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PROPOSED SPECIAL BUDGET FOR 2008-2009 TO BE FINANCED WITH RESOURCES FROM THE GENERAL SUBFUND

San Jose, Costa Rica

PROPOSED SPECIAL BUDGET FOR 2008-2009 TO BE FINANCED WITH RESOURCES FROM THE GENERAL SUBFUND

I. Background

The Fourteenth Regular Meeting of the IABA decided in its Resolution No. 434: “1. To approve an overall allocation of US\$1,000,000 as the 2008-2009 special budget to be financed with resources received by IICA for quota arrearages. 2. To authorize the Executive Committee to approve, at its Twenty-eighth Regular Meeting, to be held in 2008, the distribution of the 2008-2009 Special Budget in the amount of US\$1,000,000, in accordance with the analysis and recommendations of the Special Advisory Commission on Management Issues regarding the proposal submitted to it for consideration by the Director General.”

At its Regular Meeting, held at IICA Headquarters in Costa Rica on April 23, 2008, the Special Advisory Commission on Management Issues (SACMI) recommended:

- That the Director General submit for the consideration of the Executive Committee, at its Twenty-eighth Regular Meeting, the proposed 2008-2009 Special Program Budget with the favorable recommendation of the SACMI regarding its approval.
- That the proposed budget be presented along with additional information on the allocation of funds from the 2008-2009 Regular Program Budget to the items considered in the special budget.

II. The Proposed Special Budget for the 2008-2009 Biennium

The proposal contemplates actions in the following areas:

- Technical cooperation in topics related to agricultural health and food safety, horizontal technical cooperation and agro-tourism. Here, resources would complement allocated resources under the 2008-2009 Regular Program Budget;
- Technical cooperation in new topics approved by the Governing bodies: agricultural insurance and training for leaders in the agricultural sector of the Americas. These topics will be incorporated into future Program Budgets;
- Activities for institutional upgrading in the areas of professional development and modernization of the Institute’s infrastructure.

The amount needed to finance the technical cooperation actions is US\$1 million, as detailed in Table 1. These resources would be executed in the biennium, subject to cash availability following financing of the Regular Budget.

TABLE No. 1
Summary of the Resources of the General Subfund Allocated to the Special Budget for 2008-2009
(US\$)

| ITEM | AMOUNT |
|---|------------------|
| 1. Development of Capabilities to Fully Benefit from the Agreement on Sanitary and Phytosanitary Measures (SPS) | 200.000 |
| 2. Systematization and Dissemination of Experiences in the Field of Agricultural Insurance | 100.000 |
| 3. Support for Horizontal Cooperation among the Member States | 100.000 |
| 4. Execution of the IICA Strategy for the Promotion of Agritourism Linkages | 100.000 |
| 5. Center for Leadership in Agriculture | 200.000 |
| 6. Ongoing Professional Development | 200.000 |
| 7. Modernization of Institutional Infrastructure | 100.000 |
| TOTAL SPECIAL BUDGET FOR 2008-2009 | 1.000.000 |

Table No. 2 shows resources allocated in the regular budget and proposed activities for the special budget.

TABLE No. 2
Summary of the Resources to the Regular and Special Budget for 2008-2009
(US\$)

| ITEM | BUDGET AMOUNT | |
|---|----------------|------------------|
| | REGULAR | SPECIAL |
| 1. Development of Capabilities to Fully Benefit from the Agreement on Sanitary and Phytosanitary Measures (SPS) | 300.000 | 200.000 |
| 2. Systematization and Dissemination of Experiences in the Field of Agricultural Insurance | 0 | 100.000 |
| 3. Support for Horizontal Cooperation among the Member States | 260.000 | 100.000 |
| 4. Execution of the IICA Strategy for the Promotion of Agritourism Linkages | 278.376 | 100.000 |
| 5. Center for Leadership in Agriculture | 0 | 200.000 |
| 6. Ongoing Professional Development | 0 | 200.000 |
| 7. Modernization of Institutional Infrastructure | 0 | 100.000 |
| TOTAL | 838.376 | 1.000.000 |

Below is a description of the actions and activities to be financed with the Special Budget.

