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Consolidation of an agribusiness sector in step with the new regulations governing world trade, the staggering breakthroughs in telecommunications, megatrends, and concerted action by the private and public sectors: these are the major challenges facing most countries in the hemisphere as the century draws to a close. In order to meet them, the agribusiness executives and public sector representatives who attended the First Conference on Agribusiness in the Americas held in Miami last December laid the groundwork for an Inter-American Network of Agribusiness Associations.

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Hemispheric Network
to be set up



NEWS

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The Inter-American Institute for Cooperation on Agriculture (IICA) is headquartered in San José, Costa Rica. It is the specialized agency for agriculture of the inter-American system. It was founded by the governments of the hemisphere in 1942 to encourage, promote and support the efforts of its Member States for agricultural development and rural well-being. It has 33 Member States and 17 Permanent Observers.

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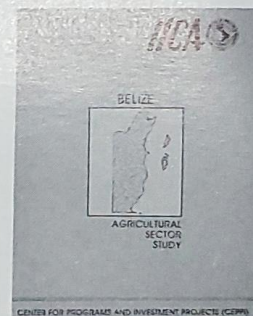


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CONFERENCE ON AGRIBUSINESS IN THE AMERICAS BRINGS TOGETHER BUSINESS AND PUBLIC SECTOR LEADERS



For IICA, the agribusiness meeting formed part of its efforts to develop closer ties with the agricultural private sector. Pictured at the Inaugural Session are - from left to right - Jeffrey Gargiulo, Director of C/LAA; Carlos E. Aquino, Director General of IICA; Cheddi Jagan, President of Guyana; Yesu Persaud, of C/LAA; and Gonzalo Cibils, the then Minister of Agriculture of Uruguay.

The Conference on Agribusiness in the Americas, co-sponsored by IICA and AgAmericas - the agribusiness branch of Caribbean Latin American Action (C/LAA) - held December 12-14 in Miami was the first hemispheric meeting of public and private sector leaders from the vast agribusiness field.

The Conference followed the Summit of the Americas convened by US President Bill Clinton, so the agribusiness meeting was permeated by the spirit of the Summit and the goals

set by the hemisphere's political leaders.

One of most important results of the Conference was that representatives of the hemisphere's private and public agri-food sectors laid the foundations for creating a hemispheric agribusiness network, motivated by the winds of trade integration and economic globalization sweeping the world as the dawn of the 21st century approaches.

In order to build this new trade bridge, the heads of IICA and C/LAA signed a

Declaration of Principles with the then US Secretary of Agriculture.

The meeting brought together 289 participants - most of whom were agribusiness executives - from 30 countries. The guests of honor included the President of Guyana, Cheddi Jagan. The public sector of a number of countries was represented at the highest level: by the Ministers or Secretaries of Agriculture of the Central American nations, the United States, Haiti, Paraguay, the Dominican Republic and Uruguay. The IICA

team was headed by Director General Carlos E. Aquino. C/LAA was represented by the organization's President, J. Paul Sticht, and Director Jeffrey Gargiulo, and AgAmericas by acting Director Robert Sattler.

Organized under the aegis of the 18th Annual Conference on Investment, Trade and Development, an event traditionally held in Miami, the hemispheric agribusiness meeting cemented the strategic alliance formed between IICA and C/LAA several months earlier.

For the Institute, the agribusiness conference formed part of its efforts to develop closer ties with the private sector in line with the recommendation made by the Institute's governing body, the Inter-American Board of Agriculture (IABA), made up of the Ministers of Agriculture of the 33 member countries, at its last regular meeting held in Mexico in September 1993.

TOPICS FOR DISCUSSION AND ACTION

Set against the current backdrop of economic globalization and trade liberalization, the Conference provided an opportunity to discuss issues of concern to both agribusiness leaders and government officials: the dialogue between the public and private sectors and new intersectoral cooperation relationships; agribusiness megatrends; the new regulatory framework governing world trade; and the strategic importance to international trade of breakthroughs in the field of communications.

At the same time, the Ministers of Agriculture of the Central American countries took advantage of the occasion to hold a meeting of the Regional Council for Agricultural Cooperation, in the course of which they adopted the «Proposal for Regional Technological Integration.»

AGAMERICAS

Mindful of the fact that the Summit of the Americas had set the goal of creating a hemisphere-wide free trade area by the year 2005, the participants endorsed the setting up of a hemispheric agribusiness network to strengthen regional agricultural trade, which in 1993 topped US\$ 25 billion.

Membership in the network will be open to countries from both North and South America, to government entities as well as private enterprises. It aims to attract business associations, universities and individuals keen to increase their competitiveness.

The founding members who signed the network's charter were US Secretary of Agriculture Mike Espy, IICA Director General Carlos E. Aquino, and C/LAA President Paul Sticht.

Espy stated that his country's direct involvement in creating this mechanism reaffirmed the Clinton Administration's commitment to strengthening trade relations with Latin America and the Caribbean in line with the Plan of Action adopted at the Miami Hemispheric Summit.

The Director General of IICA pointed out that the spirit of the Network was consistent with the principles of deregulation and the dismantling of trade barriers called for under the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

«The private sector needs mechanisms that enable it to maintain a dialogue and reach agreement on concerted action with the public sector at the national, subregional and hemispheric levels. Hence the idea and purpose of the Network.»

IICA - he added - was in a position to make a major contribution to these efforts and was in the process of changing and adapting its *modus operandi*. As the specialized organization of the inter-American system for agriculture

and development, the Institute was the «appropriate forum» for reaching agreement on concerted action by governments and civil society organizations,» he observed.

Aquino called upon the leaders of all hemispheric organizations and institutions to support creation of the network. He also announced that the Institute had undertaken actions and engaged in talks and consultations with governments with a view to taking advantage of future meetings of the Inter-American Conference of Ministers of Agriculture to hold meetings with private sector organizations of many kinds.

The network will include actors from the entire agri-food production chain (producers of inputs and capital goods, primary producers, agroindustries, suppliers of services and marketing firms) in accordance with the broader approach to agriculture.

Intended to serve as a kind of «trade highway,» the AgAmericas Trade and Investment Group (as the network is to be known) will facilitate this hemispheric, multisectoral dialogue through telecommunications links. It will also propel the inter-American market, composed of 740 million consumers.

This ambitious mechanism will take into account aspects such as language, cultural differences and variations in financial operations between countries. The benefits it is expected to generate for agri-food trade are: the establishment of strategic companies, broad access to business opportunities, lower production costs and higher productivity.

The AgAmericas Group aims to become the biggest single source of agribusiness information in the Hemisphere. Members will be able to access electronic mail services, news on trade and investment, data bases and newsletters.

THE DELEGATES SPEAK

Guyana: More Investment in the Agricultural Sector

In his address to the Conference on Agribusiness in the Americas, the President of Guyana, Cheddi Jagan, encouraged participants to invest in Latin America and the Caribbean's «vigorous agricultural sector.» He also underlined the need to recognize the agricultural sector's contribution to the creation of wealth.

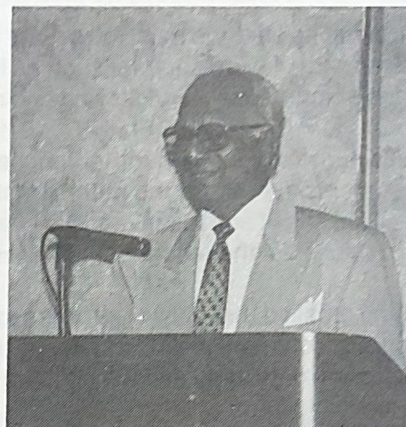
Chairing the inaugural session, which was also attended by Jeffrey Gargiulo, Director of AgAmericas, and the Director General of IICA, Carlos E. Aquino, President Jagan pointed out that agriculture offered a means of attaining social well-being and economic growth in the hemisphere within a framework of equity and sustainability.

He added that the population explosion around the world and the high incidence of poverty require a steady rise in food production. He went on to stress the importance of developing technologies that would raise productivity and the return on crops through the combined efforts of the public sector and entrepreneurs.

In some subregions, such as the Caribbean, higher production should be accompanied by efforts such as diversification. «This is a challenge that cannot be ignored given the trend toward free trade and economic globalization,» he said.

Convinced that «the private sector is the engine of growth,» Jagan pointed to the abundant resources of Latin American and Caribbean countries as their trump card for attracting foreign investment to agricultural production.

He described the inflow of capital as a means of achieving social stability, through the creation of employment and the resultant improvement in living standards in the region.



Cheddi Jagan

The United States: Support for the Hemispheric Network

Mike Espy, the then US Secretary of Agriculture, stated that President Bill Clinton endorses the work that will be done by the agribusiness network.

«I have the honor of echoing President Clinton's support for the network,» commented Espy as he signed on behalf of the United States as a founding member of the network. The network and the Conference, he added, were a powerful endorsement of the key role played by agriculture in the hemisphere and around the world as the twenty-first century draws near.

Clinton's call for the establishment of a Free Trade Area in the Americas, and the invitation extended by the US, Canada and Mexico to Chile to join the Free Trade Agreement (NAFTA), with the prospect of further countries being incorporated, were described by Espy as a «strong and clear» signal that the US government takes its relations with the rest of the hemisphere seriously.

The US wants to see global competition and economic growth, and does so «in the firm conviction that our prosperity is directly linked to the prosperity of our trading partners,» he said.

In acknowledging the efforts of countries in the region to deregulate trade and open up their domestic markets, he noted that the ratification of GATT by the US Congress had demonstrated to the rest of the world that US agriculture is ready to compete in a world market that is more open than ever before.



Mike Espy

IICA:

Goals of the Summit of the Americas involve Agriculture

Achieving the goals of the Summit of the Americas necessarily involves agriculture, understood in the broadest sense as agri-food chains or complexes, observed IICA Director General Carlos E. Aquino in his address to the Conference.

