



Fortieth Regular Meeting of the Executive Committee

IICA strategy in light of the COVID-19 emergency

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The global health emergency triggered by the 2019 coronavirus disease (COVID-19), which is caused by the SARS-CoV-2 virus, has affected the daily lives of millions of people, virtually changing all aspects of social and economic life worldwide.

With the pandemic still ongoing, it is impossible to anticipate its short and long term effects. In view of the ever-growing number of people infected and the unfortunate loss of thousands of human lives, the consequences of the virus have called for major efforts by governments and citizens alike, which have resulted in the adoption of restriction and containment measures needed to tackle the emergency. These measures, however, have brought numerous sectors to a full stop and caused the slowdown of many economic activities around the world. For this reason, a strong, global economic recession is expected during and after the health crisis, the cost of which is already palpable.

The International Monetary Fund has reported that in 2020, the world economy will recede by -3.0%, and in the case of advanced economies, -6.0%. The World Bank, on the other hand, estimates that Latin America and the Caribbean will experience negative growth of -4.6%. In their view, the abrupt contraction of demand in the Group of Seven (G7) and China will result in a far-reaching shock that will affect South American countries, mainly those exporting raw materials, as well as Central America and the Caribbean mainly in the service sector, by delivering a major blow to the tourism industry.

Several international organizations, including the Inter-American Institute for Cooperation on Agriculture (IICA), have warned of the effects of the pandemic on agricultural trade and food security for millions of people, particularly in reference to the difficulties in physically accessing food and the lack of financial resources to acquire it due to the previously mentioned measures. Although food production and availability remain stable, some interruptions have been observed in certain chains, as well as the oversupply of certain agricultural goods caused by the drop in demand (in hotels and restaurants for instance), or the declining imports of perishable goods such as fruits, vegetables and flowers.

In the face of this unprecedented, pressing scenario, it is paramount that the countries individually, and the international community collectively, find solutions that are in keeping with the complexity of the challenge, a commitment that must be undertaken by international technical cooperation organizations such as IICA.

The countries in the Americas have displayed the prompt, positive reaction required by the current circumstances, and have addressed the needs of the agricultural and rural sectors particularly, and of society as a whole. The Ministers of Agriculture have been attuned to the problems associated with the pandemic, by promptly addressing them based on their level of competency.

The General Directorate of IICA, on the other hand, has responded to current demands by implementing measures that will support the efforts displayed by the countries, on the one hand, and ensuring the functioning of the Institute and the provision of its cooperation services, on the

other, all while observing the regulations imposed by each country in reference to the pandemic and prioritizing the health of its staff members.

Below is a description of the political, technical and administrative actions implemented by IICA:

Political sector

By way of virtual meetings divided by region, the Institute has become a bridge between the Ministers of Agriculture. These meetings have enabled ongoing discussions on the emergency situation faced by the countries and the exchange of information on its consequences and the measures being taken by the countries to tackle them, especially in the agricultural and rural sectors. The most relevant outcome of these meetings might be the renewed awareness that, in spite of the isolation and restrictions imposed by the circumstances, solidarity and cooperation among the countries are currently more necessary than ever before.

Using available communication platforms, virtual meetings were held with the Southern Agricultural Council, which included Peru, and others were scheduled for the Ministers of Agriculture of Central America with the inclusion of the Dominican Republic and Mexico. The Ministers of the countries of the Andean region also met online, something that had not been possible in many years, with the presence of Chile and Mexico.

The impact of the pandemic on the countries of the Caribbean is particularly extreme, furthering their vulnerability and severely threatening their food security. With this in mind, a meeting was organized between the Ministers of member countries of the Caribbean Community (CARICOM).

Despite the distinctive features of each particular region and country, the problems they are facing and the immediate measures they are adopting are remarkably similar. It is encouraging to see that, while fighting against the effects of the pandemic, our Ministers value and renew their commitment to international, horizontal cooperation and integration as a means of solving current or future difficulties in a coordinated manner.

The priority for the Ministers of Agriculture has been to ensure food availability and supply in their countries, with particular emphasis on support measures for small-scale producers.

The Ministers exchanged information on measures being taken in this regard, namely efforts to maintain productive chains in operation despite the restriction and isolation measures, and possible solutions to the imbalance between supply and demand brought about by these actions, especially in the agricultural exports and tourism sectors. Importantly, consensus was reached to further strengthen agricultural health and food safety services, which has proven to be crucial in the current scenario.

In addition to facilitating these meetings, IICA has presented a cooperation proposal that is in keeping with the emergency, the main purpose of which is to guarantee food security and

address the demands presented by the Ministers. Furthermore, the Director General is personally supporting the Ministers of Agriculture through regular bilateral meetings.

The Institute has also created the High Level Advisory Council for Food Security, comprised of renowned, prestigious specialists from eight different countries who have put their knowledge and experience at the disposal of IICA at no other cost than that associated with the organization of virtual meetings. Their main task is to outline different proposals to tackle the challenges of the current economic and health crisis and address its effects on food security in the hemisphere. Furthermore, the council oversees the effects on the agricultural and rural sectors and conducts comprehensive analyses based on which it issues recommendations for decision-making, thus providing guidance for cooperation actions proposed by the Institute.

A hemispheric meeting of ministers and secretaries of agriculture, organized jointly by IICA and the Food and Agriculture Organization of the United Nations (FAO), was held virtually. Participants from 34 countries in the Americas shared their policies, actions and plans to reduce the impact of the COVID-19 pandemic on agriculture, food systems, and the food security of their populations, with special emphasis on actions to guarantee food production and supply.

