



Forty-third Regular Meeting of the Executive Committee

**Report of the 2023 Regular Meeting of the Special Advisory
Commission on IICA (SACMI)**

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Introduction

Pursuant to its Statute and Rules of Procedure, and in compliance with resolution IICA/CE/Res. 580 (XXXIII-O/13), the Special Advisory Commission on Management Issues (SACMI) held its Regular Meeting on 26 April 2023 at 8:35 a.m. (Costa Rica time), via videoconference.

The Technical Secretary briefly explained the origins, objectives and duties of the SACMI. He stressed its importance in facilitating regular dialogue between the Director General of the Inter-American Institute for Cooperation on Agriculture (IICA) and Member States regarding initiatives related to administrative, budgetary and strategic issues in IICA's technical cooperation, with the aim of building consensus on these matters prior to the meetings of the Executive Committee and the Inter-American Board of Agriculture (IABA).

He mentioned that the SACMI is comprised of nine Member States: six permanent members (Argentina, Brazil, Canada, Mexico, the United States and Venezuela) and three selected for one-year periods (Guatemala, Paraguay and Suriname in 2023). Annex 1 includes the list of participants from each delegation.

He commented on the modernization process that was underway at IICA to meet international standards, under which a strict data protection policy had been developed and implemented. He therefore asked the meeting participants to verify the personal information they had provided, in order to comply with the policy.

Message from the Director General

The Director General welcomed the delegations in attendance, the Institute's senior management team and the technical group lending support during the meeting. He encouraged the delegates to share their comments and recommendations, which provide valuable input to guarantee the success of the Institute's actions.

He underscored the importance of the SACMI's role as an advisory, discussion and consultation body to an IICA of open doors that is seeking to increase the effectiveness of its technical cooperation, in a bid to improve the standard of living of rural people, support agricultural institutions in the Americas, and further the transformation of the agriculture sector, which is of great importance to the hemisphere and the world.

He indicated that he would deliver a presentation on the institutional transformations that were being carried out to provide technical cooperation of excellence. He mentioned that, in accordance with the provisions of the Medium-term Plan (MTP) for the period 2022-2026, the Institute was consolidating its role and the manner in which it delivered technical cooperation based on three principles: 1) an IICA that looks outward to the world from the region; 2) an IICA that builds bridges and fosters collective action in the Americas, connecting multiple stakeholders and building consensus; and 3) an IICA of open doors.

With respect to the first principle, he defined the Institute as an international cooperation agency committed to agrifood systems transformation that looks outward to the world from the Americas, with a view to continuously analyzing and establishing linkages at the global level with other stakeholders and regions. As an example, he cited the organization of the Africa-Americas Ministerial Summit on Agrifood Systems, held in San Jose, Costa Rica, in July 2022. He stated that the event had brought together more than 40 ministerial authorities from both continents, who analyzed the global challenges facing these systems and developed a joint agenda on the topic. He added that, at the time of the current meeting, IICA was participating in interregional cooperation activities between Asia and the Americas in the city of Hanoi, Vietnam.

The Director General continued his presentation by referring to the crisis situation and uncertainty that prevailed at the global level and emphasizing the importance of strengthening cooperation within the hemisphere and from the hemisphere to other regions of the world by building bridges and partnerships. He underscored the importance of the agriculture sector in the Americas, which accounts for 24% of global food production and 28% of global agrifood exports, and is home to 50% of the world's biodiversity; as such, it is a guarantor of food and environmental security. Therefore, he highlighted the need to explore and capitalize on all possible areas of complementarity, with a view to strengthening the global standing of the hemisphere's agrifood systems.

With respect to the second principle, he mentioned that the Institute must serve as a bridge that fosters collective action in the Americas. As an example, he cited the role that IICA had played in building consensus among the ministers of Agriculture of its Member States in the form of 16 messages from the perspective of agriculture in the Americas, which had been presented at the United Nations Food Systems Summit in September 2021. As an additional example, he mentioned the "Home of Sustainable Agriculture of the Americas" pavilion that had been installed at the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27), held in November 2022. He explained that this initiative, led by the Institute with the support of ministers in the hemisphere and representatives from the private, academic and research sectors, had allowed for demonstrating that the agrifood sector is part of the solution to climate change.