Therefore, he said, we must reevaluate and rescale the role of agriculture and its links with related sectors, such as industry, transportation, the banking system, commercial services and communications.

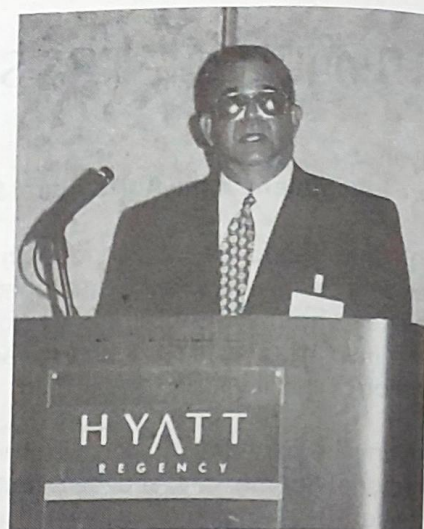
IICA's mandate, explained Aquino, «empowers us to play a full role in the agreements adopted at the Summit of the Americas and help ensure that the important role of agriculture and the forestry sector is taken into account in the plan of action of the recent Summit of Heads of State.»

Aquino recalled that only a few hours earlier, the hemisphere's political leaders, also meeting in Miami, had established as priority common goals the fostering of free trade and hemispheric integration, along with sustainable development, the eradication of poverty and the effective incorporation of women and young people into development activities.

They had also reiterated the need for the private sector to play an active, dynamic role in attaining these goals and urged international and regional organizations - especially those belonging to the inter-American system - to assist in executing the Plan of Action for Development.

The Director General highlighted the similarities between the direction that IICA was taking and the agreements adopted at the Summit of the Americas:

- * to be at the service of the countries and cater to their needs;
- * to be flexible, effective, timely and in step with the new hemispheric and international conditions;
- * to be open to the governments and to civil society organizations;
- * to act as a facilitator and linchpin for collaboration between the hemisphere's public and private sectors.



Carlos E. Aquino

AgAmericas:

Effective solutions urgently needed for economic transformation

Convinced that telecommunications and informatics will accelerate agribusiness activities and investment in Latin America and the Caribbean, Roger S. Sattler, President of AgAmericas, urged that effective solutions for economic transformation be formulated and implemented.

During his address, entitled «Agribusiness on the Information Highway,» Sattler called for «aggressive and responsible action» from the private sector to encourage investments at a time when the public sector can make a limited contribution.

He pointed to the relationship forged between IICA - a bridge between government agricultural institutions in the region - and AgAmericas, which has strong links with the private sector.

Informatics and telecommunications are becoming increasingly accessible as tools for conducting business, Sattler said. «This means that through the use of these tools even the smallest enterprises can gain access to new technologies and reach new markets and the agricultural community,» he added.

He predicted that the combined use of these tools would drive the most powerful economic development the world has ever seen, adding that the creation of the Hemispheric Agribusiness Network was the best way to capitalize on the opportunities offered by the new conditions.



Roger S. Sattler

DECLARATION OF PRINCIPLES

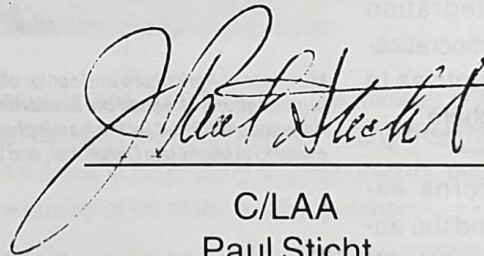
IICA and Caribbean/Latin American Action hereby agree on the following joint programs and objectives:

- * To work together to strengthen alliances between the public and private sectors.
- * To stress the importance of small and medium-scale production units in agricultural development.
- * To work together to strengthen relations between the public and private sectors, at the national and regional levels.
- * To work together with the partners of AgAmericas to achieve a deeper and broader impact for agriculture and agribusiness.
- * In hemispheric fora, to work on the hemisphere's behalf to attain the goals clearly set out by the Summit of the Americas and in its Plan of Action.

Together we pledge ourselves to advance the principles of the Summit as pertains to agriculture and agribusiness, both of which are of critical importance.

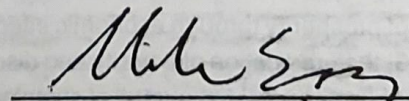


IICA
Carlos E. Aquino
Director General



C/LAA
Paul Sticht
Chairman

December 14, 1994
Miami, Florida



Mike Espy
United States Secretary
of Agriculture

SUMMIT OF THE AMERICAS REAFFIRMS IMPORTANCE OF AGRICULTURE

Agricultural policy-makers who attended the historic meeting of the Heads of State and Government of 34 Western Hemisphere nations held in Miami last December came away from the conference convinced of the need for agriculture to play a leading role in sustainable development, the eradication of poverty and trade deregulation.

This was the consensus of the Ministers of Agriculture from Central America, Haiti, Paraguay, the Dominican Republic and Uruguay who took part in the Conference on Agribusiness in the Americas.

At the Presidential Summit held December 9-11 and convened by US President Bill Clinton, the participants discussed key issues such as the opening up of markets, economic integration and the democratization of countries in the hemisphere.

The concerns expressed and the actions proposed by the leaders present were outlined in a Declaration of Principles entitled «Covenant for the Development and Prosperity of the Americas,» the core elements of which are: 1) the preservation and strengthening of the community of democracies in the Americas; 2) the promotion of prosperity through economic integration and free trade; 3) the eradication of poverty and discrimination in the Hemisphere; and 4) the pursuit of sustainable development and the conservation of the environment for future generations.

The document contains a series of broad commitments that affect individuals, the private sector, governments,

political parties, academic institutions, cooperation agencies and non-governmental organizations.

The main points of the Declaration, issued on the dawn of a new millennium, proclaim the principles of equity, sustainability and the competitiveness to which the Hemisphere's agricultural sector aspires, generating as it does 30% of the Gross Domestic Product (GDP) of Latin

American and Caribbean nations and providing employment for at least 20% of the hemisphere's labor force, according to figures published by the US Department of Agriculture (USDA).

TOWARDS AN AGRICULTURAL STRATEGY

The Conference on Agribusiness in the Americas, held shortly after the Summit, provided the perfect opportunity for the Ministers of Agriculture attending the agribusiness meeting

to discuss the need to design an agricultural strategy in order to attain the goals outlined in the Presidential Declaration.

Mindful of the importance of agriculture as an activity that contributes to the well-being of all peoples, IICA Director General Carlos E. Aquino pointed to the contribution that the agricultural sector had made to strengthening democracy in the Hemisphere by contributing to rural development, the creation of employment, higher productivity and the promotion of sustainable development.

«We must become involved» in the process of integration and globalization that the Presidents advocate, bearing in



Ministers of Agriculture and senior officials from international cooperation agencies and organizations stressed the similarities between the principles of the Declaration of the Americas adopted by the hemisphere's Heads of State and Government during their meeting in Miami last December, and the challenges facing the region's agricultural sector.

mind that «the driving force for development lies in effectively articulating the public and private sectors,» noted Mr. Aquino.

He agreed with the then US Secretary of Agriculture Mike Espy who had remarked that the Americas are «linked by the interdependence of their agricultural sectors and by their acknowledgement of the fact that trade and cooperation are the keys to economic growth.»

The Paraguayan Minister and President of CONASUR, Arsenio Vasconcellos, called for the creation of stronger linkages between the public and private sectors in order to create mechanisms that «promote investment flows into production in the region» and gradually integrate the capital markets called for under the Presidents' proposal.

His Uruguayan counterpart, Gonzalo Cibils, reiterated how important it was for the private sector to be aware of its increasingly key role in development through coordinated participation with the public sector.

On the same point, the Minister from Honduras, Ramón Villeda, said that the importance of the agricultural sector is reflected in its share in the overall economy: some 93% of the population of Latin America and the Caribbean are directly or indirectly involved in agricultural activities and «two thirds of all agricultural production is exported.»

OPPORTUNITIES FOR ACTION



Ramón Villeda

The participants in the conference on agribusiness agreed that the creation of the American Free Trade Area by the year 2005, one of the most important decisions taken by the Heads of State and Government, was an area in which agriculture should play a leading role.

Indeed, «the task of administering economic integration treaties will largely be left to the agricultural sector due to the social and political costs involved,» said the Minister of Agriculture of Costa Rica, Mario Carvajal.

The eradication of poverty and discrimination in the hemisphere were other fields in which agriculture could make a contribution, conference participants noted.

The Minister of Agriculture of Honduras pointed out that while 70% of the hemisphere's poor live in rural areas, they are responsible for producing 95% of the foodstuffs consumed in our countries.

Therefore, «poverty will not be eradicated unless special emphasis is placed on the agricultural sector. There can be no democracy, trade or social justice without agriculture,» Villeda observed.

Haiti was a case in point, said the Minister of Agriculture of that nation, François Severin, noting that migration from rural areas in his country underscored the need to improve the quality of life of the rural population.



François Severin

AGRIBUSINESSES LOOK TO THE TWENTY-FIRST CENTURY

CONFERENCE ON AGRIBUSINESS IN THE AMERICAS

The Conference on Agribusiness in the Americas brought together agribusiness leaders and public sector representatives for the first time to discuss current conditions in this strategic economic area and the conditions necessary for it to successfully meet the challenges of the next century.

Meeting participants included 289 representatives from 28 western hemisphere countries, plus Belgium and Taiwan. Some 57% of the delegates were from the private sector and 43% from the public sector. Most of the participants from the agribusiness sector belonged to businesses or associations of producers-exporters, and companies providing services to agriculture.

