



Meeting of
Ministers of Agriculture
of the Americas



Management Report 2010-2013



WORKING IN TANDEM TO ACHIEVE COMPETITIVENESS,
AGRICULTURAL INNOVATION RURAL SUSTAINABILITY
AND FOOD SECURITY IN THE AMERICAS

Inter-American Institute for Cooperation on Agriculture



1 Creating synergies

Over the past four years, we have worked in tandem with governments and strategic partners to foster a more competitive, innovative and sustainable agricultural sector, one capable of underpinning food security and prosperity in rural territories.



At the beginning of 2010, agriculture and rural life in the Americas found themselves beset by financial, food and fuel crises. While this situation created great uncertainty in the productive and social sectors, it also made agriculture and rural territories a high priority once again in global forums and on the agendas of donor and investment agencies.

In 2012, food security was the focus of the dialogue that took place at the 42nd General Assembly of the Organization of American States (OAS) held in Cochabamba, Bolivia. Despite the diverse political positions of the

countries taking part in the Assembly, it became clear that all the Member States of the OAS regard access to food as a **right that everyone should be able to exercise.**

That recognition demonstrated the political will of our countries to position the agricultural sector as a key element for development. However, daunting challenges must be overcome if that recognition is to be translated into action, challenges that call for an alliance of many agents in the technical, political, social and economic spheres and at the national and international levels.

The Principal Challenges Faced by Agriculture and Rural Life

In 2050, the world's population will be more than nine billion. Given the crises already mentioned, it seems unlikely that the Millennium Development Goals will be achieved. The specter of hunger continues to haunt at least one billion people and another 100 million are set to fall below the poverty line again.

We have an obligation to redouble our efforts, to increase and improve the focus on agricultural innovation and rural development, because opportunities exist in agriculture, and especially in the rural territories of this continent, to make the sector a real engine of development capable of feeding the world.

The countries of the hemisphere and the international agencies both identified a series of core challenges

that provided the starting point for our joint work with governments, academia and strategic partners:

- Imbalance in the agricultural markets caused by volatility, growing demand for food, new uses for agriculture, the existence of more sophisticated consumers and increase in international trade.
- Levels of competitiveness and productivity in the countryside.
- Conservation of natural resources and biodiversity.
- Adaptation to climate change and efforts to address its effects.
- Poverty and social inclusion in agricultural rural territories.
- Modernization of the public agricultural institutional framework and its policies and instruments.



1 Response from IICA

Faced with these challenges and opportunities, the Institute worked in tandem with its Member States to draw up the 2010-2020 Strategic Plan, which sought to reposition IICA as a technical agency in the short term, and endow it with a long-term vision that would add value to the agricultural development agendas of the Americas.

The Member States also approved the 2010-2014 Medium-term Plan, which established that the Institute's mission was to provide technical cooperation, innovation and specialized knowledge to contribute to the competitive and sustainable development of agriculture in the Americas, and to improve the lives of rural dwellers in its member countries.

Four strategic objectives were set to orient the Institute's work:

- a. Improve the productivity and competitiveness of the agricultural sector.

- b. Strengthen agriculture's contribution to the development of territories and to rural well-being.
- c. Improve agriculture's adaptation to climate change.
- d. Improve agriculture's contribution to food security.

These objectives were complemented with the goal of providing the Member States with strategic analyses that would enable them to anticipate developments, respond to emergencies and develop long-term visions; and with proposed policies and instruments for institutional modernization.

The five goals were addressed proactively through the drafting and implementation of IICA's country strategies. Developed from the bottom up, they provided a roadmap for the Institute's work in responding to the main requests for cooperation up to 2014.

A common thread among all IICA cooperation actions is that they must contribute to **food security** and to making **agriculture sustainable**.





IICA'S Principal Contributions Between 2010 and 2013

IICA provides more and better technical cooperation and services than ever before. Thanks to this cooperation, agricultural innovation, plant protection and animal health services **have been modernized**, and domestic and export agricultural **markets have been revitalized**, creating business opportunities for small- and medium-scale producers, especially young people and women in rural territories.

As we approach the year 2020, our commitment to food security and rural prosperity remains unchanged. Together, we continue to build on the foundations of the experience that IICA has acquired over the last 71 years. The scale and depth of the technical cooperation provided via projects have increased, while the support of strategic partners for the achievement of common objectives has grown.

The agenda for collaboration with the Member States includes the support of strategic partners such as the Pan American Health Organization (PAHO), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Canadian International Development Agency (CIDA), the United Nations Food and Agriculture Organization (FAO), the Caribbean Agricultural Research and Development Institute (CARDI), the World Food Programme (WFP), the Economic Commission for Latin America and the Caribbean (ECLAC) and the International Maize and Wheat

Improvement Center (CIMMYT), among others. Furthermore, with the assistance of important universities, including Cornell, Nebraska, Texas Tech, California and Purdue, it has been possible to improve the delivery and technical rigor of the cooperation provided.