He then commented on the road ahead in the lead-up to the 2023 Conference of Ministers: Strengthening the Hemispheric Partnership for Food Security and Sustainable Development, to be held in October 2023 within the framework of the 2023 Regular Meeting of the IABA. He highlighted the need to continue strengthening a hemispheric partnership, given the region's leading role in food production and trade. He pointed out that countries of the Americas have a common global agenda and that the greater the crisis, the greater the need for supranational cooperation. Therefore, in keeping with the mandates of Executive Committee resolutions 685 and 686, he urged the Member States of IICA to generate proposals aimed at strengthening collective action in the Americas in order to combat food insecurity and guarantee sustainable development.

He explained that, in preparation for the aforementioned ministerial conference, it would be necessary to develop a solid technical agenda aimed at transforming agriculture and fostering sustainable development. To that end, the Institute had scheduled various technical cooperation actions and activities for 2023, including the Pan-American Liquid Biofuels Summit (March), the

Science and Innovation Dialogue (May), Digital Agriculture Week (May 29 to June 1), the launch of the Latin American Network for Bioeconomy and Public Policy Management (July), the Hemispheric Family Farming Sessions (August), the Forum of Female Ministers and Deputy Ministers of Agriculture (August), and events related to the strengthening of agricultural trade (August) and “One Health: Practical Application” (September). He also announced that a platform on water resources would be launched at the upcoming Regular Meeting of the Executive Committee (July). He noted that these actions would generate a technical agenda of key importance for the 2023 Conference of Ministers, as well as for the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28), to be held in Dubai, United Arab Emirates, in late November and early December 2023.

The Director General then presented a timeline summarizing the meetings that would be held prior to COP28. He explained that the road ahead would consist of three phases: 1) supporting Member States in negotiation forums (webinars, in-person workshops); 2) providing support in other issues and events outside of the negotiations (through high-level meetings, such as side-events); and 3) installing a new edition of the “Home of Sustainable Agriculture of the Americas” pavilion, for which external funding would be secured. He reported that 13 ministers of Agriculture had participated in COP27 and that a larger number was expected at COP28. He also highlighted the need to continue strengthening the role of agriculture as a guarantor of global food security and environmental protection.

He concluded his remarks by referring to the IICA of Open Doors initiative, through which the Institute expected to receive 7,000 visitors in 2023, including representatives of Costa Rican agricultural institutions, rural stakeholders and students, among others. He commented that, in October 2022, the Institute had inaugurated the Plaza of Agriculture of the Americas, which enabled the Institute to establish closer ties with the community and project a new image. He added that he had recently been informed that the Ministry of the Environment and Energy of Costa Rica had named IICA a carbon-neutral institution, and that further information would be provided at the upcoming meeting of the Executive Committee.

2024-2025 Draft Program Budget

The Director of Corporate Services listed the four criteria on which the Institute’s 2024-2025 Draft Program Budget is based: a) IICA’s quota scale is based on the percentage structure approved by the Organization of American States (OAS); b) the Program Budget is the instrument that funds the MTP; c) the Program Budget is aligned with the Institute’s strategic planning and programming; d) the Regular Fund is financed by Member State quotas and miscellaneous income generated.

He indicated that the Draft Program Budget includes the estimated resources required to fund the activities of the seven hemispheric programs, interdisciplinary initiatives, the management of technical cooperation in the Member States, technical services and support, management units and other institutional commitments. He added that externally funded projects in the amounts of USD 210 million and USD 230 million for each year of the biennium were expected to be executed.

He noted that the regular income budget for the 2024-2025 biennium was USD 33,074,100, made up of USD 29,574,100 from Member State quotas and USD 3,500,000 from miscellaneous income.