IICA's strategic alliance with the C/LAA is in line with the principal goals of its 1994-1998 Medium Term Plan, one of which is to promote concerted action by the public and private sectors to facilitate changes in production, trade and institutions.

The topics discussed during the conference were: what the public and private sectors can do together to foster agribusiness; the megatrends that impact the role of agribusiness; the new regulatory framework governing international trade; and how telecommunications can foster and facilitate business activities.

PUBLIC-PRIVATE DIALOGUE TO STIMULATE AGRIBUSINESS

During the discussion on dialogue between the public and private sectors, panel members suggested different ways in which government officials and private sector representatives could collaborate to capitalize on the potential for growth offered by trade opening and regional integration.

The speakers were William Maloney of Tropicana Holding Co.; Douglas



Photo/Julie Anne Coimbra, Brasil

During the panel discussion on establishing closer ties between the private and public sectors, participants emphasized the need to join forces to improve the quality of life in rural areas.

Murphy of American Rice Inc.; Carlos Gustavo Cano of Corporación Colombia Internacional; C. William Ross of International Market Bureau; Neftalí Soto Santiago of Puerto Rico's Department of Agriculture; Po Chung, Taiwan's Superintendent of Agriculture; Mario Carvajal, the Minister of Agriculture of Costa Rica; and Arsenio Vasconcellos, Paraguay's Minister of Agriculture and President of CONASUR.

The following were some of the main points addressed:

- * The need for greater dialogue between the sectors on common problems.
- * The role and responsibility of the private sector in production, agro-industrialization and the trade in agricultural commodities.
- * The need for the private sector to create new institutions to fill the gaps left by the state as it scales back its involvement in market operations.

- * Through their respective institutions, businessmen should fulfill public duties, especially in terms of identifying and promoting new business opportunities created by structural adjustment and the integration of the hemisphere's economies, the transfer of new technologies, and the mobilization of external resources to boost growth and reduce poverty.
- * The state's role should be to support these efforts, correcting market flows (e.g., controlling monopolies) and focusing on providing so-called basic services (education, health, basic infrastructure, justice and security).
- * Long-term agricultural development should reflect the framework of economic liberalization and globalization. In terms of the production structure, the goal should be to improve quality, lower subsidies, develop priority industries, plan land use and increase the size of farms, all with a view to increasing competitiveness.

- * With regard to life in rural areas, every effort should be made to preserve the positive aspects of traditional culture and improve the quality of life.
- * As far as the ecology of rural areas is concerned, the goal should be to improve environmental protection and thus prevent the destruction of resources, strengthen water and soil conservation in

The participants also discussed changes in demand and consumer preferences for foodstuffs and agricultural commodities; patterns of private investment in the trade in agricultural goods and services; the emergence of new technological paradigms; the new focuses of biotechnological research and development, and the challenges presented by technology transfer.

The creation of a new climate for investment, the improvement of trade

Trade Agreement between the U.S., Mexico and Canada (NAFTA) and the results of the Uruguay Round of GATT. It is estimated that full implementation of these agreements could generate imports of over US\$170 billion and exports of US\$130 billion for Latin America. These agreements will also bring about changes in the relationships between consumers, bankers and producers, and with world markets.

- * By the year 2000, 65% of the hemisphere's population will live in the south. The population will be 843 million and represent one of the world's largest markets.

In line with the megatrends already noted, there will be changes in the way in which agribusiness is conducted due to: the introduction of new technologies and the use of modern telecommunication systems; renewed concern for the issue of poverty; changes in the legal structures governing trade, income and credit; the strengthening of trade and financial integration; and the development of new kinds of relationships between governments, cooperatives and private enterprises.

This situation raises questions which, in the opinion of the participants, call for solutions that should be formulated through a dialogue among government officials, financial institutions and politicians.

- What aspects of trade, the banking system and multilateral agreements in the Americas could enhance the competitiveness of agribusinesses and stimulate exchange and investment with their partners?
- Do technology and the credit system facilitate integration and a positive financial environment for agribusinesses and infrastructure development in all the countries of the hemisphere?
- Which institutions, commercial banks or credit cooperatives could



Photo/Rocio Escobar

Biotechnological research and development have an impact on agribusiness.

mountainous areas, and encourage reforestation.

MAJOR AGRIBUSINESS TRENDS

The major trends that impact agribusiness throughout the hemisphere were the key issues addressed by another of the panel discussions in Miami.

New technologies, creative funding mechanisms and sustainability were some of the topics discussed by Eric Thor of Arizona State University; O. A. Ken Boyea of the East Caribbean Group of Companies; Anthony Wylie of the Fundación Chile; Paul Trapido of the Inter-American Development Bank; and Basilio Liacuris of FoodPack of the Americas.

and appropriate economic conditions are all challenges that must be met in the move towards a worldwide agribusiness system.

The following megatrends currently impact national agricultural systems in our hemisphere:

- * Broadly speaking, the economic climate is improving. Economists calculate that national income in the Americas will rise by around 3.4% in 1994, and over 3% in 1995. Projections for the next century suggest that the region's economy and agribusiness will continue to grow in response to demographic growth and the demand for employment.
- * Income and trade in the Americas are growing thanks to the Free

contribute to the development of stronger financial links between agriculture and agribusinesses?

- Which policy changes, including those related to training and technical assistance, are having the greatest impact on the funding of agribusinesses?
- What impact will sustainable development have on agribusinesses?
- What impact will greater regulation and monitoring of agribusinesses have on trade and banking activities?

FREE TRADE AND NEW REGULATORY SYSTEMS

Another of the panel discussions at the Conference focused on the new regulations governing agricultural trade and mechanisms to facilitate better understanding by the people responsible for implementing them.

The participants noted that trade liberalization in the hemisphere, regional integration and the GATT accords have intensified efforts to create a harmonized regulatory framework.

Chaired by IICA International Trade specialist Rodolfo Quirós, the other participants in the panel were: the USDA's Joseph W. Glauber; Adam Trujillo of Phoenix Regulatory Associates; Andrés Rosensweig, one of Mexico's negotiators in the Uruguay Round and NAFTA; Donald L. Fisher of Deloitte & Touche; Carlos Pomareda, an agribusiness consultant with FEDEPRICAP; and Herbert McLane of the Canadian Beef Breeds Council.

The discussion also focused on the new rules for protecting foreign investment and copyright; animal and plant health standards; technical and safety standards; unfair trading practices and new environmental specifications.

Some of the main points raised during the discussion were:

- * Trade liberalization creates major changes in national policy agendas. In the case of agriculture, there will be growing pressure to implement policies that contribute to transforming production.
- * Trade liberalization introduces the element of rationality into domestic economies by requiring better resource allocation. Liberalization must be a reciprocal process, however.

* For centuries trade has operated without a general agreement, though countries have always recognized the need for rules to prevent unfair trading practices. The 1994 GATT accords are especially important for agriculture as they call for a progressive elimination of the distortion creating mechanisms used by developed countries.

* The creation of the World Trade Organization will serve to administer organized trade, monitor the system and impose sanctions against any countries that break the rules.

* In all trade agreements, including GATT, agriculture is always treated as a «special case.» Timetables for dismantling barriers are agreed upon and certain commodities are excluded. In all countries there are those who feel that there are still many distortions and too many reasons for treating agricultural commodities «differently.»

* Some public entities, private organizations and companies are familiar with and understand the agreements signed by their respective governments. But if trade is to offer opportunities for everyone, this knowledge must be socialized.

* Existing subregional integration agreements (the application and complexity of which vary) need to be reexamined in light of the commitments assumed by the countries under the GATT accords, as the regulatory systems must be consistent.

* The harmonization process could begin with the identification of specific categories (chapters) of the rules contained in the agreement (e.g., regulations governing the origin of goods, techniques, etc.), and the creation of computerized systems for reviewing each specific one.



Photo/SARH, México

New trade regulations oblige companies to introduce more complex production processes.

- New regulations require companies to institute more complex processes. In some cases all that is needed is for staff to be trained, but in most instances the purchase of new technology and investment will be necessary.
- These challenges affect governments as well as private enterprises. The options open to companies often depend on the course of action their government adopts. Governments, therefore, should concern themselves with four types of action: efforts to ensure macroeconomic stability; strategic investments to improve their country's competitiveness; quickening the pace of institutional and legal reforms to make public services more efficient; and reforming the financial system to ensure access of small businesses to resources and services.

THE INFORMATION HIGHWAY

Government and private sector experts held a special meeting during the Conference to discuss information and telecommunications services already on the market which could stimulate agribusiness in the hemisphere, and the direction future endeavors in this field should take.

Speakers included representatives of firms that supply telecommunications services and experts specializing in modern communications systems for agribusinesses. Some were John Lamb of Market and Technology Partners Inc.; John Greene of the Agricultural & Chemicals Division of EDS; Rohan Champion of Novell; Piedad Montaño of the Inter-American Association of Librarians; Jim Horsfeld of the USDA's Economic Research Service; and José Lepervanche of Innovative Telematics Inc.

Insufficient access to market information, especially for small and medium-scale enterprises, was identified as an obstacle that will have to be overcome to boost agricultural trade.

Important benefits are to be gained from making information generally available for the development of agribusiness activities, trade and investment. Telecommunications and information technologies - several speakers argued - are a powerful resource that can be used to improve the efficiency of agribusiness enterprises; for example, they can facilitate access to low-cost information on distant markets.

There is an important worldwide infrastructure in place today that connects users by electronic means, through the use of copper cable, fiber optics, modems and satellites. The 30 million users of Internet - a network of networks - include governments, universities, private companies and individuals engaged in research, education and business activities. There is also a wide range of suppliers of public and private services in the hemisphere offering different terms and prices.