1. DEVELOPMENT OF CAPABILITIES TO FULLY BENEFIT FROM THE AGREEMENT ON SANITARY AND PHYTOSANITARY MEASURES (SPS)

1.1 Justification

Trade in agrifood products is regulated by standards, guidelines and recommendations emanating from the relevant international organizations. These are the World Organization for Animal Health (OIE), the CODEX Alimentarius Commission and the International Plant Protection Convention. These three organizations cover the fields of animal health, food safety and plant health, respectively.

The work accomplished by these organizations is endorsed and supported by the World Trade Organization (WTO), which establishes the basic principles governing international trade.

The work of these four organizations depends basically on the guidelines established by their member countries in the committees, working groups and annual assemblies which prioritize the working agendas and approve or amend the standards that must govern international trade.

IICA's work over the last five years reflects a long-term technical cooperation policy that is focused on increasing its Member States' capacity to reap maximum benefit from these international organizations. Evidence of these efforts may be seen in its support for regional and national workshops on SPS, conducted by the WTO, support for the establishment of institutional structures to explore certain international subjects within the national arena, the coordination of countries for attendance in WTO/SPS Committee meetings, articulation of the agendas of the relevant international organizations and the agenda of the WTO/SPS Committee, and the promotion of joint effort among the various institutions involved in the management of SPS at national level.

The results achieved so far have allowed for increased and better participation on the part of the countries of the Americas in the WTO's SPS Committees. It has also resulted in improvements in the internal institutional framework for managing the SPS. These two overall results have helped improve the negotiating and technical capacity of national specialists involved in the project, have enabled the countries to use existing mechanisms in the multilateral trade system to defend their trade interests and contribute to the processes for creating and adopting international standards or guidelines for regulating trade and protecting sanitary and phytosanitary status.

Evidence of this technical cooperation policy can be seen in various activities carried out by IICA in the framework of the Initiative for the Americas. Indeed, this technical cooperation has been expanded on a number of occasions, at the request of the countries, through the Executive Committee or the Inter-American Board of Agriculture. In the 2008-2009 biennium, IICA expects to continue with the Initiative and to make some significant adjustments in it to enhance its benefit to the countries. For example, IICA could design a differentiated strategy for those countries that have not been able to upgrade their institutional framework and, for those that have been able to do so, maximize opportunities by paving the way for them to attend one or two meetings of the WTO SPS Committee meetings in the 2008-2009 biennium.

1.2 Priority Actions

Priority Action 1: To work with Member States in applying the provisions of the WTO Agreement on Sanitary and Phytosanitary Measures, as well as the standards, guidelines and recommendations emanating from the relevant international organizations (OIE, IPPC and Codex Alimentarius), or any other organization that impacts AHFS and trade.

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|---|
| 1. Upgrading of the capabilities of staff participating in the SPS Committee, through the Initiative for the Americas, in areas related to international rules and regulations and standard-setting organizations involved in SPS. | 1.1. At least ten countries have attended formal and informal meetings and workshops conducted under the aegis of the WTO/SPS Committee (formal and informal meetings in March, July and October of each year and workshops programmed for March and October of 2008) |
| | 1.2. Participants in the aforementioned meetings have increased their experience in negotiating processes and in international official representation. |
| | 1.3. At least 15 countries have built up their national agendas in SPS as well as their institutional structures (establishment or strengthening of national agendas and national committees on SPS) |
| | 1.4. At least ten countries have participated in technical discussions on the preparation of guidelines and procedures related to transparency and regionalization as well as other technical topics of interest or that relate to trade defense. |
| | 1.5. Horizontal technical cooperation has been promoted through support from the Steering Group countries to the rest of the community. |
| | 1.6. The Initiative for the Americas has been linked to the IICA-STDF 108 project. |
| 2. Upgrading of IICA's human resource capabilities to assist member countries in SPS. | 2.1. Four IICA specialists have been able to attend regional or national workshops held in the Americas in cooperation with the WTO and the IDB. |
| | 2.2. Information on national standards, guidelines and recommendations is now available to IICA specialists. |
| | 2.3. At least 28 IICA Offices are involved in the execution of the IICA-STDF 108 project. |
| 3. Upgrading of knowledge management in SPS-related topics. | 3.1. The Initiative for the Americas on SPS has been documented (successful experiences, success variables, institutional progress in the countries, etc.) |
| | 3.2. Web site has been upgraded. |

1.3 Budget for the 2008-2009 Biennium

| Major Object of Expenditure | US\$ |
|-----------------------------|----------------|
| 3: Training and Events | 171,000 |
| 4: Official Travel | 21,000 |
| 8: Contracts for Services | 8,000 |
| Total | 200,000 |

2. SYSTEMATIZATION AND DISSEMINATION OF EXPERIENCES IN THE FIELD OF AGRICULTURAL INSURANCE

2.1 Justification

IICA has been in compliance with the provisions of Resolution 411 on “Horizontal Cooperation in the area of Agricultural Insurance and Guarantee Funds”, adopted by the Inter-American Board of Agriculture at its Thirteenth Regular Meeting, held on September 1, 2005, in Guayaquil, Ecuador.