He emphasized the fact that, compared to the previous biennium, the quota amount had not varied but the amount of miscellaneous income had increased by USD 1 million. In this regard, he explained that the miscellaneous income fund had increased due to improvements in the investment process and an increase in investment rates.

He compared the distribution of Program Budget resources by major object of expenditure, and indicated that personnel costs would increase by 1.75% (USD 407,600) in 2025, compared to 2024, which would allow for maintaining salary levels based on the labor market in each country. He explained that this increase would be covered by savings in operating costs; therefore, the total budget amount would not vary.

He then indicated that the percentage of Regular Fund resources allocated to each of the budget chapters was as follows: a) direct technical cooperation services: 87.6% in 2024 and 87.7% in 2025; b) management costs: 7.6% for the biennium; c) general costs and provisions: 4.1% in 2024 and 4.0% in 2025; and d) renewal of infrastructure and equipment: 0.7% for the biennium.

He then reported on the execution of the Program Budget for 2022, noting that the total amount executed had been USD 28,621,195, distributed as follows: a) direct technical cooperation services: 82%; b) management costs: 9%; c) general costs and provisions: 8%; and d) renewal of infrastructure and equipment: 1%.

He underscored the importance of Member States paying their quotas on time, which would enable the Institute to carry out all planned activities. In that regard, he commented that in 2022, the Institute did not receive close to USD 9.5 million in quota resources, which represents 32% of total expected quotas.

Report on the collection of quotas

The Financial Manager presented the report on the collection of Member State quotas at the close of 2022 and for the current year (as at 25 April). She referred to Article 23 of the Convention on IICA and to Resolution No. 414 of the IABA, “Revised Measures for Collecting Quotas Owed to the Institute”, which states that Member States shall contribute to the financial support of the Institute, through annual quotas established by the IABA, in accordance with the calculation system for OAS quotas.

She explained that, for the purpose of these measures, the following definitions would apply: a) up-to-date status: when a Member State has paid all of its quotas to the Regular Fund of the Institute; b) regular status: when a Member State owes no more than two full years of quotas; c) special status: when a Member State owes more than two full years of quotas, has arranged a payment schedule with the Director General to settle quotas in arrears and is fully complying with the payment schedule; and d) in arrears status: when a Member State owes more than two years of quotas and has not agreed to a payment schedule to settle quotas owed, or when a Member State has agreed to but is not complying with a payment schedule. She noted that quotas were due on the first day of the calendar year and would be considered “overdue” if they had not been paid by 1 July of each year.

She indicated that, at the end of 2022, 20 countries were up to date in their payments, 11 were in regular status, and 3 were in arrears. She added that, as at 25 April 2023, 24 countries were up to date, 7 in regular status and 3 in arrears. She explained that, should no further payments be received by 1 July of 2023, the quota collection situation would be as follows: 7 countries would be up to date in payments, 23 would be in regular status and 4 in arrears.

Lastly, she reported that, as at 25 April of the current year, USD 10.5 million in Member State quotas had been received. She emphasized that receiving the projected level of resources was critical to enabling IICA to effectively execute its technical cooperation plans.

Analysis and comments by the Member States

The Representative of the United States of America thanked the Director General for his presentation on the budget and for the report on the collection of quotas. He commented that his country appreciated the Institute's strategy to collect quotas and its intention not to increase them. He noted that his country was up to date with the payment of the 2022 quota and had scheduled the payment of the 2023 quota for May. He stressed that the timely payment of quotas by member countries enables IICA to fulfill its commitment to provide technical cooperation that guarantees the well-being of farmers across the Americas. He highlighted the Institute's strategy for strengthening transparency, which should be maintained. He also underscored the mobilization of USD 210,000,000 in external resources, which he understood would be used to execute national, multinational, regional and hemispheric projects. He added that further information on these resources would be requested. He considered it imperative for IICA member countries to have a clear understanding of all the partnerships and agreements being established to achieve a positive impact on the agriculture sector. He reiterated his gratitude to the Director General and his management team for the measures adopted to ensure that the Institute continues to perform its duties and overcome any challenges.