The speakers stated that we are moving into the age of information networks in which isolated computers will have only limited use, the price of equipment will fall and new programs will be developed to reduce the cost of interconnection.

Conference participants were able to observe and discuss a variety of possible applications of modern technologies to agribusinesses: administrative systems applied to harvests and livestock operations; information systems on government regulations; news of opportunities for agricultural employment; and interactive climatological maps.

Some of the main conclusions reached at the meeting were as follows:



A demonstration of agribusiness applications of telecommunications formed part of Conference activities.

- The cost of equipment and information services has fallen dramatically in recent years and distance is no longer a problem. However, there is no point investing in technology unless sufficient resources and time are allocated to training users in order to ensure the appropriate selection, interpretation and use of the information.
- Agribusiness operations are only beginning to use Internet. Needs and options must be properly assessed, training provided and programs designed to facilitate agribusiness activities through the use of modern telecommunications.
- In today's information age, the disparities within and between countries are increasingly defined in terms of their information resources. Better access to and use of information gives countries a competitive edge.

THE BACKDROP

Facts and Figures on Agribusiness in the Hemisphere

- Agriculture is of particular importance to the economies of most Latin American and Caribbean countries (LAC). In some cases agriculture accounts for up to 50% of the land currently in use, contributes over 30% of Gross Domestic Product (GDP), and generates up to 75% of foreign exchange through international trade.
- Agriculture provides work for at least 20% of the economically active population (EAP) throughout LAC. When direct and indirect employment are taken into account, agriculture contributes nearly half of all job opportunities in some countries, even in relatively developed ones.
- Agribusiness enterprises generate well-paid jobs. The daily wage in export fruit and vegetable packing and processing plants is always higher than the minimum rural wage.
- Export-oriented agribusinesses tend to generate more jobs for women than men.
- The agribusiness subsector is agriculture's most important, often accounting for three quarters or more of total sectoral output and virtually all agricultural trade.
- Agribusiness includes all economic activity connected with the production, management, processing, transportation, distribution, sale and consumption of foodstuffs, animal concentrates, forage and agricultural raw materials.
- It also encompasses activities related to the inputs or services that contribute indirectly to the system of goods that links the farm to the factory or the consumer's table.
- The vast gamut of agribusinesses includes stock raising, crops, silviculture and, in some cases, fisheries. Others involve agricultural inputs, machinery, equipment and related services - financing, packing, assembly, storage, refrigeration, handling, processing, transportation and distribution.
- According to the US Department of Agriculture (USDA), total US agricultural trade with the rest of the western hemisphere topped US\$25 billion in 1993, accounting for nearly 37% of US agricultural trade worldwide.
- The total value of US agricultural exports to the rest of the hemisphere came to around US\$12 billion in 1993 (roughly 29% of all its agricultural exports). Over half went to LAC.
- LAC is the second largest market for US agricultural commodities, and exports to the region have risen steadily for the past five years, increasing by around 3% per year between fiscal years 1993 and 1994.
- US imports of LAC agricultural commodities have also risen. As a result, the US has had an agricultural trade deficit with Latin America and the Caribbean in each of the last ten years. This situation contrasts sharply with the agricultural trading surplus that the United States has enjoyed with the rest of the world for decades.
- The make up of US agricultural trade with the western hemisphere in general and LAC in particular is gradually changing. While grains top the list of exports to LAC in terms of volume and cash value, exports of animal products have grown the fastest in recent years, accounting for 23% of the total in 1993. At 17%, edible oil seeds were the third biggest item that year. Fruit products accounted for another 11% of the total. The remainder was made up mainly of sugar, nuts, seeds, and vegetables. Processed foods included tomato paste, fruit juices and beer.

Taken from «Agribusiness In The Americas: A Working Document on Trade, Investment and Growth,» prepared by John E. Lamb at the request of C/LAA and IICA.

NEW HEMISPHERIC STRATEGY TO BE DRAWN UP FOR WORK WITH RURAL YOUTH



At the inaugural ceremony of the Inter-American Consultation on Rural Youth, the First Lady of Costa Rica, Josette Altman de Figueres, called on international agencies and organizations to «emulate IICA's firm commitment» to the region's rural youth.

The First Inter-American Consultation on Rural Youth took place at IICA Headquarters on January 23-25. By meeting's end, participants had defined the general outline of a hemispheric strategy for work with this sector to be drafted by the Institute. According to the latest projections, there will be 83 million young people living in rural areas by the year 2000.

Organized by IICA and co-sponsored by the W.K. Kellogg Foundation, the activity brought together representatives of governmental, non-governmental and youth organizations from 27 countries, as well as delegates from a number of international cooperation and funding agencies who described the meeting as a ground-breaking event, marking as it did the relaunching of the issue at the hemispheric level under the Institute's leadership.

Work with young people, the participants advised, should form part of larger sustainable development strategies aimed at improving conditions and the quality of life in rural areas. Efforts should therefore focus on more than simply production issues and endeavor to lay new institutional foundations to correct the imbalances between the countryside and the city. They should also be tailored to actual circumstances in the hemisphere, characterized by rapid changes in the economic, political and institutional fields.

During the closing session of the activity, IICA Director General Carlos E. Aquino González reaffirmed his institution's commitment to the issue and urged governments, donors and cooperation agencies to work together on behalf of rural youth.

Aquino, who before the closing session met with the young people who attended the Consultation, added that in upcoming meetings with senior officials of international cooperation and funding organizations he would pass on their concerns and highlight their need for more technical and financial support.

OPENING SESSION

The event was inaugurated by the First Lady of Costa Rica, Josette Altman de Figueres; a message from the First Lady of the United States of America, Hillary Rodham Clinton, was read by her personal representative, Paula Thomasson.

In it, Mrs. Clinton congratulated IICA for convening the meeting and expressed her support for efforts aimed at meeting the education and health needs of young people in the Americas. «It is my hope that this meeting will reinforce the commitment to youth which our leaders embraced at the recent Summit of the Americas,» the US First Lady stated.

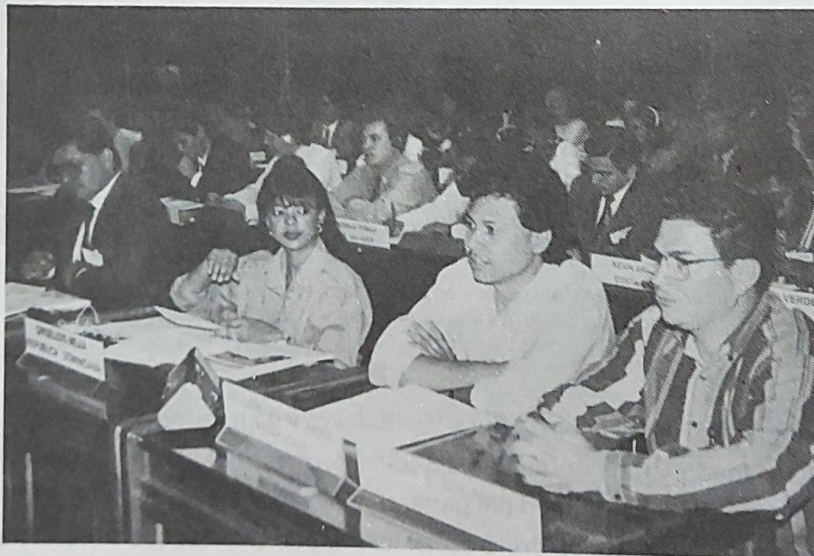
During the inauguration, addresses were delivered by the Ministers of Culture, Youth and Sports and of Rural Development of Costa Rica, Arnoldo Mora and Roberto Solórzano, respectively; the Director General of IICA; the President of the Ibero-American Rural Youth Advisory Council (CAJIR), José María Fresneda; the Representative of the Kellogg Foundation, Blas Santos; and the Director General for Structural Action of the Ministry of Agriculture, Food and Fisheries of Spain, Joaquín Castillo.

In their messages, all the speakers reaffirmed the commitment of their governments or institutions to work

with rural youth, in order to equip them to assume their proper roles as important agents for change. Several underscored the need for the Consultation to help define specific actions that would, among other things, strengthen support instruments and guarantee rural youth access to the resources needed for development.

In this regard, the First Lady of Costa Rica pledged her commitment to promoting youth programs as a key element of the initiatives undertaken by the Forum of Wives of Heads of State and Government of the Americas. «I am certain,» she said, «that young people are a priority for us all.»

The representative of the Kellogg Foundation, Blas Santos, recalled that four out of every five rural youths migrate to the city; this, in his opinion, underlined the need for this segment of the population to have access to a polytechnic education.



Representatives of youth organizations said that it was time to move beyond talk to action.

Santos said that the Kellogg Foundation, the second largest in the United States, believed in a more just society, «in which justice means that wealth not only grows, but is also distributed across the social spectrum, reaching the most needy. This new society will not be possible without a new type of citizen,» he stressed.

THE WORK

Once the international organizations, countries and subregional networks of rural youth had had the opportunity to present their experiences on the subject, participants worked together to lay the conceptual and methodological groundwork for the hemispheric proposal to be drawn up by the Institute.



Paula Thomasson

the Institute's hemispheric strategy.

THE ISSUES

During the meeting, repeated reference was made to the fact that work with rural youths must take into account major trends in the international context, including regional integration processes, the opening of trade (which requires increased competitiveness), the incorporation of the concept of sustainability into development strategies, the modernization of agriculture, the fact that land-distribution schemes have lost momentum, factors that work against rural youths (migration, exclusion from agricultural and develop-

ment policies, etc.); and their often unfavorable legal situation.