In fulfillment of the relevant assignments and provisions of that resolution, an *ad hoc* agricultural insurance group was formed, whose work resulted in the following: (i) formulation of the business plan for technical cooperation in agricultural insurance (March 2006); (ii) support for the organization and holding of the seminar for the Central Region, entitled “Agricultural Insurance and Risk Management: International Trends and Experiences” (February 2007); (iii) signing of the agreement with the Inter-American Federation of Insurance Companies (FIDES) (February 2007); (iv) advanced negotiation of an agreement with the *Entidad Estatal de Seguros Agrarios de España (ENESA)*; (v) design of a proposal and ongoing negotiation for financing the hemispheric observatory on agricultural insurance.

The initiatives described above and others in progress have been carried out without additional budgetary resources and, therefore, resources from the special budget are needed to build on the work accomplished: (i) replicate successful experiences (such as the seminar held in the Central Region); and (ii) complete initiatives in progress as well as new ones, from a better negotiating position.

2.2 Priority Actions

Priority Action 1: Exchange of experiences with agricultural insurance and risk management: international trends and experiences.

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|--|
| 1. Member States have opportunities for discussion and to exchange information and experiences to help improve the competitiveness of agriculture and identify innovative mechanisms for agricultural risk management. | 1.1 Three international seminars have been held in the Northern, Andean and Southern Regions, in which insurance companies, producers and specialists have participated. |
| | 1.2 A publication, including the proceedings on the seminars and the pertinent documentation, has been prepared and circulated. |
| 2. The Central American Agricultural Policy has been enhanced as a result of the strengthening of the regional agricultural insurance market and other risk-transfer mechanisms. | 2.1 At least 75 people in Costa Rica, El Salvador and Panama have received training in the role of the private sector, reinsurance companies and the government in the drafting and enactment of agricultural insurance laws and regulations |
| | 2.2 The necessary activities for strengthening the insurance and reinsurance information system of the Regional Committee on Hydraulic Resources (Comité Regional de Recursos Hidráulicos -CRRH) have been coordinated and supported. |

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|------------------|--|
| | 2.3 At least US\$115,000 have been negotiated in conjunction with ENESA/Spain to set up the specialized agricultural insurance observatory |
| | 2.4 The methodological and legal basis for developing the insurance market for countries not covered under the regional agricultural insurance project, FIDES-BID/FOMIN-BM (Costa Rica, El Salvador and Panama) has been extended. |
| | 2.5 The private sectors in Costa Rica, El Salvador and Panama are aware of the initiatives recommended under the FIDES-BID/FOMIN-BM project for the design and establishment of innovative mechanisms for risk transfer. |

Priority action 2: Strengthening of agricultural insurance markets

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|---|
| 1. Member States have established strategic partnerships with public and private financial institutions and financial organizations to coordinate and complement efforts to develop and strengthen agricultural insurance markets. | 1.1. Preparation of a document proposing a micro insurance project. |
| | 1.2. Establishment of a strategic partnership with the IDB and the World Bank to promote the project |
| | 1.3. Systematization and dissemination of two pilot experiences with agricultural insurance in two Member States of IICA, IDB and the World Bank. |

Priority action 3: Exchange of information on agricultural insurance

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|---|--|
| 1. Member States have updated information on agricultural insurance mechanisms and legislation. | 1.1. Preparation and circulation of a document with information on agricultural insurance mechanisms and legislation. |
| | 1.2. Design and implementation of an institutional strategy to support Member States with the process of information exchange. |

2.3 Budget for the 2008-2009 biennium

| Major Object of Expenditure | US\$ |
|---|----------------|
| 3: Training and Events | 30,000 |
| 4: Official Travel | 33,000 |
| 5: Publication and Materials and Inputs | 4,000 |
| 7: General Services | 3,000 |
| 8: Contracts for Services | 30,000 |
| Total | 100,000 |

3. SUPPORT FOR HORIZONTAL COOPERATION INITIATIVES AMONG MEMBER STATES

3.1 Justification

Horizontal cooperation is a type of technical cooperation that supports and complements the direct technical cooperation efforts of IICA. To implement this type of cooperation, the Institute has certain tools to meet the demands of Member States and contribute to an exchange of experiences and specialized technical resources among the countries with respect to those topics that are a priority for them. This aspect was reflected in the assessment of technical expertise at the Institute, which was presented and discussed among members of the Executive Committee.

