



# ***EXECUTIVE COMMITTEE***

Twenty-seventh Regular Meeting  
15 - 17 May, 2007

*IICA/CE/Doc.Inf 02(07)*  
*Original: español*  
*May 15-17, 2007*

## **IICA Action in Support of the Development of Organic Agriculture**

**San Jose, Costa Rica**



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Organic agriculture is currently practiced in more than 120 countries. Some 31 million hectares of land are used for this purpose, on a little over 623,000 certified farms. More than 1500 organic products are available in the marketplace and the activity is growing at an average rate of 9% per year. Global sales of organic products topped US\$27.8 billion in 2004 and US\$29 billion in 2005, although this is only 1-3% of all food sold worldwide. The most important consumers are North America and Europe, which account for 49% and 47%, respectively, of the organic food consumed around the globe.

Of the 31 million hectares of land cultivated organically around the world, 7.8 million (25%) are to be found in Latin America and the Caribbean (LAC). Four countries in the region figure among the 10 countries with the largest surface area of certified organic production: Argentina (3.5 million ha.), Brazil (887,637 ha.), Uruguay (759,000 ha.) and Chile (639,200 ha.). Nevertheless, these areas of certified farmland represent only 1.6%, 0.3%, 5.1% and 4.2%, respectively, of all farmland in each of those countries. LAC is home to 33% of the world's certified farms and Mexico, with 120,000 farms (2004), leads the way.

Organic production is a relatively new activity in the countries of LAC. This alternative method of production has a clearly defined international market and differentiated prices, while the demand for most products far outstrips the supply. In this context, organic agriculture makes a significant contribution to rural economies, environmental conservation and the social wellbeing of the people who engage in it.

### **1. IICA's organic agriculture program**

Mindful of this situation, and in accordance with the priorities for strategic action of IICA, adopted in the 2006-2010 Medium-Term Plan – mainly the introduction of technology and innovation for the modernization of agriculture and the sustainable management of natural resources and the environment - the Institute has made Organic Agriculture a part of its work program, under the aegis of the Directorate of Technical Leadership and Knowledge Management.

IICA's actions focus on three principal lines of action:

- i) Support for the design of national strategies and policies for the development of organic agriculture;
- ii) Cooperation to establish and strengthen the institutional framework required for the development of the activity; and,
- iii) Knowledge management in organic agriculture.

IICA has acquired considerable expertise with respect to the legal and institutional aspects of the issue in LAC, and related areas such as trade, policy and information. In the Central Region, for example, and at the request of the ministers of the Central American Agricultural Council (CAC), since 1999 the Institute has been implementing the project "Promotion of organic production and development of its markets." Moreover, in 1998 IICA began supporting the development and consolidation of the institutional and policy framework for the growth of organic agriculture in Costa Rica, and helped obtain "Third Country" status with the European Union.

## **2. Recent and ongoing actions to support the development of organic agriculture**

At the hemispheric level, the Institute is working on an assessment of organic agriculture in LAC. When it is concluded, in a matter of months, it will be possible to define the areas on which the Institute should focus at the national, regional and hemispheric levels.

In partnership with other cooperation agencies, IICA is promoting the creation of the "Latin American and Caribbean Network of Competent Authorities<sup>1</sup> for Organic Agriculture." Advantage will be taken of the Fourth Meeting of the Competent Authorities of Central America and the Dominican Republic, due to be held in Nicaragua in August of this year, to advance this effort. The network, which will be virtual, is designed to facilitate the management of information and knowledge on the subject. The network will have a Permanent Secretariat that will support the operation of the offices of the Competent Authorities and the development of organic production in LAC.

At the regional level, IICA is gradually establishing specific agendas for the Southern, Caribbean and Andean regions. Nevertheless, the Institute is focusing its main efforts on the Central Region, where two important technical cooperation projects are being developed. The first, involving a partnership with the Spanish Cooperation Agency (AECI), is designed to strengthen the institutional framework of the Competent Authorities and stimulate business with Europe. The second, supported by Austria's development cooperation agency (ADA) and the RUTA Project, aims to support the agenda of the CAC ministers of agriculture for the growth of organic agriculture.

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<sup>1</sup> The Competent Authorities for Organic Agriculture are the people responsible for implementing and enforcing the technical and legal regulations issued by the countries governing the development of organic farming. Their duties include: registering organic operators and those in the process of switching to organic production; keeping national statistics; and supervising and auditing the work of the certification agencies accredited in the countries.

IICA is supporting the efforts of the Committee of Competent Authorities of Central America and the Dominican Republic to strengthen the institutional framework, through direct technical assistance to the Committee and its various national chapters.

At the country level, progress has been made in Nicaragua and El Salvador in formulating and adjusting national organic agriculture development strategies. In the Dominican Republic, in addition to promoting the strengthening of the organic movement, IICA supported the consolidation of the Office of the Competent Authority and the process of obtaining “Third Country” status with the European Union. In Bolivia, working with other cooperation agencies, IICA is developing traceability processes for organic products in order to gain sustainable access to international markets.