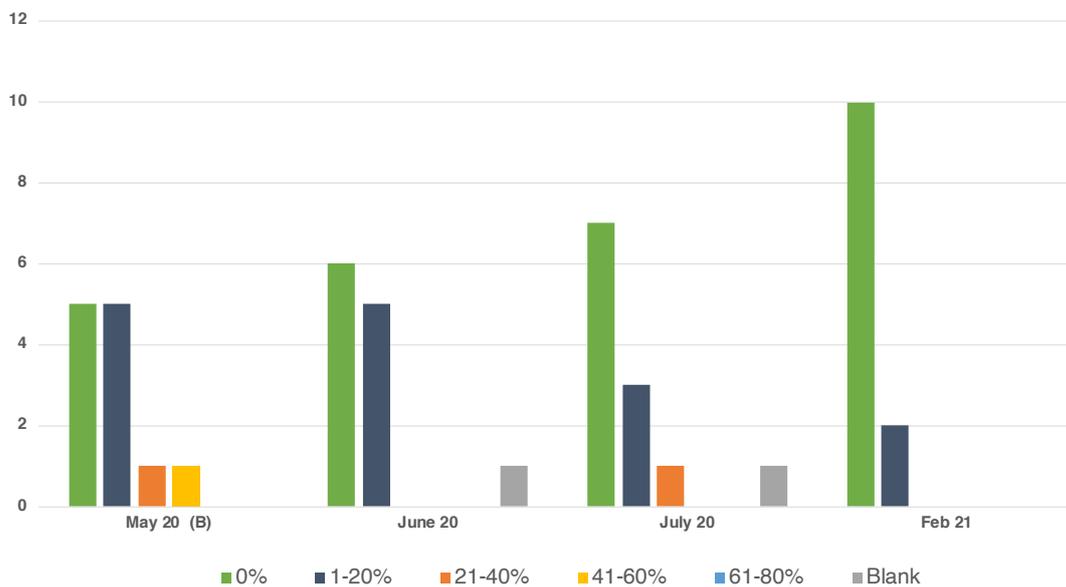


Country	May 20	Jun 20	Jul 20	Feb 21
Brazil	YES	YES	YES	NO
China	YES	YES	NO	NO
France	NO	NO		YES
India	YES	YES	YES	NO
Italy	NO	YES	YES	YES
Japan	NO	NO	NO	NO
Russia	YES	YES	YES	NO
South Korea	YES		YES	YES
Spain	YES	YES	YES	YES
Turkey	NO	NO	NO	NO
UK	YES	NO	NO	NO
USA	YES	YES	NO	NO

Q6

What percent of manufacturing facilities are closed in your country as a result of the COVID-19?

Significant change since the July reporting period with only South Korea and the United States still reporting some closures of manufacturing facilities in the range of 1-20%. Facilities have made the necessary changes in process and protective procedures to open.