The Institute's agenda includes a portfolio of 500 projects and management actions under seven technical cooperation programs. As many as 279 of those projects are being implemented with external resources and involve an average annual investment of USD 159 million.

The following is an overview of the principal contributions made by IICA's work over the last four years, which have promoted the modernization of the institutional architecture for agriculture, the adoption of a new technological paradigm, the creation of a better agribusiness environment, and greater prosperity and inclusion in rural territories.

MODERNIZATION OF AGRICULTURAL INSTITUTIONS

In most countries of the hemisphere, the agricultural public institutions that possess valuable human talent operate with limited resources. Working with the public sector, the Institute has promoted the articulation and renewal of the institutional architecture for agriculture, mainly supporting innovation, health, marketing and the design of new policies. Such modernization has involved:



The strengthening of national innovation systems by means of assessments of stakeholders and actions aimed at promoting strategic planning, the organization of consortia, the updating of technological platforms, capacity building and timely delivery of information. Institutional policies and/or models for agricultural innovation, including regulatory frameworks for biosafety, were reviewed in 17 countries.

- ◀ 22 technological consortia operate in Central America and the Dominican Republic to coordinate agricultural innovation. The Biotechnology and Biosafety Initiative was created in this region.



The characterization of plant and animal health services in 29 member countries, through the application of the Performance, Vision and Strategy (PVS) instrument developed by IICA. The PVS provided a snapshot of the state of the services in question, making it possible to devise short-term action plans to strengthen them.

- ◀ New PVS tools were made available for the characterization of AHFS diagnostic laboratories and national food inspection and food safety control services.

IICA focuses its efforts on **strengthening national capabilities** and on boosting the support that the public sector provides in the areas of business management, research, extension and agricultural innovation.



More than 12,000 Costa Rican producers and consumers are benefitting from the new AGROMENSAJES service provided via cell phone.

The strengthening of market information services and agricultural marketing. The training provided enabled nearly 2500 technical staff to contribute more effectively to value added, product differentiation, diversification of production, formation of clusters and articulation of chains. The Market Information Organization of the Americas (MIOA) was consolidated, with 33 countries becoming members and support bring provided by IICA and the Agricultural Marketing Service (AMS) of the U.S. Department of Agriculture (USDA). The MIOA has promoted the sharing of experiences, capacity building, and the adoption of modern methodologies, which has afforded producers' organizations better access to price and market information.



More than 220 government officials in seven countries received training in the impact of policies on agriculture.

The formulation of policies and strategies aimed at injecting new dynamism into agriculture and its value chains. In support of its Member States, IICA took part in the design of sectoral, multi-sectoral and State policies, strategies and plans related to public agricultural activities and aimed at making the services provided more effective. Some cases in point were the Caribbean Community's Common Agricultural Policy, the Dominican Republic's Livestock Development Plan and proposal for agricultural sector reform and modernization, Paraguay's Strategic Framework for Agriculture, Argentina's Strategic Agrifood Plan, and the State Policy for the Agrifood Sector and Rural Development of Costa Rica, among others.

1 ADOPTION OF A NEW TECHNOLOGICAL PARADIGM

The Americas are in need of a new technological paradigm, one that will raise productivity by making more efficient use of natural resources. The countries, with assistance from IICA, have made major progress in improving technology research, innovation and transfer. The Institute's cooperation agenda in this area has been modified to include actions ranging from the safe use of agro-biotechnology to the promotion of organic agriculture. The following are some examples of actions that have promoted the improvement of technological research and innovation:



IICA has new work agendas with the international research centers.

The articulation of regional research, by means of the different cooperative agricultural research and innovation programs whose secretariats IICA operates, became more evident with multinational platforms for sharing ideas and information, local innovation consortia and knowledge management networks throughout the hemisphere. Also worthy of note is the support received from the Inter-American Development Bank (IDB) to implement innovation projects under the aegis of the Regional Fund for Agricultural Technology (FONTAGRO).



Other countries are considering implementing the agricultural innovation model successfully applied under the PAF program in El Salvador, which benefitted some 16,000 producers in other countries.

Agricultural innovations, which are benefiting hundreds of producers, especially those in the family farming sector. Thanks to such innovations, the countries of Central America have raised the productivity levels of several strategically important crops. These efforts were financed by the European Union, development agencies and other donor countries to the tune of USD 24 million.¹ In the Caribbean Region, production is now more efficient as a result of the increased use of greenhouses and the introduction of new varieties, in whose development CARDI was involved. In the Andean Region, practical and efficient renewable energy solutions were developed with support from the Government of Finland.