Through the Division of Horizontal Technical Cooperation, the Institute has been helping to shore up cooperative ties among the countries of the hemisphere by acting as a bridge in terms of the demands of the public and private agricultural sectors, on the one hand, and the successful experiences that other countries have had, on the other. This contribution is crucial in managing the knowledge that has been generated in the countries and adapting and transferring it to those that need this type of experience. To channel and promote this exchange between and among countries and regions, the IICA Offices have facilitated, promoted and instituted mechanisms such as technical training and observation missions, an exchange of experts in important topics and international events and regional fora on topics that are a priority at the regional and hemispheric levels.

However, to conduct this process in an orderly and effective way and respond to the needs of the countries, we must have the tools and information to enhance the technical knowledge and technological expertise of a country or region. The effort is intended to identify and promote good practices in the agricultural and rural context and make them available to the countries and their organizations so that successful experiences and specialized technical resources may be exchanged among countries. The aim is to develop or create a system of information that draws on good practices generated in a specific environment, but that adds value to the agricultural intellectual capital of the countries of the region.

The view is also that these successful experiences can be promoted and the information can be standardized through modern instruments, including the use of the ICTs to make IICA a center for reporting on, circulating and promoting the successful experiences of the countries.

Through horizontal technical cooperation, IICA works directly with the countries to facilitate and mobilize national capabilities in specific regard to specialized technical resources. Through this type of cooperation, IICA reinforces the cooperation it delivers to the countries with more efficient instruments and builds on the successful experiences acquired by institutions in the countries, making them available to third countries.

Horizontal cooperation actions will be carried out with public and private institutions in the agricultural and rural sectors, as well as with National Technical Cooperation Agencies that engage in horizontal cooperation with the other countries of the hemisphere.

Here, one of goals of horizontal cooperation is also to contribute “seed resources” which would be used as counterpart financing for the new initiatives.

The proposed horizontal cooperation activities will focus on compiling information on experiences that have been successful in a given context and that, hopefully, will be useful in similar contexts.

The proposal has been organized into two components: (i) Development of a data base for the identification, recording and compilation of good practices in the agricultural and rural milieu, and (ii) Establishment of mechanisms for promoting and publicizing the transfer and exchange of experiences and the launch of the system.

3.2 Priority actions

Priority action 1: Improvement and standardization of modern tools and systems for promoting and exchanging information and experiences regarding horizontal technical cooperation among Member States

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|---|---|
| 1. Member States have the methodologies and tools to provide countries of the hemisphere with current and systematic information on good practices and experiences among national institutions in the agricultural and rural sectors. | 1.1 Preparation of document with methodological guidelines and manuals for organizing and facilitating horizontal cooperation processes and ensuring quality. |
| | 1.2 Design and operation of a data base for recording, systematizing and compiling successful experiences and good practices, by country and region. (Hemispheric Catalogue/Good Practices Bank) |
| | 1.3 A community of practice or network of people who use good practices, comprising at least 15 participants, is already in operation. Participants exchange knowledge on successful experiences and good practices in the area of technical cooperation. |

Priority action 2: To promote and publicize the exchange of experiences among countries institutions, IICA Offices and regions regarding strategic topics for the Institute

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|---|
| 1. The Institute has developed and instituted efficiently operated mechanisms among the countries of the region for the purpose of promoting, publicizing and exchanging innovative experiences on certain topics, such as agro-tourism, biofuels, biotechnology and biosafety, agricultural health and food safety, trade policy and sustainable rural development. | 1.1 At least two Offices in each region are implementing a program of horizontal cooperation activities to promote and publicize successful experiences and good practices in the area of agriculture and rural life. |
| | 1.2 At least five successful experiences in leading countries (such as Argentina, Brazil, Chile and Mexico) in strategic topics for the Institute have been selected, documented and publicized. |
| | 1.3 At least three regional workshops have been organized to make available to the countries experiences and good practices in priority topics. |