The Representative of Canada thanked IICA's Director General and senior management team for their presentations and extended greetings to the representatives of the Member States in attendance at the meeting. He reaffirmed his country's support for the institutional efforts presented to meet international standards. He also underscored the importance of the work carried out by IICA in relation to gender issues and women's participation in agriculture through the Forum of Ministers and Deputy Ministers of Agriculture of the Americas, and encouraged the Institute to continue fostering the participation of rural women. With respect to the 2024-2025 Program Budget, he noted that, in recent years, there had been no significant variation in the amount of resources received, which had become a financial constraint that affected IICA's work. He considered it important to reduce the amount of quotas owed, and therefore urged member countries to remain up to date with their quota payments to enable the Institute to continue working in a more efficient and transparent manner, as it had been thus far.

The Representative of Argentina thanked the Director General for the information provided and commended the management team for its budgetary management and the commitments that would be undertaken in 2023. He highlighted the Director General's leadership in addressing issues and managing cooperation agendas related to climate change, food security and agrifood systems. He highlighted the impact achieved through the "Home of Sustainable Agriculture of the Americas"

pavilion that had been installed at COP27 in Egypt, and acknowledged the efforts that IICA was undertaking to achieve a greater impact at COP28 and thereby reposition the agriculture sector's contribution to overcoming climate change.

The Representative of Mexico extended warm greetings to the participants from the Member States, as well as to the Director General. She thanked them for the messages delivered and remarked that Mexico agreed with all the ideas and actions proposed. She stated that member countries require the Institute to be strong, capable, competent and innovative, in order to continue to jointly overcome new challenges that arise in national and regional agrifood systems. She commented that Member States must achieve progress with respect to the development of rural communities, which would require generating more production options, improving small-scale producers' access to markets and developing strategies to deal with climate change through environmentally friendly production systems that make better use of natural resources. In this regard, she added that IICA's technical cooperation, which can be aligned with and can complement national efforts, offers a way forward.

With respect to the 2024-2025 Program Budget, she highlighted the fact that greater efficiency and austerity in the use of resources had not affected the implementation of technical cooperation programs. She underscored the fact that the Program Budget had not increased despite the current crisis, and expressed her country's gratitude to IICA for not increasing the quota scale assigned to member countries. She concluded her remarks by urging Member States to continue to honor their financial obligations to the Institute.

The Deputy Minister of Agriculture of Guatemala greeted all the countries in attendance, the Director General and his team. He underscored the efforts undertaken to maintain IICA's financial health. He thanked the member countries for the improvement in the collection of quotas, which greatly benefited the Institute. On behalf of his country, he appreciated the proposals that the Director General had presented at the meeting, which he considered to be aligned with conditions in his country, the Central American region and the American continent.

Progress in the organization of the Forty-third Regular Meeting of the Executive Committee and the 2023 Conference of Ministers of Agriculture of the Americas – Twenty-second Regular Meeting of the Inter-American Board of Agriculture

The Technical Secretary of IICA's governing bodies mentioned that the calendar of official meetings of the Institute in 2023 included the following: Regular Meeting of the SACMI, which was currently being held; the Forty-third Regular Meeting of the Executive Committee, to be held from 19 to 20 July; and the 2023 Conference of Ministers of Agriculture of the Americas - Twenty-second Regular Meeting of the Inter-American Board of Agriculture (IABA), to be held from 3 to 5 October.

He commented that the Director General was preparing an agenda with a strong technical component for the next regular meeting of the Executive Committee, which would be comprised of Barbados, Belize, Brazil, Canada, Chile, Colombia, the Dominican Republic, El Salvador, Grenada, Peru, Trinidad and Tobago and Venezuela.

He indicated that the Twenty-second Regular Meeting of the IABA would be held at Headquarters, given that no offer had been made to hold the meeting in a Member State. He commented that the biannual budget for 2024-2025 would be approved at that meeting. He mentioned that the international agenda of meetings had been reviewed and it had been determined that the original date of the IABA meeting, which had been announced to member countries in January, would need to be modified in order to guarantee greater participation by the ministers of Agriculture. For this reason, he added, the Director General had proposed that the meeting be held from 3 to 5 October. He added that an official memorandum regarding the change of date and the invitation to the meeting would be sent to the member countries in due course. The meeting agenda would be prepared by the next Executive Committee.