Working groups of participants targeted on issues such as the generation of employment and income for rural youth and training for sustainable development. Convinced that the time for talk had passed and that what was needed now was action, the participants drew up guidelines for

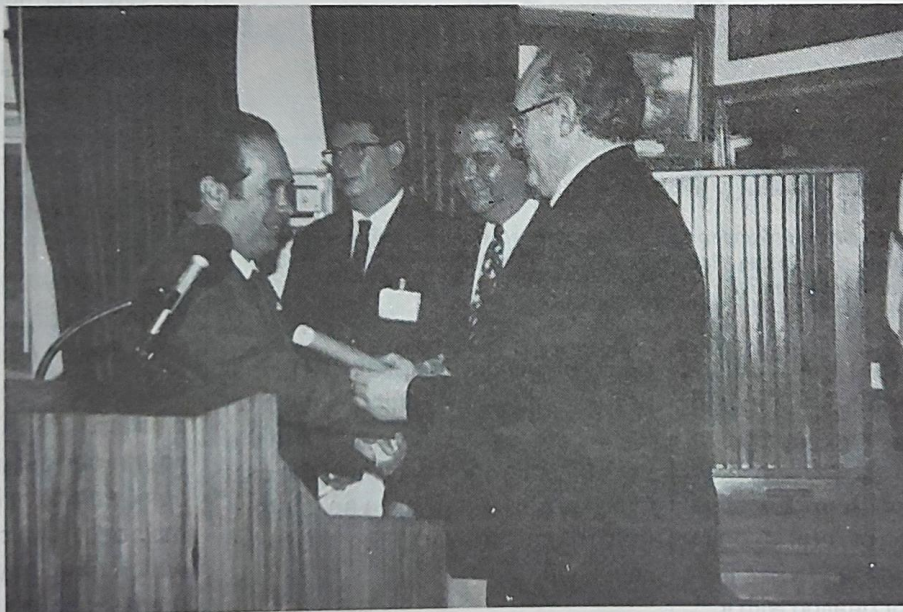
ment policies, etc.); and their often unfavorable legal situation.

There was consensus on the fact that the strategy must be differentiated to take into account regional specificities. It should also promote the creation of strategic alliances and the concept of sustainable rural development which, from a humanistic standpoint, includes the issues of gender, participation and sustainability.

The participants also outlined proposals for action at the local, national and regional levels. At the local level, emphasis should be on generating employment and income through agricultural and non-agricultural activities. It should also be geared to strengthening youth organizations and promoting cultural activities.

At the national level, the curricula of rural grade schools and high schools should be reviewed, funding mechanisms created, the concept of work with rural youths integrated into sustainable rural development strategies, cultural activities promoted and interinstitutional coordination articulated among NGOs, government entities and rural

youth organizations.



IICA and CAJIR honored Bolivia's Jaime Cusicanqui Velasco (left) for his valuable contributions to improving the well-being of rural youth in the Americas. Isidoro Beraja of Honduras and Rafael Segovia of Costa Rica were also honored in absentia.

At the regional level, emphasis should be placed on development activities that generate jobs and income in production-related activities in the agri-food sector through rural development projects. Efforts should

also be made to define a joint plan of action involving international cooperation agencies such as ECLAC, FAO, UNESCO, the International Fund for Agricultural Development (IFAD), CAJIR and the IDB.

A HETEROGENEOUS POPULATION

Though they share the common bond of age, rural youths in Latin America and the Caribbean are a heterogeneous group, with characteristics specific to each subregion of the hemisphere. For this reason, any plan that successfully provides them with support must take these differences into consideration.

ties available to them, ethnic background and socioeconomic situation.

Southern Cone

Espíndola indicated that in the case of the Southern Cone (Argentina, Brazil, Chile, Paraguay and Uruguay) it would



From left to right: Colin McDonald (Trinidad and Tobago), Daniel Espíndola (Uruguay), William Reuben (IICA Consultant), Iván Cossio (Bolivia), and Marvin Sánchez (Guatemala), during the presentation of the regional assessments.

The delegates from the Central American, Caribbean, Andean and Southern Cone countries all agreed on this point. In assessments of their respective subregions they described the overall situation of rural youth in each area and recommended a differentiated strategy for dealing with it.

The need for a strategy of this kind, argued Marvin Sánchez (Guatemala), Colin McDonald (Trinidad and Tobago), Jafet García (Colombia) and Daniel Espíndola (Uruguay), stems from the fact that rural youths in the various subregions, differ greatly in terms of their behavior, the opportuni-

be «pretentious» to speak of a global assessment as very little research on the subject existed but, thanks to the work that had been done over the past two years, «we now have an approximation that closely reflects the true situation.»

He noted that there are some 18 million rural youths in the subregion, of whom 52% are men and 48%, women. Their ages range from 10 to 29 years. All together, young people make up 32% of the population. One feature that sets the subregion apart is the fact that certain indicators vary considerably from country to country. In Para-

guay, for example, rural youth account for 48% of the population, while in Uruguay the figure is only 12%.

Another particularity of the Southern Cone is that it covers a large and heterogeneous area, characterized by early and rapid urbanization in Argentina, Uruguay and Chile, but not in the case of Brazil and Paraguay. Historically, Espíndola explained, there had been a latifundia-smallholding dichotomy, while today modern, capitalist agriculture exists alongside small-scale, often subsistence farms.

A recent study identified four categories of rural youth in the subregion:

- 1) young people from affluent families working in the formal labor market and occupying high-level positions;
- 2) rural youths in the process of adapting to urban life;
- 3) young farmers with access to production resources; and
- 4) undercapitalized, young rural inhabitants obliged to offer their services in the labor market.

The first group are the children of large and medium-scale farmers who enjoy many educational and economic advantages and come from families that «have much in common with high- and middle-income urban families.» The second is made up of young people with an enterprising spirit who have been directly hurt by macroeconomic adjustment policies, which have made it impossible for them to acquire technology and production resources on their own.

The third group consists of young people who receive the support of their families and have thus been able to stay and work on the family's medium-size farms, in some cases cultivating plots of their own. The last group is made up of the typical young



The young people in attendance agreed on the need for them to form organizations, not only for production purposes but also in order to press for their rights and for the opportunity to participate.

farmworker who does not own land, but is used to working on small plots.

Espíndola wound up his overview of the situation of rural youth by pointing out that work with this sector of the population must be sensitive to the gender issue; education must be adapted to suit the changing times, technological advances and regional, national and local conditions; support actions must assign priority to production; organization must be promoted; work should focus on regions and area; and the permanence and continuity of the work must be ensured, as «this is not merely a fad.»

ANDEAN AREA

Jafet García stated that, as in the case of the Southern Cone, there was a lack of information on the true situation of rural youths in the Andean countries. Nevertheless, he noted that certain studies have identified the most pressing problems.

These include low educational levels, the lack of specific training, the scarcity of employment opportunities,

large numbers of children in poor homes, the lack of credit and technical assistance, the need for technical, economic and social information, and the lack of sports and recreational facilities.

García contrasted this gloomy picture with the aspirations of rural youths, who range in age from 15 to 27 and make up 20% of the rural population: to own a piece of land or an income-generating business, to form organizations, to have a home and family, and to have access to recreational activities.

During his presentation, he lamented the fact that none of the five countries had the conditions needed for rural youths to be able to realize their potential. He stated the need to provide opportunities for them to acquire expertise and adopt technologies, to channel their enterprising spirit into non-agricultural production activities, to raise awareness regarding the need to make rational use of natural resources, to capitalize on young people's desire to improve their living standards and their natural inclination to participate in social processes that value their abilities

and importance, as well as their ability to work in an organized way for training, production and recreation purposes.

García also raised a series of recommendations which, in his opinion, «could be used as guidelines for future action»: governments should be asked to integrate rural youth into their national development programs, undertake legislative reform to ease young people's access to land, promote specific programs for this sector of the population, and encourage them to form organizations for carrying out agricultural and non-agricultural production activities.

THE CARIBBEAN

Colin McDonald, from Trinidad, pointed out that any analysis of the subject of rural youth in the Caribbean must bear in mind the geographic, cultural, economic and social differences that distinguish this sub-region from Latin America.

It must be remembered, he said, that with few exceptions the countries concerned are small and sparsely populated. As a result, the dividing line between urban and rural areas is extremely blurred and often non-existent.

However, similarities do exist between young people in the Caribbean - whose ages range from 15 to 30 - and their Latin American counterparts in terms of their neglect and exclusion by society.

According to McDonald, their educational levels are low and they have few employment opportunities. He added that most are involved in traditional activities, especially agriculture, and they require training and technology.

He acknowledged the fact that agriculture is not the most important sec-

tor of Caribbean economies and explained that it had been seriously affected by adjustment processes, especially as far as the provision of services is concerned. As a result, the countryside is not attractive to young people.

The logical result of all this, McDonald noted, is that rural youths are moving to urban areas, where they find themselves at a disadvantage because their lack of technical and polytechnic training means that they lack the knowledge and skills to adapt and realize their potential.

He agreed with García and Espíndola that the issue of young people should be incorporated into national development strategies, and that this was the way to go about implementing specific actions to address their needs.

CENTRAL AMERICA

Rather than offering an assessment of the situation of rural youth in Central America, Guatemala's Marvin Sánchez went over some of the differences between the countryside and the city in this subregion and also mentioned some of the political and economic processes that impact young people.

He pointed out that Nicaragua and El Salvador, for example, are currently in transition from armed conflict to peace. As a result, new production organizations are being created, especially in agriculture, but enormous gaps in training and technology management are a handicap «to this auspicious initiative,» he said.

Sánchez added that efforts to correct the production system's inability to absorb the rural labor force had so far

proved unsuccessful. As a result, large numbers of people continue to return to production areas at harvest time in search of employment. Entire families, composed mostly of young people, are trapped in this situation with no way out, he said.

Another constraint on rural youth in Central America is poor access to land. The agricultural frontier has been reached and this is causing two problems: greater migration to the cities and the use of forested land for agricultural purposes, with the resulting impact on natural resources.