¹ Support for Research and Development in the Sugar Industry in Belize, Agricultural Innovation Network (SICTA Network), Technology Innovation Strategy to Increase the Productivity and Competitiveness of Product Chains for Central America and the Dominican Republic, and Regional Research and Innovation Program, by Agricultural Value Chains (PRIICA).



At the heart of all IICA technical actions is the **concept of innovation**, considered to be the key to developing a new paradigm for agriculture.



Environmentally responsible production

is the objective that IICA, working with the Government of Finland, is pursuing under the Regional Sustainable Forestry Management Program, comprised of 35 projects costing USD 5.56 million. The Institute, heavily involved in these issues, has assisted several countries with the implementation of specific initiatives aimed at improving irrigation and drainage, building reservoirs and managing water resources and forestry plantations.

◀ In the Dominican Republic, the intensive rice cultivation system was implemented, which increases productivity and reduces environmental impact.



Agricultural knowledge management

was the strategy used to increase access to scientific information and knowledge through videoconferences and on-site training. Thanks to a joint effort between IICA and the National Science and Technology Council (CONACYT) of Mexico, 41 students from more than ten countries were awarded scholarships to pursue graduate degrees in Mexican universities. IICA has systematized successful experiences in innovation and shares this information with the help of information systems and observatories such as INFOTEC (www.infotec.ws) and the SIDALC Alliance (www.sidalc.net).

The INNOVAGRO network, developed with the Fundación Produce, of Mexico, is making it possible to share 200 success stories from more than 60 research institutions.

CREATION OF AN ENVIRONMENT CONDUCTIVE TO TRADE AND AGRIBUSINESS

As markets become more integrated, agriculture with a business approach offers an ideal way to increase producers' incomes, create jobs and ensure food security in general. Diversity is the hallmark of the countries and their agricultural sectors, with some better prepared than others in terms of scale, productivity, efficiency, links to markets or degree of specialization. Mindful of this situation, IICA has shared experiences and developed new instruments aimed at overcoming weaknesses in the areas of trade and business.



The Codex Coordinating Committee for LAC spearheaded efforts that culminated in a historic vote on maximum residue levels for ractopamine.

Intense discussions on global trade were triggered by the participation of the countries in the international meetings and committees of the Codex Alimentarius, the International Plant Protection Convention (IPPC) and the Committee on Sanitary and Phytosanitary Measures (SPS Committee) of the World Trade Organization (WTO). The organization of regional meetings and conferences led to the adoption of agreements on regional positions regarding trade standards. Relations between the WTO and IICA were strengthened thanks to the formulation and implementation of annual work plans that include follow-up to the meetings of the Committee on Agriculture and the establishment of an information center at IICA Headquarters. The Institute is viewed as a go-to organization for plant health issues.



Agribusiness operators are more effectively linked to markets as a result of actions taken to reinforce their capacity to export, run agro-tourism businesses, manage chains and grow as entrepreneurs. For example, 400 businesses in Central America are now better prepared to export to Canada, the United States and France. At least 500 of their products were evaluated based on the preferences of those markets, and 50% of them have enjoyed commercial success.

◀ 450 agribusiness operators from Ecuador, Chile, Colombia and countries in Central America had the opportunity to assess how prepared they are to comply with the requirements of those markets.



One of our efforts has been to **link producers more effectively to value chains**, with a view to enabling thousands of producers to adopt new production practices and marketing techniques.



A country's sanitary status has become a key consideration for free trade. Epidemiological surveillance in the Caribbean, Andean and Northern Regions was strengthened via public-private partnerships aimed at re-establishing sanitary status and/or maintain pest/disease-free areas or areas of low pest/disease prevalence. Several projects were entrusted to IICA, such as those aimed at eradicating the fruit fly, the carambola fruit fly, avian influenza, swine fever and the red palm weevil.

◀ The countries of Central America received an immediate response from IICA to combat the outbreak of coffee rust.



More business opportunities resulted from the training of thousands of producers and capacity building for the entities involved in agricultural marketing in the countries. This included training in production, post-harvest handling, agribusiness management, risk management and the formation of associations, among others. A hemisphere-wide study on policies, the institutional framework, rules and regulations as well as markets related to insurance, identified the region's needs in those areas and spurred the promotion of insurance programs in ten countries.

◀ The poultry industry was able to add value to its products thanks to IICA's Poultry School program with the University of Georgia.

The Institute encourages the formulation of **harmonized rules and regulations or clear conceptual frameworks**, which has made it possible for the countries to take advantage of technologies as well as new and traditional markets.

PROMOTION OF PROSPEROUS AND INCLUSIVE RURAL TERRITORIES

The interdependence of rural territories and agriculture makes them inseparable. They are the underpinnings of rural well-being, which can only be achieved if territories and organizations have greater control over their own development at the local level, and are capable of coming up with joint solutions with other public and private agents at the national level.