Next, he referred to the Director General's initiative to review certain institutional regulations as part of IICA's modernization process. He mentioned a proposal to update the Staff Rules, the System for the Determination of Remuneration and the Financial Rules.

He explained the reasons for which their modification was being proposed: a) the need to update them, given that the regulations had been created 37 years ago in a different historical and institutional context and that, to date, a comprehensive review had not been conducted and modifications had only been related to specific issues; b) the need to modernize them, since the regulations must be aligned with the process to modernize, transform and increase the efficiency of the Institute; and c) the need to simplify them, given that the current regulations include operational guidelines that should be set out in manuals instead.

He added that regulations overseen by the IABA should focus strictly on strategic issues related to financial and personnel management.

He indicated that, once these updates were ready, they would be presented to the Executive Committee and, should the Executive Committee recommend that they be presented to the IABA for approval, they would proceed accordingly. He commented that all updates would need to be approved by no later than the regular meeting of the IABA in 2025.

Analysis and comments by the Member States

The Representative of Canada expressed gratitude for the information on the official meetings and the updating of regulations. He indicated that, in principle, his country supported the updating and strengthening of the regulations that must be modified to improve the Institute's functioning, and that they hoped to receive more detailed information and the corresponding documents, in order to discuss the matter at the upcoming meetings of the governing bodies. He inquired about the possibility of holding impactful meetings within the framework of climate change-related events to be held that fall.

The Director General expressed his appreciation for the comments made and support expressed by the representatives for the topics discussed during the meeting. He underscored the importance of the technical cooperation that IICA delivers, which focuses on agrifood systems, rural areas and farmers, particularly family farmers, as well as on gender and youth issues and science and technology.

With respect to the possibility of holding high-level meetings within the framework of COP28, he reported that the Institute was making arrangements to install the “Home of Sustainable Agriculture of the Americas” pavilion once again at COP28 and to provide the ministers of Agriculture in attendance at the event with opportunities to engage in dialogue. He mentioned that the next meeting of the Southern Agricultural Council (CAS) would be held during COP28 and that the Central American Agricultural Council (CAC) was arranging to hold a meeting at the same event.

He highlighted IICA’s good financial standing and noted that resources would continue to be used carefully in order to generate positive results, with a view to providing technical cooperation of excellence by doing more with less. He reiterated the need for the Institute to possess more resources, which would require countries to remain up to date with their financial obligations, in so far as possible in the current context.

He underscored the importance of establishing partnerships that benefit ministers of Agriculture, to whom IICA is accountable, in order to capitalize on opportunities that arise in the technical cooperation ecosystem at the regional and global levels.

He announced that the Forty-third Regular Meeting of the Executive Committee would address progress achieved in the technical cooperation agenda related to the Hemispheric Partnership for Food Security and Sustainable Development in the areas of biofuels, digital agriculture, water resource management, fertilizers and the alternatives offered by biofertilizers to improve agricultural productivity in the Americas. He added that the meeting would also commemorate the fiftieth anniversary of the Tropical Agricultural Research and Higher Education Center (CATIE). He congratulated the Brazilian Agricultural Research Corporation (EMBRAPA), which was also celebrating 50 years fostering research and innovation for the benefit of the Americas and the world.

Lastly, he expressed his appreciation to the representatives of SACMI member countries and stated that IICA looked forward to hosting the delegates of the Member States at the upcoming meeting of the Executive Committee, to be held in July at the Institute’s Headquarters in San Jose, Costa Rica.

Close of the session

At 9:57 a.m. in Costa Rica, on 26 April 2023, having completed the analysis and discussion of the items proposed, the Director General of IICA thanked the members of the SACMI, as well as the representatives of all other countries that attended voluntarily, for their participation and declared the meeting closed.

Annex No. 1
List of participants

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