The inequalities between rural and urban areas are also seen in the education system. «The situation is incongruous. Rural young people are educated with values, ideas and even languages that bear no relation to their actual circumstances. They receive poor quality education and their access to university education is very limited,» he revealed.

Sánchez illustrated this point with an example. In Guatemala, he said, less than 1% of university students come from rural areas. How many of them belonged to indigenous groups, he wondered. He acknowledged the fact that in recent years some important contributions had been made in the field of nonformal education, but «impact has been limited,» as the training fails to take into account the life and production needs of young people.

In his opinion, efforts that incorporate a gender approach should be given priority, and that «Central America has some interesting, albeit insufficient, experiences to draw on in this respect.» Other priorities are the organization of young people for agricultural and non-agricultural production purposes, and the rational management of resources.



Representatives of Andean organizations that work with indigenous rural youth advocate specific actions in support of this segment of the population.

COMMENTS OF THE PARTICIPANTS



Carlos Bories, Argentina
Doors Open

Work in support of rural youth is difficult. There are few opportunities and the doors to cooperation are usually closed. Therefore, this Inter-American Consultation is a landmark: a serious organization, such as IICA, has taken up the topic again and, thanks to contributions from the participants, will be able to lay the groundwork for future actions, affirmed Carlos Bories, from Argentina.

Bories, the secretary of the Central Council of Rural Youth Cooperatives, added that the success of the initiatives to be developed will depend on the ability to bring together the interested sectors: governments, cooperating agencies, international funding agencies and the youth organizations.



Ivan Cossio, Bolivia
Institutional Responses

In Bolivia, although rural youths constitute 43% of the total population, there is an inadequate institutional response to that subsector of the population, despite their key importance to production. This translates into poverty and lack of opportunities, affirmed Bolivia's Undersecretary for Social Development, Ivan Cossio.

To turn this situation around, he said it was «necessary to shape young leaders, provide management training for effective decision making, democratize access to education and promote technological modernization.» He added that the Inter-American Consultation had opened a door in that direction, making it possible to adopt a multisectoral approach to bridge the gaps faced by rural youth.



Jose Maria Fresneda, CAJIR
Serious Commitments

Convinced that much has been said and written about rural youth, the President of CAJIR, Jose Maria Fresneda, from Spain, stressed the need to join efforts and make commitments to set aside discourse and

focus on action.

«I hope that, after this Consultation, when we talk about rural youth, we will be able to talk about before and after. We have had enough of assessments and research. The time

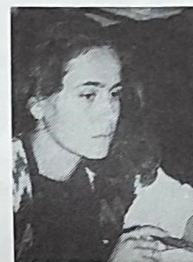
has come for NGOs, governments, international funding and cooperation agencies, youth organizations and foundations to commit themselves to the design and execution of the development program rural youth need,» he explained.



John Durston, ECLAC
Tools for Improving Competitiveness

Since markets are becoming ever more competitive, «direct assistance in the countryside and legal reforms to ensure access to production resources are imperative» for the welfare of rural youth in Latin America and the Caribbean, said John Durston, an official with the Economic Commission for Latin America and the Caribbean (ECLAC).

Accordingly, «a framework of equal opportunities, a process to transform the structure of production, and equity in the distribution of the fruits of development» are some of the tools needed to enable rural youth to meet the challenges of economic globalization and trade liberalization.



Diana Murillo, Costa Rica
Space for Youth

We, as young people, must take on an active role in the design of proposed actions and programs aimed at rural youth. We know better than anyone else what our situation is and what the problems are. But we also know what the solutions are, affirmed Diana Murillo, the representative of the *Foro de la Juventud Costarricense* (Costa Rican Forum on Youth).

According to Ms. Murillo, there is an inconsistency in the approach to the topic of youth: on one hand, there is much talk about the urgent need to eliminate the way in which we have historically been excluded, yet, in reality, adults continue to plan our future.»



Paula Thomasson
Representative of the First Lady of the United States of America
Support for youth

Support for youth is a priority among the initiatives promoted by the First Lady of the United States, Hillary Rodham Clinton, «since youth represents the generation to which we delegate the future of our country and of the world,» stated Paula Thomasson, who spoke on behalf of Mrs. Clinton during in the Consultation.

IICA's efforts to bring together many sectors in this Consultation underscores the willingness of different sectors to support the youth of the Americas, she added.



**Joaquin Castillo, Spain
Common Interests**

Spain, like IICA, feels that the time has come to renew efforts in support of rural youth. According to Joaquin Castillo, the Director General of Structural Action of the Ministry of Agriculture, Livestock and Food of

Spain, we are taking advantage of our participation in this Consultation to state that we are ready to collaborate with this important sector of rural society.

Castillo indicated that a bill recently submitted to Parliament to modernize farms places emphasis on activities with youth. In general terms, he explained that efforts are being made to strengthen instruments to provide support for young people, to enable them to enhance their professional capabilities in rural areas and to provide them with access to the resources they need to attain this objective.



**William Seiders, FAO
Exchange of Ideas**

Exchanging ideas and experiences on a topic as important as rural youth is vital in efforts seeking to improve the quality of their lives, stated William Seiders, officer for agricultural extension, training and rural youth at FAO.

«For FAO,» he said, «IICA is an important link with institutions addressing this topic throughout Latin America and the Caribbean,» and working with them at the Consultation represented an opportunity to propose strategic action reflecting the conditions of each country, avoid duplication of efforts and ensure effective action.



**Blas Santos, W. K. Kellogg
More than Agriculture**

According to Blas Santos, the Representative for Latin America and the Caribbean of the W.K. Kellogg Foundation, we must realize that opportunities for rural youth are not limited solely to agriculture, and thus it is im-

portant to provide them with polytechnical education, which will prepare them for successfully undertaking non-agricultural activities.

If we think of agriculture as the key alternative, he added, we must hasten to prepare a new generation of farmers, who are capable of participating in the open and competitive world of today. Otherwise, we will condemn young people to a life of poverty and social exclusion.



**Roy St. Bernard, Grenada
Holistic Approach**

«A holistic approach, which includes economic, cultural and social aspects,» must be used in order to benefit the rural youth of Grenada, who work mainly in vegetable production, according to Roy St. Bernard, an official from the Ministry of Agriculture of

that country.

Together with integrated support, interaction among different sectors to address the needs of rural youth is a decisive factor in improving the quality of life of this sector of the population.



**Enrique Riera, Paraguay
Committed Leadership**

According to the Vice Minister of Youth of Paraguay, Enrique Riera, the Inter-American Consultation clearly showed that IICA has the political will and committed leadership to work in earnest with rural youth.

«Seldom have we seen so many efforts focused on attaining a common objective, and I find this to be a very good sign, since it is clear to everyone that the topic had been pushed aside for a long time,» commented the official, who spoke in favor of putting words into action.»



**Elauli Torres, Venezuela
Capabilities for self-management**

In fora and working meetings on rural youth, much is said about the need for contributions from international cooperation and funding agencies in order to ensure the success of these activities. However, according to Elauli Torres, from Venezuela, at

times we forget that rural youth and their organizations must develop their own self-management capabilities.

This does not mean, she pointed out, that support from cooperating agencies is not important, principally as concerns funding for production activities. «Nevertheless, if we prepare young people to develop organizations to carry out agricultural and non-agricultural activities, we will strengthen their capabilities for dealing with the dwindling supply of resources,» she added.

Photos/Danilo Jiménez, IICA

COOPERATION AGENCIES CONFIRM INTEREST

On January 26, at the end of the Inter-American Consultation held at IICA headquarters, representatives of international cooperation and funding agencies confirmed their interest in joining forces to support work with rural youth in Latin America and the Caribbean.

With a view to taking specific actions and formulating a joint working agenda, meeting participants agreed to carry out activities at four levels in order to:

- 1) establish and consolidate a regional information network on the subject;
- 2) develop a conceptual and strategic framework before designing plans of action;
- 3) encourage governments and agencies to incorporate work with rural youth into their development programs; and
- 4) work to formalize inter-agency commitments for executing direct actions in the countries.

The meeting was attended by representatives of ECLAC, the Government and Ministry of Agriculture, Fisheries and Food of Spain (MAPA), FAO, UNESCO, the W.K. Kellogg Foundation, the European Union, USAID and the USDA, the IDB, IICA, CAJIR, the Council of 4-H Clubs of Canada, the Radio Nederland Training Centre (RNTC), CATIE and the Regional Network of Youth Programs of the Caribbean.

THE NETWORK

Through the regional network, which will receive technical and administrative support from IICA, participating agencies will be able to exchange experiences and information on rural youth, access lists of projects already under way and at the design stage, and make contacts with other professionals working in this field.

Representatives of the international agencies also attached great importance to the need to prepare a conceptual and strategic framework, acknowledging the fact that more information is needed for better understanding the topic and facilitating the search for solutions.

They indicated that the recommendations made at the Inter-American Consultation will be very useful for setting a clear course and encouraging agen-

Arnobio Maya of UNESCO felt that priority should be given to developing the conceptual framework. «This is fundamental and could be done on an inter-agency basis with IICA serving as the facilitator,» he added. In his view, a holistic approach should be adopted for work with rural youth, in order to incorporate topics such as human rights and sustainable development.

John Durston of ECLAC referred to the importance of combining efforts in initiatives to benefit rural youth, with attention to structural issues such as works to combat poverty. This, he pointed out, would make it possible to



The participants agreed on the urgent need to incorporate the subject of rural youth into development programs.

cies and governments to incorporate the topic of rural youths into their development programs.