3.3 Budget for the 2008-2009 Biennium

| Major Object of Expenditure | US\$ |
|--|----------------|
| 3: Training and Events | 50,000 |
| 4: Official Travel | 15,000 |
| 5: Publications and Materials and Inputs | 5,000 |
| 7: General Services | 5,000 |
| 8: Contracts for Services | 25,000 |
| Total | 100,000 |

4. PROMOTION OF AGRI-TOURISM LINKAGES

4.1 Justification

The decision to develop a hemispheric program in agri-tourism was made on the basis of the significant progress that has been achieved in Agri-tourism Linkages by the IICA Office in Barbados since 2002. The rapidly growing realization of the importance of harvesting the wealth of the agri-food sector through the development of economic linkages with the tourism and hospitality sectors, not only in the Caribbean, but across the Americas was another factor.

Travel and tourism have become the largest sector of the global economy with more than 800 million international visitors/travelers (ITA) in 2005. Tourism is one of the most remarkable social and economic phenomena of the past century, growing from a mere 25 million ITA in 1950 to the current levels. It is estimated that tourism will continue growing at 4-5% per annum, that is to say, one billion ITA in 2010 and 1.6 billion by 2020. In 2005, the Americas grew at a faster pace than the world average, both in terms of arrivals (+11%) and receipts (+11%). Central America received six million ITA and US\$ 4 billion in receipts and is the fastest growing sub-region globally, with 17% growth in 2005. Several Central American countries, e.g., Panama, Costa Rica, Nicaragua, and Belize, now rate tourism as one of their top three economic activities. South America received 16 million ITA and US\$11billion in receipts, and grew at 16% in 2005. Within this region, Brazil and Argentina are the most visited destinations. North America (USA, Canada and Mexico) received 86 million ITA and US\$98 billion in receipts.

The tourism sector across the Americas needs to refresh and diversify its product offering in an environmentally sustainable manner, finding an appropriate balance between social, environmental, and economic outcomes. The agricultural sector, on the other hand, needs to be repositioned for improved competitiveness by revitalizing the rural sector and establishing a new basket of products and services for non-traditional domestic and export markets.

The Latin American and Caribbean region is extremely diverse, in terms of its natural environment, economic structure, cultural evolution and social development. This diversity is very apparent in the agricultural sector, which produces a range of traditional and 'exotic' fruits, vegetables and other quality products. These products, in spite of their relatively small volumes, have maintained their presence in niche and specialist food and non-food markets, including the highly competitive hospitality and tourism market.

Governments and decision makers have recognized tourism as a key wealth generator and industry sector in its own right – not just an amalgam of many conventional industries that supply goods and services to tourists. In like manner, the agricultural sector is much “more than food on the table”. The agri-food sector is a key economic sector with both backward and forward linkages to tourism, the environment, health, and community development.

As key pillars of the economies of the Americas, both the tourism and the agri-food sectors need to adopt a strategic approach to achieving long-term sustainability by preserving existing markets, increasing visitor expenditure on indigenous products, and enhancing product and industry development.

The growing integration of products and services from agriculture into the hospitality and tourism industry provides a firm platform for mutually beneficial growth and development of these two sectors.

The agri-tourism program has the potential for very significant positive impact on the problems of:

- Rural to urban drift: through the creation of income-generating activities on farms and in rural areas, rural dwellers will be less inclined to migrate to urban areas to seek employment. Negative social impacts of crime, poverty and deviant behavior in urban areas will also be reduced.
- Keeping land in agriculture: Agri-tourism offers a win-win opportunity to keep the land in agriculture while generating additional income and diversifying both the agriculture and tourism products.
- The development of productive and fully integrated linkages between the agriculture and tourism systems in Latin America and the Caribbean offers significant potential for the repositioning and broad-based growth of agriculture, as well as opportunities for channeling the region’s diversity and incorporating genuine competitiveness and sustainability into the tourism product.
- Forging agriculture-tourism linkages will capitalize on the inherent ability to diversify the economies of Latin America and the Caribbean, stimulate entrepreneurship, catalyze investment and assist in wider social development in rural communities.
- Such linkages offer unprecedented opportunities to stem and reverse the declines in traditional agriculture, stimulate the rapid growth in ‘new’ agriculture and build resilience and sustainability into LAC economies. The latter is particularly critical for reducing the high levels of leakage in tourism (as much as 85% in the Bahamas to 50% in Barbados), preserving cultural identity, reducing poverty in local communities and enhancing local awareness and good practices with respect to environmental issues.