In addition to the above, which is IICA's main contribution, there are complementary efforts aimed at increasing social inclusion and ensuring food security in the Americas.



Local stakeholders were empowered thanks to the application of an area-based approach to rural development. Adopted in the Rural Development Strategy for Central America and in other multinational and national programs, this approach made it possible to formulate policies and frames of reference and strengthen working groups. More than 1600 public and private stakeholders in 15 countries increased their capacity to lead and implement area-based management processes with support from the Institute, which carried out actions in 40 rural territories.

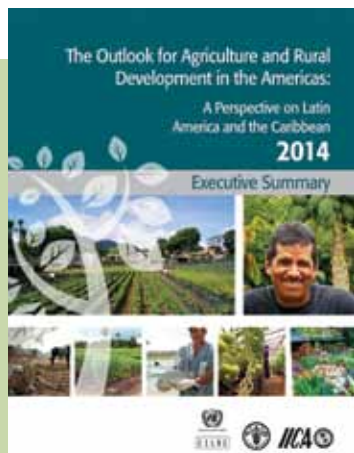
◀ Territories in Colombia, Peru, Bolivia, Venezuela, Bahamas, Panama and other countries developed economic inclusion and territorial organization plans.

The area-based management models promoted by the Institute have **empowered rural communities**, which now have new perspectives on local action that have enabled them to adopt innovative approaches to determining their own destiny and defining priorities for development.



The introduction of new varieties of vegetables, beans and tubers in Haiti enabled 23,920 families to produce 15% more food.

Food security was a major topic of discussion at the hemispheric dialogue that took place at the recent OAS General Assembly. Translating words into deeds, the Institute provided support that made it possible for hundreds of vegetable, fruit, tuber and livestock producers to benefit from the adoption of innovations and the development of production and business capabilities that enabled them to increase not only their incomes, but also household food supplies. IICA has partnered with other international organizations on different initiatives aimed at improving food security, such as the Zero Hunger Challenge, in Antigua; the National Crusade Against Hunger, in Mexico; and the Food Security Initiative, in Guatemala.



The Member States have a fourth prospective analysis of agriculture in Latin America and the Caribbean, produced jointly by the FAO, ECLAC and IICA. Added to this is an array of technical notes and forums available to national and international authorities, which has contributed to the development of a critical mass better equipped to meet the challenges facing the sector.

1 More Efficient Technical Cooperation

The provision of international technical cooperation calls for efficient, responsive corporate services. Accordingly, operating procedures were streamlined and improved using information and communication technologies. The consolidation of the following instruments was key to this effort:

The SAP technological platform, implemented in all the IICA Offices, has given the countries and donors greater confidence, as evidenced in the external auditor's report on the financial statements. In addition, efforts to encourage the timely payment of Member State quotas have continued, resulting in the collection of 98.7%.

The Unified Institutional Management System (SUGI) provides a platform that facilitates planning, programming, monitoring and reporting

processes throughout IICA, which in turn has strengthened self-evaluation and the quality of the products and services we provide.

It would not have been possible to allocate 90% of the Institute's budget to technical cooperation, including the funding of innovative projects through the IICA Competitive Fund for Technical Cooperation, without the reduction in operating costs achieved by improving Institute procurement processes, the automation and simplification of procedures and the re-engineering of certain administrative units. Of equal importance was the approval of the Institutional Net Rate (INR) policy, which has made it possible to increase the rate charged to recover indirect costs from 4.5% to an average of 7.1%, thus protecting the Regular Fund from further erosion.



An **Institute-wide re-engineering** process has made it possible to make better use of available resources, find new ways to provide cooperation without increasing quotas, make management procedures and processes more transparent and promote a **culture of accountability**.

◀ The only way to provide more technical cooperation with the same budget was by applying strict criteria of austerity, rationality, equity, discipline and transparency in the use of the Institute's resources.



About IICA

The Inter-American Institute for Cooperation on Agriculture (IICA) is the agency of the Inter-American System whose mission is: *"...to provide technical cooperation, innovation, and specialized knowledge to contribute to the competitive and sustainable development of agriculture in the Americas and to improve the lives of rural dwellers in the member countries."* (IICA 2010-2014 Medium-term Plan)

The goal of the Institute is to be a cutting-edge organization that provides innovative technical cooperation aimed at achieving the competitiveness of the agrifood system, the sustainable development of agriculture, food security, the reduction of poverty and improved living conditions in the rural territories of the Americas, based on its technical strength and capacity to respond to the new challenges faced by the hemisphere's agricultural sector.

Over the last four years, the Institute has shown itself to be a hemispheric technical cooperation organization that provides timely responses to the needs of its member countries, especially in those areas in which it has advantages, offering them services, knowledge and innovative instruments that constitute international or supranational public goods.



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