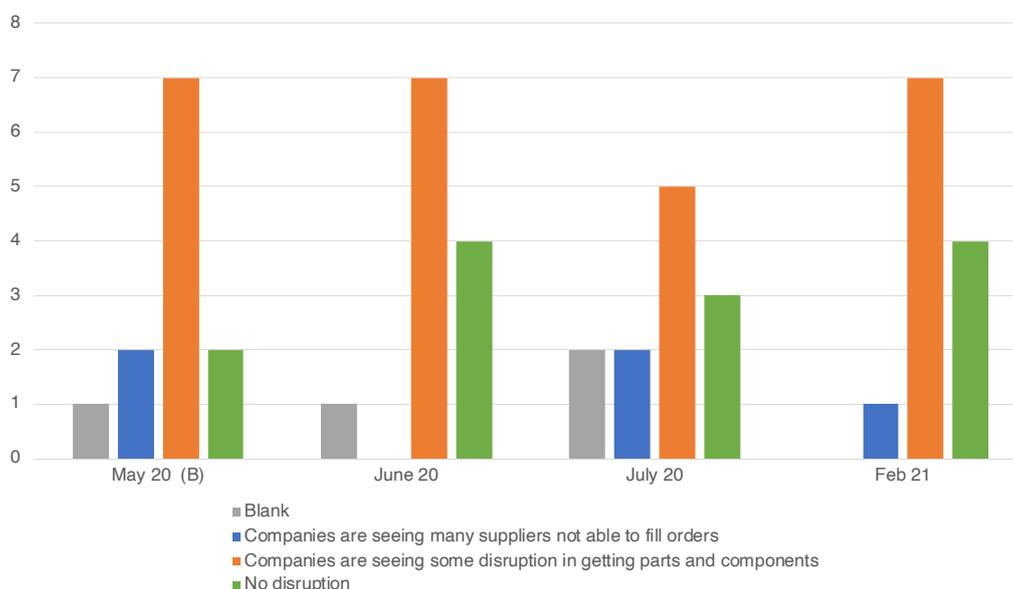


Country	Apr 20 (c)	May 20 (a)	May 20 (b)	Jun 20	Jul 20	Feb 21
Brazil	21-40%	41-60%	41-60%	1-20%	1-20%	0%
China	1-20%		0%	1-20%	0%	0%
France	21-40%		1-20%	1-20%		0%
India	61-80%	21-40%	21-40%	0%	0%	0%
Italy	1-20%	1-20%	0%	0%	1-20%	0%
Japan	41-60%	41-60%	1-20%	0%	0%	0%
Russia	21-40%	0%	0%	0%	0%	0%
South Korea	21-40%	21-40%	1-20%		21-40%	1-20%
Spain	1-20%	0%	0%	0%	0%	0%
Turkey	1-20%	1-20%	0%	0%	0%	0%
UK	21-40%	21-40%	1-20%	1-20%	0%	0%
USA	21-40%	21-40%	1-20%	1-20%	1-20%	1-20%

Q7

Which statement below best describes the current situation relating to any disruption in the agriculture equipment manufacturing supply chain with parts and components?

Seven reporting regions continue to report at least some disruptions in the supply chain for parts and components with Italy reporting many disruptions are occurring. The supply chain disruptions are one of the main impediments to returning to totally normal production schedules.



Country	Apr 20 (c)	May 20 (a)	May 20 (b)	Jun 20	Jul 20	Feb 21
Brazil	NA	NA	NA	SD	NA	SD
China	SD		NA	SD	NA	NO
France			SD	SD		SD
India	SD	SD	SD	SD	SD	SD
Italy	SD	SD	SD	ND	SD	NA
Japan	NA	NA	SD	ND		SD
Russia	SD	SD	SD	SD	SD	ND
South Korea	SD	SD	SD		SD	SD
Spain	SD	SD	ND	ND	ND	ND
Turkey	SD	SD		ND	ND	ND
UK	SD	ND	ND	SD	ND	SD
USA	SD	SD	SD	SD	SD	SD

ND = No disruption

SD = Companies are seeing some disruption in getting parts and components

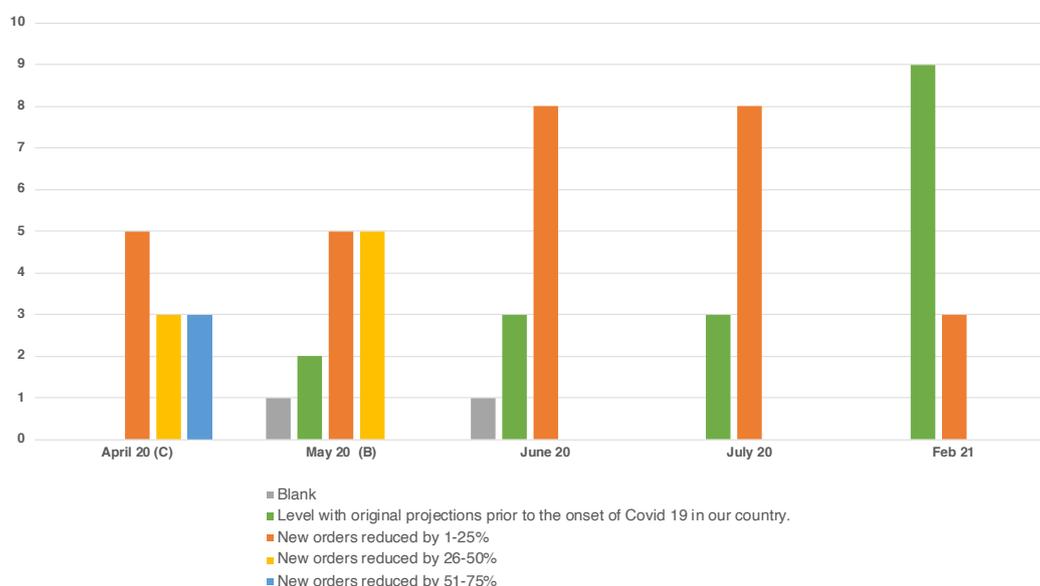
NA = Companies are seeing many suppliers not able to fill orders

SH = There are no supply orders being filled at this time as factories are shut down

Q8

What is the economic impact on new orders being taken for agriculture equipment whole goods?