4.2 Priority actions

Priority action 1: Execution of the IICA strategy for the promotion of agri-tourism linkages

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|---|---|
| 1. Improvement in the policy and institutional infrastructure in support of agri-tourism development and promotion in LAC | 1.1. Existing agriculture, tourism, environmental and health policy instruments have been expanded to include considerations for the development of agri-tourism linkages in ten countries. |
| | 1.2. At least two meetings have been held in 15 countries between and among policy makers in agriculture, tourism, health and the environment. |
| 2. Reduction in leakage of foreign exchange used for importation of agricultural produce and processed foods | 2.1 At least five contracts have been developed in 15 countries between producers in the agri-food sector and buyers in tourism and hospitality sectors |
| | 2.2 In 15 countries, at least two meetings and workshops have been held on forging partnerships. |
| | 2.3 Four studies have been conducted to determine intervention strategies for procurement and distribution to the tourism sector (including cruise tourism) |
| 3. Increases in rural incomes in LAC resulting from the establishment of linkages with the tourism and hospitality sectors | 3.1 At least two new and unique agro-tourism products and services have been developed and promoted in ten countries. |
| | 3.2 Two studies have been conducted to validate change in the income status of communities. |
| 4. Increase in investment in agri-tourism sites and attractions in rural areas | 4.1 Ten case studies of best practices and success stories, (including video production for web input) have been documented. |
| | 4.2 At least five training exchanges and two horizontal cooperation projects have been undertaken across regions and countries in the Americas |
| | 4.3 Twenty investment profiles have been created and promoted for new sites and attractions. |
| 5. Improved capability of rural entrepreneurs to engage in trade with the tourism sector, and host tourists and events on farms and in rural settings | 5.1 Two needs analysis studies have been undertaken to determine skill sets to be developed for servicing of the tourism and hospitality sector. |
| | 5.2 At least five training programs have been undertaken in collaboration with existing providers at national, regional and international levels. |
| | 5.3 Education and training materials have been developed and disseminated to stakeholders in the hemisphere (through e-platforms). |

4.3 Budget for the 2008-2009 biennium

| Major Object of Expenditure | US\$ |
|-----------------------------|----------------|
| 3: Training and Events | 60,000 |
| 4: Official Travel | 20,000 |
| 8: Contracts for Services | 20,000 |
| Total | 100,000 |

5. CENTER FOR LEADERSHIP IN AGRICULTURE: PIONEERING INITIATIVE IN THE RURAL SECTOR

5.1 Justification

In the XXIst century, leadership qualities are similar and, at the same time, different from in the past. Values and principles, such as integrity, courage, vision and determination, are leadership qualities that are still valid today. But a requirement of new leadership is the ability to cope with an uncertain and complex environment and in a globalized economy. The leader's role is changing as we forsake the old command and control model that prevailed in the XXth century and replace it with a new role for the leader as motivator, facilitator, team leader, coach, strategist and steward.

It is of fundamental importance for the leaders of agriculture in each country of our hemisphere to understand events taking place in the present-day world as well as the challenges and opportunities that have emerged for agriculture and rural life.

In accordance with the mandate of the 2006-2010 Medium-Term Plan, "IICA will help qualify key individuals for the task of promoting, spearheading and introducing the improvements and changes required in the strategic areas of the agricultural sector in the Americas. Programs will be created to develop leaders capable of promoting new ideas, innovations, ways of thinking, methodologies, technologies and information, in order to help community leaders, scientists, educators, policymakers, businesspeople, the heads of organizations and institutions, and others, to create new knowledge and ideas.

Forming leaders means that those people who are in a position to exert an influence over the processes of change not only within the member countries, but also at the regional level, must acquire the necessary knowledge, skills and attitudes. The process of acquiring these skills, the knowledge and attitudes will enable leaders to more effectively provide strategic direction and help their institutions to meet their respective goals and objectives. IICA must facilitate the development of key leaders if the strategic areas of technical cooperation are to be successful in their efforts."