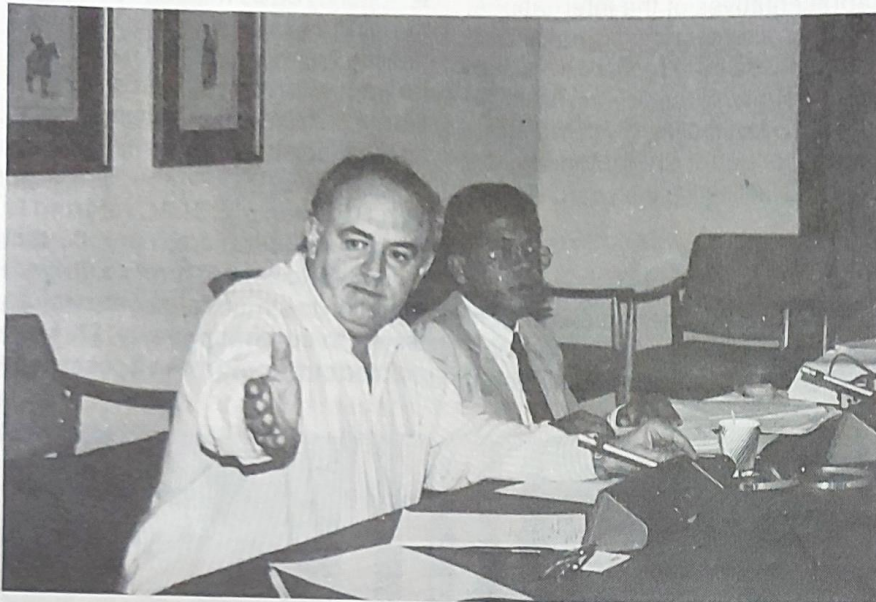
The Spanish delegation, headed by the Director General for Structural Action of the MAPA, Joaquín Castillo, said there was an urgent need for inter-agency agreements for carrying out activities in the countries.

Specifically, he mentioned that it was very likely that his country's official volunteers program would be in a position to participate in an initiative of this kind.

substantially improve the living conditions of this segment of the population.

Andrés Marchant of the IDB felt that financial resources were not the main issue in attempting to solve the problems of rural youth in Latin America and the Caribbean; the main problem is the dearth of ideas on how to go about enhancing the well-being of young people in the countryside. He therefore recommended that inter-agency efforts be organized, that better use be made of available resources and that duplication of efforts be eliminated.

CAJIR AND IICA TO WORK TOGETHER



At the meeting, Jose Maria Fresneda (left), from Spain, and Cesar Amado Martinez, from the Dominican Republic, were reelected, respectively, as CAJIR's President and Secretary General.

The International Rural Youth Advisory Council (CAJIR) is preparing to work with IICA in activities targeting rural youth, said its president, Jose Maria Fresneda (from Spain), after a plenary meeting of the board of directors of that organization that was held on January 27.

To that end, the CAJIR will soon establish its General Secretariat at IICA Headquarters, reflecting its keen desire to work «hand in hand with IICA.» He added that «this marks the beginning of a new CAJIR, one that is stronger, more dynamic and better positioned to provide support to rural youth in Latin America and the Caribbean.»

CAJIR was created in 1971 by the General Secretariat of the Organization of American States (OAS) to bring together government organizations, NGOs and foundations that

work with rural youth in the countries. It has been receiving technical and economic support from IICA since 1975. It is headquartered in the Dominican Republic, a country which has provided solid support to its activities.

Its scope of action is North America (Canada, Mexico, United States), Central America, the CARICOM (Caribbean Community) and remaining Caribbean countries, the Andean zone, the Southern Cone and Europe (Spain and Portugal). Through a decision of the Assembly that met in Santo Domingo in 1993, its name was changed to International Rural Youth Advisory Council.

GUIDELINES FOR ACTION

In addition to the members of its board of directors, the plenary meeting

included the chiefs of the six regional councils into which the organization is divided geographically, as well as representatives of subregional networks and rural youth organizations that belong to CAJIR, which had participated earlier in the Inter-American Consultation.

Participants approved by consensus a series of resolutions that, in Fresneda's mind, not only constitute guidelines for the Council's action, but also reestablish it as an organization that will have a direct impact on the work of international agencies working with rural youth.

The resolutions address a variety of topics, including joint efforts with IICA, establishment of the CAJIR General Secretariat in Costa Rica, and the search for financial support for rural youth programs, with emphasis on establishing a trust fund for serving the needs of microbusinesses.

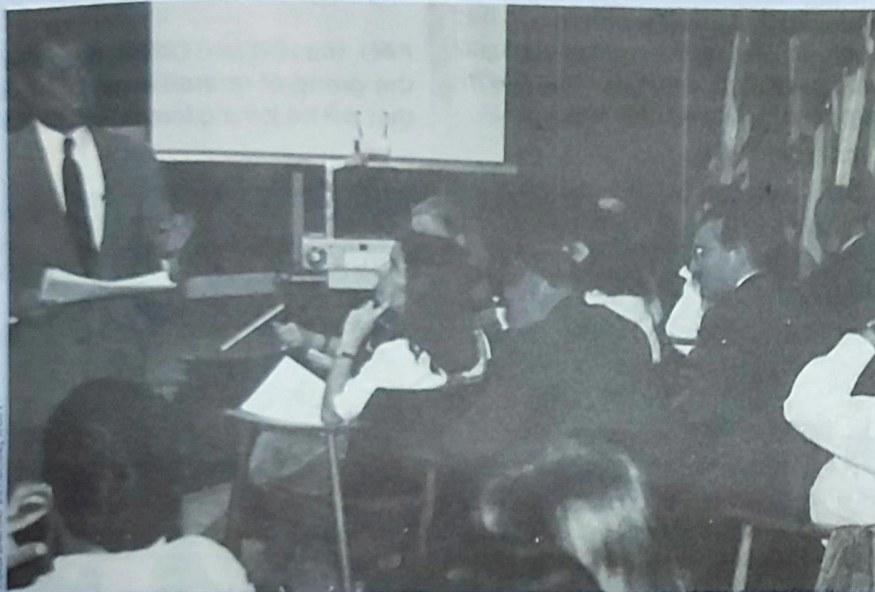
Other resolutions aim to strengthen the six regional councils and to create networks of young agri-entrepreneurs. Fresneda indicated that the purpose of the latter will be to «organize youths who are already a part of the production process, so that they can form strong and meaningful organizations.»

The participants also adopted resolutions on the following topics: establishment of an information and communications network, design and implementation of a youth exchange program, studies for upgrading knowledge on the topic, and joint efforts for holding the Ibero-American Rural Youth Conference in two years' time.

HEADQUARTERS

Reflections and Goals

First year of the Aquino Administration



On January 27 Headquarters officials attended a working meeting convened by the Director General, Carlos E. Aquino González, to review the institution's achievements and progress as well as the difficulties it encountered in 1994.

IICA'S Technical Cooperation Agencies played an active part in the meeting, even though not physically present in the room. Their reports on the actions executed last year, the problems they faced, and their suggestions, were shared with Headquarters staff. It was clear that the Institute's vitality stems from the input provided by the member countries.

The Head of IICA's External Resources Division, Víctor del Angel (left, standing) was responsible for systematically organizing the replies sent in by 18 of the 33 national agencies at the request of the Director General.

Moving Tribute to Dr. José Emilio G. Araujo

In recognition of his contribution as Director General of IICA from 1970-1982, a ceremony was held January 9 at Headquarters at which the Institute's senior management and staff honored Dr. José Emilio G. Araujo. Accompanied by members of his family, Director Emeritus Araujo thanked all those present for the tribute and made a number of observations. «IICA,» he said, «is a consolidated organization thanks to the ability it has developed over the years to adapt to change.» Director General Carlos E. Aquino described Dr. Araujo's achievements and emphasized the humanistic philosophy that this Doctor of Agronomy had stamped on the institution.



STRATEGIC ALLIANCES

Working Relationships Strengthened with New Organizations

Between December and March, IICA strengthened its strategic links with nine cooperation and funding organizations as part of its efforts to increase the supply of technical cooperation available to meet the needs of the member countries and help them attain the goal of sustainable agricultural development.

The list of alliances includes the signing in Miami, during the Conference on Agribusiness in the Americas in December, of a general cooperation agreement with the Pan-American Agricultural College (Zamorano) (Honduras), for work on the development of the American tropics and effective natural resource management.

Also in December, at IICA Headquarters the Institute and the Guatemala-based Central American Institute for Research and Industrial Technology (ICAITI) signed a general cooperation agreement aimed at strengthening ties between the agricultural and industrial sectors.

In January, the Vice-President for International Agriculture Programs at the University of Texas A&M, Ed Price, visited the Institute to explore possible areas of joint action in the training field. The official confirmed his institution's interest in strengthening agricultural research and the training of human resources for agricultural development.

February was the busiest month for work with the Institute's partners. Following three days of work with IICA experts at Headquarters, a mission from Volunteers in Overseas Cooperative Assistance (VOCA) an-

nounced that priorities for action had been identified and a number of project profiles drafted to benefit Latin American and Caribbean countries.



The general cooperation agreement between Zamorano and IICA was signed in Miami by the heads of the two organizations, Keith Andrews and Carlos E. Aquino (third and fourth from the left). They are pictured with Arsenio Vasconcellos, Minister of Agriculture of Paraguay, and former OAS Secretary General João Baena Soares.

Before the end of this year, IICA and the International Fund for Agricultural Development (IFAD) are expected to launch a Latin American program for evaluating projects to combat rural poverty. The program will be funded with a US\$790,000 donation from the Rome-based United Nations agency.

This was the most important result of a visit to Headquarters by Oswaldo Nestor Feinstein, Chief Evaluator of IFAD's Office of Evaluation and Studies, who stated that the program will contribute to meeting training needs in this area in Latin American and the Caribbean.