The ministers stressed the importance of making food available at convenient prices, as well as ensuring that the production, distribution and sale of food is carried out in such a way that it poses minimal risk to health across all links of the food chain. Furthermore, they underscored the need to boost intraregional trade in food, raw materials and supplies. The sector's high-level authorities requested that FAO and the Institute undertake joint action to meet those objectives.

Representatives and experts from twelve international organizations involved in agricultural and rural development at the global, hemispheric and regional levels also attended the ministerial meeting.

On the other hand, IICA participates in the Inter-American Working Group, convened by the Organization of American States (OAS) and the Pan-American Health Organization (PAHO) to coordinate the hemispheric response to the COVID-19 health emergency. The Director General addressed all 12 specialized agencies and stated that the purpose of the Institute is to develop plans aimed at ensuring food security and avoiding shortages and indiscriminate price increases, in order to guarantee social stability.

Another virtual meeting was organized with leaders of the private agrifood sector, to promote public-private exchange on food security and trade. The different stakeholders analyzed the need to strengthen public policies in the dairy sector after the pandemic through the Central-American Dairy Federation (FECALAC), the National Milk Producers Federation (NMPF) of the United States and the Pan-American Dairy Federation (FEPALE).

Together with the unions of the Central American productive sector, the Federation of Agricultural and Agroindustrial Chambers (FECAGRO) organized a forum to discuss the impact of COVID-19 in the agriculture sector, thus facilitating the implementation of policies aimed at guaranteeing exports and food security.

A meeting was held with representatives of 13 international companies linked to the agrifood sector, who all expressed an interest in holding meetings with government representatives, and in supporting the countries in dealing with the emergency and post-pandemic reactivation. They also highlighted the importance of topics such as new challenges and sustainable agricultural production models, the need for adequate nutritional security and concern for maintaining the progress achieved with respect to the opening up of trade.

Technical cooperation

As previously mentioned, IICA is adapting its technical cooperation initiatives to provide its member countries with the support they need to face the current critical scenario, for which it is paramount that updated information be provided on an ongoing basis. To this end, the Institute has put in place a food security monitor for the Americas, a dynamic, permanently updated report that can be used to analyze and foresee the impacts of the world health crisis and the measures being implemented that may affect the sector. The monitor can be consulted on the Institute's website (www.iica.int).

The Institute has also developed a blog on COVID-19, which covers aspects such as food vulnerability, impact on agriculture, the responses of the different countries and future perspectives that can be forecasted. Valuable contributions have been received through this blog, which can be consulted on our website.

Apart from creating the Advisory Committee on Communication for Agriculture and Food Security, IICA has reinforced its social media presence. These communication platforms were already important in the past, but have become an even more powerful vehicle to provide useful information under the current circumstances, also counterbalancing the flow of misinformation that floods them nowadays.

The tools we have developed for the ministers include an application that allows them to measure food stocks and surpluses in real time. Additionally, together with the European Union (EU), we have designed an application for smartphones that offers recommendations and good hygiene practices for agricultural workers and producers.

We are currently experimenting with an area that will surely prove essential in the future: e-commerce. This alternative sales channel is very important, especially while the pandemic-related containment measures are still in place.

Another initiative promoted by IICA is the creation of a virtual conference room, which offers a solid, efficient platform for holding meetings that would normally take place in person.

Finally, we have increased our offering of online workshops and courses, which can be accessed by our staff members, those working in the agriculture sector, students and the general public.

Institutional management

The current scenario calls for renewed efforts to guarantee zero bureaucracy at IICA and make procedures more flexible, thus allowing the Institute to support the countries and apply an emergency protocol to approve externally funded projects.

We are also reducing fixed and variable costs to a minimum, in full awareness that the economic situation of each country, and subsequently of the Institute, is headed towards a downturn in the near future. For this same reason, we are also in the process of relaxing the indirect cost recovery (ICR) rate.

We understand that these times call for additional austerity measures, and with this in mind we have made difficult yet necessary decisions, such as suspending salary adjustments for international professional personnel, urging our staff members to take accumulated vacation days, and cancelling all missions. Likewise, we have rechanneled the resources assigned to each unit into a single fund, in order to apply said funds in a flexible and timely manner according to the needs and priorities of our member countries. We are also analyzing the contribution of pledged resources for certain cooperation mechanisms.

Today more than ever, IICA needs the generosity and shared responsibility of its Member Countries in order to have the resources it requires to continue operating and providing its technical cooperation services, which are once again showing their high value, especially in the unfavorable circumstances we are currently facing. In this regard, the payment of quotas by the countries is crucial, and it is paramount that the members find a way to fulfill their commitments.

Finally, we have prioritized the protection of our personnel and the observance of social isolation measures implemented in each country to fight against the COVID-19 pandemic. Although most of the offices are closed or have minimum presence of staff members, the Institute continues to operate throughout the hemisphere.

Conclusion

IICA was created amidst a global emergency during the Second World War. Today, we are once again facing an international crisis affecting the health and economic sectors. The Member States and the General Directorate must innovate together so that with limited resources and much creativity we can offer a response from an agricultural standpoint. Major efforts need to be made to reinvent the Institute and restate its relevance as the major agricultural institution for the Americas in the 21st century.