Certain actions will be carried out in order to achieve these goals, as may be seen below:

- Regional leadership fora will be held. A hemispheric Forum for Young Leaders is already being organized and the proposal is, therefore, to hold these types of fora at regional level and put the hemispheric initiatives and experiences into practice by

taking advantage of regional similarities and applying more in-depth concepts of leadership to the communities.

- Books on leadership in agriculture will be published. They are intended for the basic levels of the agricultural sector and for use as a tool in forming community leaders. They will relate practical stories of successful experiences where a change in the form of leadership has made the difference. The language and presentation of the books will in part be very simple and will include visual aids to bring the message to more basic cultural levels. They will, however, also include a more complex explanation of phenomena intended for other more advanced cultural levels.
- A virtual leadership network, using state-of-the art technology performs, will be created, updated and maintained.
- The quarterly magazine “Leaders in Agriculture” will be published and distributed during” 2008 and 2009. It will portray successful experiences in agricultural leadership in the Americas as well as the opinions of international leaders on the topic.
- A promotional video on the Center for Leadership in Agriculture, its significance and scope will be made.
- An Advisory Group on Leadership will be set up and maintained. The activities of this Group will involve mobilizing international experts in the topic to support and give direction to the guidelines and efforts to improve leadership capabilities (form leaders with a global vision) in the agricultural sector, with a special emphasis on upgrading the capabilities of young leaders.

5.2 Priority Actions

Priority Action 1: To facilitate an exchange of information and experiences as well as dialogue and discussion on strategic topics inherent in the development of agriculture and rural life in the Americas.

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|--|
| 1. Training of regional leaders with a holistic and innovative vision of what the agricultural leader of the XXIst century means | 1.1. Holding of three regional leadership fora, involving areas of technical cooperation, leadership concepts, methodologies and dynamics and the participation of at least 90 leaders, preferably young ones, from the private and public sectors of the Member States. |
| 2. Development of a series on “Agricultural Leadership” | 2.1. Publication of two books on “Teaching Experiences in Agricultural Leadership” were translated and distributed across the hemisphere. They are intended for all cultural levels and are intended to serve as an educational tool in improving community leadership. |
| 3. Development of a Virtual Leadership Network | 3.1. Creation, updating and ongoing maintenance of a Virtual Leadership Network through the use of a technological platform that is constantly updated with new publications and information. It will also serve as a tool for taking advantage of both trade and job opportunities and will facilitate access to IICA’s specialized information services. |

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|---|
| 4. Publication of six issues of the magazine “Leaders in Agriculture” | 4.1. Preparation, editing, layout, translation, printing and distribution across the hemisphere of six issues of the magazine “Leaders in Agriculture”, which would include practical stories of how success has been achieved through leadership and visions and methodologies relating to leadership from international experts in the subject. |
| 5. Development of the capacity to promote the Center for Leadership in Agriculture | 5.1. Preparation of a promotional video on the Center for Leadership in Agriculture, which would project an image of what can be achieved with a change in mentality towards modern leadership and which would help secure international support aimed at enhancing leadership skills in our agricultural leaders. |
| 6. Establishment of an Advisory Leadership Group | 6.1. Establishment and operation of an Advisory Leadership Group, made up of international experts in charge of leadership projects, who would support and give direction to the guidelines of the Center. |
| | 6.2. Establishment of synergies with these international centers to take advantage of both financial and educational opportunities that may emerge. |

5.3 Budget for the 2008-2009 Biennium

| Major Object of Expenditure | US\$ |
|--|----------------|
| 3: Training and Events | 130,000 |
| 4: Official Travel | 20,000 |
| 5: Publications and Materials and Inputs | 30,000 |
| 8: Contracts for Services | 20,000 |
| Total | 200,000 |

6. PROGRAM FOR ONGOING PROFESSIONAL DEVELOPMENT

6.1 Justification

To provide developmental opportunities to the Institute’s professional personnel in order to enhance and/or update their knowledge and skills in their areas of expertise as well as in the area of leadership and management.

The Institute is a knowledge-based organization for which the key factor is its own human resources. Based on the ongoing increase in demands from Member States for the Institute’s technical expertise and the accelerated pace of changes in the field of agriculture, it is critical for the Institute to invest in the development of its people. The challenges being faced in the field of agriculture require a more global holistic approach to the identification of solutions. Agriculture is not only related to food production. Agricultural production is also closely related to factors such as the protection of a sustainable environment, diversification in the use of agricultural products, such as the generation of agro-energy, and food safety and health concerns. The proposed Professional Development Program will serve as a catalyst for the upgrading and enhancement of the technical and leadership skills of professional staff, as well as the acquisition of knowledge in new areas of focus, through both short-term professional development activities and sabbatical leave.