The German Agency for Technical Cooperation (GTZ) is another on the roster of partners with which IICA intends to broaden its cooperation activities. Cristoph Kuchemann, Chief of the agency's North Latin America and Caribbean Division, visited the Institute in January for talks with IICA officials on the scope and content of new joint efforts under a basic agreement that should be ready for signing in May.

FAO, the IDB and CABI round out the group of related organizations that will be joining forces with the In-

stitute for the benefit of Latin American and Caribbean countries. With the United Nations Food and Agriculture Organization (FAO), IICA intends to expand its cooperation in the field of agricultural policy analysis, an area in which the region badly needs support, said Antonio Pérez, a FAO official based in Rome.

The Inter-American Development Bank (IDB) and IICA signed four non-refundable technical cooperation agreements worth US\$1.365 million to finance a range of agricultural technology development activities in Latin America and the Caribbean.

COUNTRIES IN ACTION

Canada and IICA Seek Ways to Expand Joint Work

The Director General of IICA, Carlos E. Aquino, held meetings with senior Canadian agricultural and cooperation officials to discuss ways of expanding joint work between this North American nation and the Institute.

The meetings, which took place last December 15-19 during an official visit, highlighted areas of common interest and the willingness of both parties to engage in further undertakings. Some of the areas pinpointed for specific action were joint business ventures between Canada and countries in the region, the analysis of economic and sectoral policies, and support for the countries through post-graduate agricultural studies.

Aquino took advantage of his meeting with Agriculture Minister Ralph Goodale to reaffirm IICA's interest in signing a General Cooperation Agreement with Agriculture Canada. The Director General also took the opportunity to invite Mr. Goodale to attend the next meeting of the Inter-American Board of Agriculture (IABA), slated for Costa Rica in September. Equally fruitful were the discussions with Foreign Affairs and International Trade officials who were interested in hearing firsthand of the institution's restructuring process and the four principles on which it is based: participation, concentration, flexibility and decentralization.

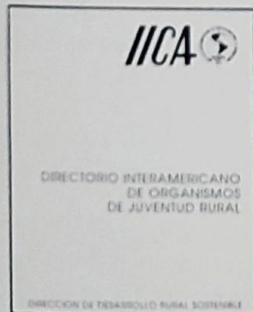
They were particularly interested in this last point, given the opening of the

Northern Regional Center for Technical Cooperation - which will cover Canada, Mexico and the US, - as part of the efforts to decentralize the institution. In their opinion, this opens the door to the execution of actions in a number of areas, including trade and investment policy, the identification of market opportunities, two-way exchanges of human resources and information, and monitoring of the North American Free Trade Agreement (NAFTA). Aquino also met with officials from the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC), the Inter-American Organization for Higher Education (OUI), the International Livestock Management School, the World Women's Veterinary Association, the University of Toronto and the Canadian Council for the Americas.

PUBLICATIONS

DIRECTORIO INTERAMERICANO DE ORGANISMOS DE JUVENTUD RURAL

Area of Concentration - Sustainable Rural Development



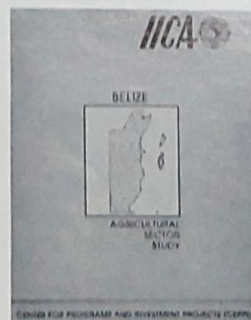
The Inter-American Directory of Rural Youth Organizations contains a complete listing of the government agencies, NGOs and private institutions

that work with this segment of the population.

Arranged in the form of fact sheets, the information allows interested parties to become familiar with the organizations, forge contacts and share information. The data covers the establishment and objectives of each organization, the programs and projects being implemented by each, their legal status, representatives and geographical coverage. All the information is organized alphabetically, by region, country and name of the entity.

SERIE DE ESTUDIOS SECTORIALES

CEPPI, DIPRAT



This new series is composed of a total of fourteen sectoral assessments carried out by IICA in Belize, Brazil, Colombia, the Dominican Republic, Guatemala, Guyana, Haiti, Jamaica, Nicara-

gua, Panama, Peru, Suriname, Trinidad and Tobago and Uruguay. The updated basic indicators represent an important source of information for the ministries, cooperation agencies, business community and other interested parties.

Conducted in response to a mandate issued by the Tenth Inter-American Conference of Ministers of Agriculture (ICMA, Spain 1991), the assessments support the Member States in carrying out research of this kind with the Institute's Technical Cooperation Agencies in the countries and specialists based at Headquarters.

Each assessment provides general information on the economic and agricultural policies and sectoral institutions of each nation. The chapters on natural resources endowment, the characteristics of sub-sectors, demographics, etc., vary from country to country.

IICA IN THE NEWS

Costa Rica, United States, Guyana, Panama

REUNION DE AGROEMPRESARIOS

Tras la Cumbre de la América convocada por el Presidente Bill Clinton, se realizó del 12 al 13 de diciembre en Miami una conferencia sobre temas y oportunidades agroempresariales, en la que tomaron parte representantes de los sectores público y privado de todo el hemisferio.

La conferencia es organizada por AG América, filial agroempresarial de Caribbean Latin American Action (CLAA), con el auspicio del Instituto Interamericano de Cooperación para la Agricultura (IICA), organismo especializado en agricultura del sistema interamericano.

El programa incluirá sesiones prácticas sobre opciones de negocios en el campo agroempresarial, intercambios sobre políticas de desarrollo, una exhibición de tecnología de telecomunicaciones coordinada por Sprint Internacional, y una exhibición de productos de los países del hemisferio.

The First Conference on Agribusiness in the Americas, held in Miami last December and attended by agro-entrepreneurs and public and private agricultural sector leaders, was covered by a number of newspapers in the region.

The media focused mainly on the creation of the Hemispheric Agribusiness Network which will link buyers and sellers of agricultural commodities, inputs and services, electronically.

The event was co-sponsored by IICA and Caribbean Latin American Action (C/LAA), which have formed a solid strategic alliance in order to strengthen this dynamic sector.

Costa Rica (*La Nación, La República, Al Día*), the United States (*The Miami Herald*), Guyana (*Guyana Chronicle, Stabroek News*), and Panama (*La Prensa, El Panamá América, La Estrella de Panamá*).

Bolivia, Dominican Republic, Grenada, Uruguay

Consulta interamericana hace IICA sobre juventud rural

RESUMEN

El Panamá América, La primera Consulta Interamericana sobre Juventud Rural se realizó el 23 al 25 de enero, en la sede del Instituto Interamericano de Cooperación para la Agricultura (IICA), en San José, Costa Rica.

Los objetivos de la consulta se encuentran en la profundización del diagnóstico sobre la situación de los jóvenes rurales de América Latina y el Caribe, componente que llega al 31% de la población rural del continente.

El encuentro es el más importante organizado a nivel regional en la última década para analizar la cooperación entre gobiernos, organizaciones no gubernamentales, instituciones de la sociedad civil y organismos internacionales de cooperación.

Los jóvenes representan actualmente el 41.4% de la pobla-

ción económicamente activa del área rural, las cuales carecen de una organización propia que articule los intereses y contribuya a fomentar y canalizar sus potencialidades.

La organización del evento está a cargo del IICA bajo el patrocinio de la Fundación Kellogg, la Organización de las Naciones Unidas para la Agricultura y la Alimentación FAO, el Banco Interamericano de Desarrollo y el Gobierno de España.

El especialista del IICA en el tema, William Reuben, considera que se impone evaluar las políticas sobre juventud rural implementadas hasta la fecha en América Latina y el Caribe, señalando además que la situación de los jóvenes del campo se caracteriza por un alto nivel de necesidades insatisfechas de salud y educación.

In January, IICA hosted the First Inter-American Consultation on Rural Youth at its Headquarters in San José. The activity attracted the attention of the press in a number of countries.

Attended by representatives of governments, civil society organizations and international cooperation and funding agencies, the meeting provided an opportunity to draft an inter-agency plan of action to meet the needs of this sector of the population.

The topics discussed included access to education, services, and the potential of rural youth as agents for sustainable development.

Bolivia (*El Diario, Alerta Agrario*), Costa Rica (*The Tico Times, La Nación, La República*), the Dominican Republic (*El Siglo, El Caribe, Hoy*), Grenada (*The Grenadian Voice*), Uruguay (*La República, La Mañana, El Observador*)

UPCOMING ACTIVITIES

- **Symposium on Economic Integration in the Western Hemisphere, San José, Costa Rica, June 7-9, 1995.**

Experts from a number of Latin American and Caribbean countries will take part in a Symposium on Economic Integration in the Western Hemisphere next June 7-9. The event is being co-sponsored by IICA and the International Agricultural Trade Research Consortium (IATRC).

The sessions will involve specialists from international organizations such as IICA, the Economic Commission for Latin America and the Caribbean (ECLAC), the International Monetary Fund (IMF) and the World Bank.

In working groups and plenary sessions, participants will address important issues such as the trend toward regional integration, integration in the western hemisphere and its relationship with the international trading system, the lessons to be learned from trade negotiations, economic development and the reform of agricultural policy.

- **Workshop «Toward an Inter-American System for the Management of Animal Genetic Resources,» San José, Costa Rica, July 4-6, 1995.**

The key objective of this workshop is to lay the groundwork for an inter-American system for the conservation and utilization of animal genetic resources.

The purpose of the meeting, organized under a Letter of Understanding signed by IICA and FAO last December, is to create awareness among decision makers of the importance of preserving and capitalizing on the stock of animal genetic material in Latin America and the Caribbean, within a framework of sustainability.

The activity will bring together experts on the subject from the private sector and non-governmental organizations, and is being organized by IICA, FAO, USDA, Agri-Food Canada, CATIE, the Ministry of Agriculture of Costa Rica, EMBRAPA and INIFAP. It is being co-sponsored by these institutions and IDRC.