A significant positive change has taken place since the last reporting period in July 2020 regarding the economic impact on new orders for agriculture equipment whole goods. Today, 75 percent of countries report orders of new whole good are consistent with original projections prior to the onset of Covid -19. This is compared with much more negative expectations in July 2020 where only 27 percent of reporting countries projected whole good sales would be unaffected. In July countries that were projecting a decline in the sale of whole goods indicated a decline in the range of 1-25%.



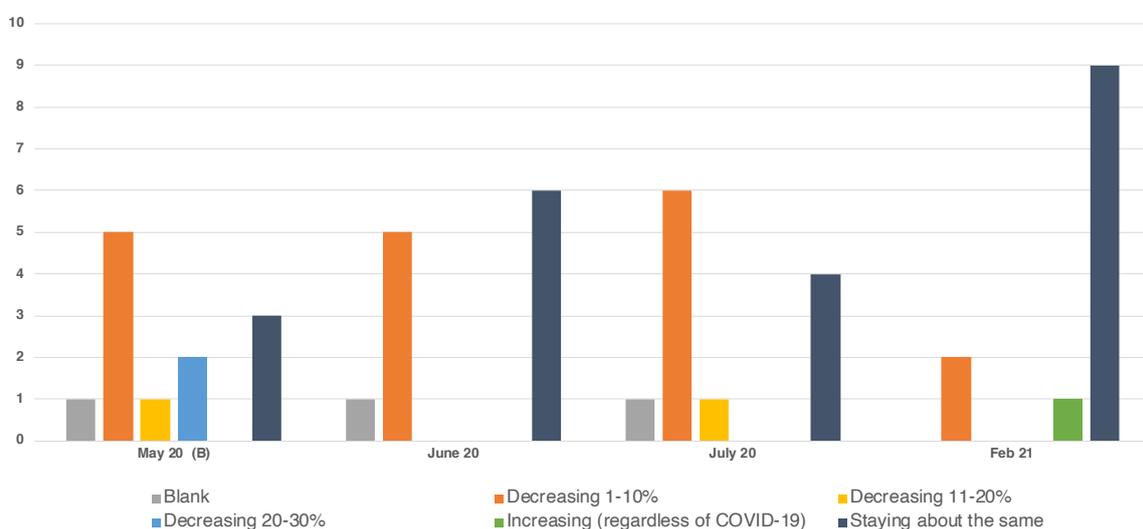
Country	Apr 20 (c)	May 20 (a)	May 20 (b)	Jun 20	Jul 20	Feb 21
Brazil	↓ [51-75%]	↓ [51-75%]	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]
China	↓ [1-25%]		↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	L
France			↓ [1-25%]	↓ [1-25%]		L
India	↓ [51-75%]	↓ [26-50%]	↓ [26-50%]	L	L	L
Italy	↓ [1-25%]	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	L
Japan	↓ [51-75%]	↓ [51-75%]	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]
Russia	↓ [1-25%]	L	L	L	L	L
South Korea	↓ [1-25%]	↓ [1-25%]	↓ [26-50%]		↓ [1-25%]	↓ [1-25%]
Spain	↓ [26-50%]	↓ [26-50%]	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	L
Turkey	↓ [26-50%]	↓ [26-50%]	↓ [51-75%]	L	L	L
UK	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	L
USA	↓ [26-50%]	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]	L

L = Level with original projections prior to the onset of Covid 19 in our country

Q9

What is the impact on employment at member companies because of COVID-19?

Employment levels seem to be mostly stable with 8 countries reporting employment levels about the same since start of the pandemic with India and the UK reporting a slight decline in the range of 1-10%. Turkey is the only country reporting an increase in employment levels.



Country	May 20	Jun 20	Jul 20	Feb 21
Brazil	↓ [20-30%]	↓ [1-10%]	↓ [1-10%]	TS
China	↓ [1-10%]	↓ [1-10%]	↓ [1-10%]	TS
France	TS	TS	TS	TS
India	↓ [1-10%]	↓ [1-10%]	↓ [1-10%]	↓ [1-10%]
Italy	TS	TS	TS	TS
Japan	TS	TS	TS	TS
Russia	TS	↓ [1-10%]	TS	TS
South Korea	↓ [20-30%]	TS	↓ [11-20%]	TS
Spain	↓ [11-20%]	↓ [1-10%]	↓ [1-10%]	TS
Turkey	↓ [1-10%]	TS	TS	IRC
UK	↓ [1-10%]	TS	↓ [1-10%]	↓ [1-10%]
USA	↓ [1-10%]	TS	↓ [1-10%]	TS