Short-term professional development activities refer to any training or developmental activities of less than a month’s duration. Short-term professional development activities could include:

- Technical seminars and workshops
- Courses offered by key recognized institutions
- Long distance learning, etc.

Professional development activities which necessitate a sabbatical might include:

- Undertaking research in libraries, universities and research institutions
- Visiting industrial, professional or governmental agencies and establishments
- Teaching in an educational institution, or developing teaching or curricular materials
- Exchanges and secondments to universities or industrial, professional or governmental agencies and establishments
- Undertaking graduate study in fields of specialization

The sabbatical leave with allowance or without pay may be granted for a period of up to six months. The Institute will provide financial support up to the equivalent of 50% of the base salary when the purpose of the leave is of clear benefit to the Institute.

In the case of short-term professional development, once approved by the appropriate authorities, the Institute will assume the financial cost of such training or developmental activity.

6.2 Priority Actions

Priority action 1: Participation in technical seminars and workshops

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|---|---|
| 1. Updating of knowledge and skills in field of expertise | 1.1 Minimum of 30 participants trained in themes such as agricultural health and food safety, trade and agro-energy |

Priority action 2: Participation in professional development courses

| EXPECTED RESULTS | PERFORMANCE INDICATORS |
|--|---|
| 1. Participation in professional development courses | 1.1 Minimum 30 participants trained per year in themes such as leadership/management, trade and agro-energy |

Priority action 3: Sabbatical leave

| EXPECTED RESULTS | PERFORMANCE INDICATORWS |
|---|--|
| 1. Upgrading of technical expertise and acquisition of new experience | 1.1 Publication of two technical documents per year |
| | 1.2 Two participants per year in priority themes of IICA |

6.3 Budget for the 2008-2009 Biennium

| Major Object of Expenditure | US\$ |
|--|----------------|
| 2: Local Professional and General Services Personnel | 96.000 |
| 3: Training and Events | 64.000 |
| 4: Official Travel | 40.000 |
| Total | 200.000 |

7. MODERNIZATION OF THE INSTITUTIONAL INFRASTRUCTURE

7.1 Justification

The Institute has been making a major effort to modernize the physical facilities it owns or that have been given to it in usufruct, and to update its technological platform.

This modernization has been partially financed with Regular Fund resources approved by the IABA in the Regular Program Budget. However, it is the approved special budgets for biennia 2004-2005 and 2006-2007 that have been responsible for most of the financing.

In biennia 2004-2005 and 2006-2007, the Institute invested a portion of the Special Budget resources in the following:

- Financial Accounting Information System;
- Improvements to physical facilities it owns or that were given to it in usufruct in Argentina, Bahamas, Bolivia, Colombia, Costa Rica, El Salvador, Haiti, Jamaica, Peru, Suriname, the ECS and IICA Headquarters; and
- Improvements to the Institute's technological platform in Argentina, Bahamas, Barbados, Belize, Bolivia, Canada, Chile, Costa Rica, Colombia, Dominican Republic, Ecuador, Guyana, Haiti, Jamaica, Miami, Nicaragua, Paraguay, Uruguay and IICA Headquarters.

The present application is intended to complete the improvements at Headquarters, especially electrical installations and the system for communication with the Offices in Member States.

The investments required for the electrical installations have to do with transformers and circuit breaker panels for the independent network of sensitive electrical wall outlets used for the computer equipment in the various offices and work stations so as to avoid the electric network overheating and the equipment being damaged by problems with other conventional apparatus in the general electrical network.

With regard to investment needs for the communication system, at present, IICA has communication equipment in operation, but it has not been renewed in recent years and has outlived its useful life. In addition, IICA needs a network that provides for redundancy in order to limit down time, which in turn would increase the percentage amount of time for use of existing applications.

7.2 Budget for the 2008-2009 biennium

| Major Object of Expenditure 6: Purchase of Property, Equipment and Furnishings | US\$ |
|---|----------------|
| Improvements in the electrical system at Headquarters | 55.000 |
| Improvements in the Institute's communication systems | 45.000 |
| Total | 100.000 |