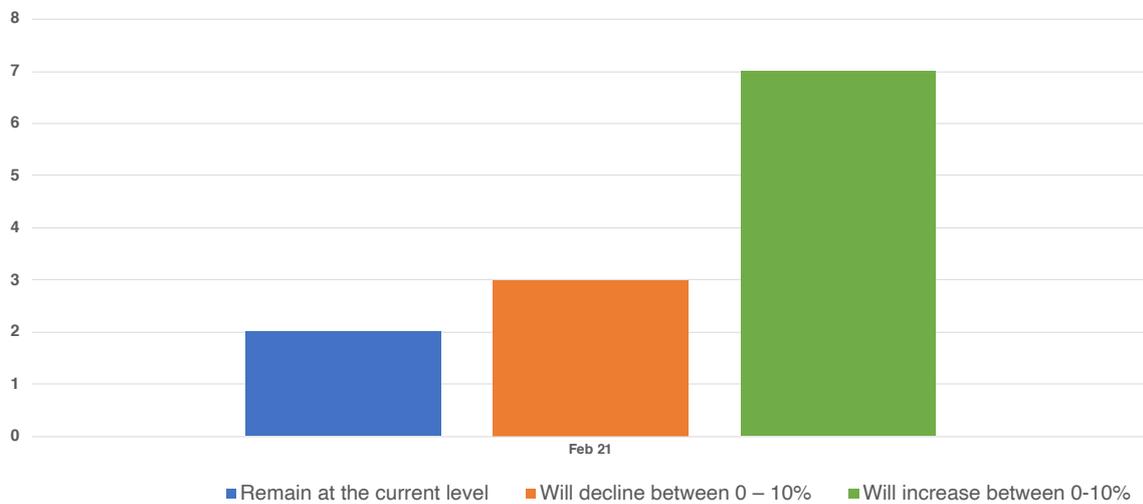
TS = Staying about the same

IRC = Increasing (regardless of COVID-19)

Q10

What are the expectations of the impact of the COVID-19 pandemic on the sale of whole goods for the next 6 months?

Expectations seem to be positive for agricultural equipment manufacturers in most regions over the next 6 months. Seven regions reported expected increase of whole good sales of 1-10 percent. France, Japan and South Korea report a potential slight decrease while Russia and UK report a level forecast.



Country	Feb 21
Brazil	↑ [0-10%]
China	↑ [0-10%]
France	↓ [0-10%]
India	↑ [0-10%]
Italy	↑ [0-10%]
Japan	↓ [0-10%]
Russia	LEVEL
South Korea	↓ [0-10%]
Spain	↑ [0-10%]
Turkey	↑ [0-10%]
UK	LEVEL
USA	↑ [0-10%]

LEVEL = Remain at the current level

Q11

Assuming vaccines are becoming available now or, in the near future, when do you anticipate the agricultural equipment manufacturing sector will return to “normal” business activities?

Sentiments are mixed regarding the return to “normal” business activities for agricultural equipment manufacturers. Five regions feel a return to “normal” will occur in part due to vaccines now becoming available in varying degrees around the world. Brazil, Spain, and the United Kingdom expect a return to normalcy in 4-6 months with Japan, Turkey, South Korea and the United States projecting it will take 7-12 months for “normal” business activities to return. All other regions report the expectations of returning to “normal” immediately with distribution of a vaccine.



Country	Feb 21
Brazil	4-6 months
China	Immediately
France	Immediately
India	Immediately
Italy	Immediately
Japan	7-12 months
Russia	Immediately
South Korea	7-12 months
Spain	4-6 months
Turkey	7-12 months
UK	4-6 months
USA	7-12 months

Q12

Are there any new services provided by your association since the pandemic started to assist your members? If so, please list if appropriate.

Many associations and companies have changed business practices or offer new services because of the pandemic. Conducting virtual meetings was noted by most respondents as a major change in conducting meetings and communicating with companies. Other communication tools were utilized including newsletters and bulletins. Some held more virtual meetings with smaller groups of manufacturers

Country	February 2021
Brazil	Safety measures, financing schemes, agenda of structural reforms
China	Virtual international meetings
France	Webinars
India	Use of digital agriculture technologies or say IT based innovations
Italy	Support to all service of the Federation and survey
Japan	No
Russia	No
South Korea	No
Spain	Virtual meetings are more efficient that F2F and we can improve accurate feedback from our members by setting ad-hoc WGs
Turkey	No
UK	Extra bulletins and webinars
USA	More virtual meetings with smaller groups of manufacturers serving specific segments



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