

The Outlook for Agriculture and Rural Development in the Americas:

A Perspective on Latin America
and the Caribbean

2011 - 2012





Structure of the document

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- Statistical Appendix: www.agriruralc.com



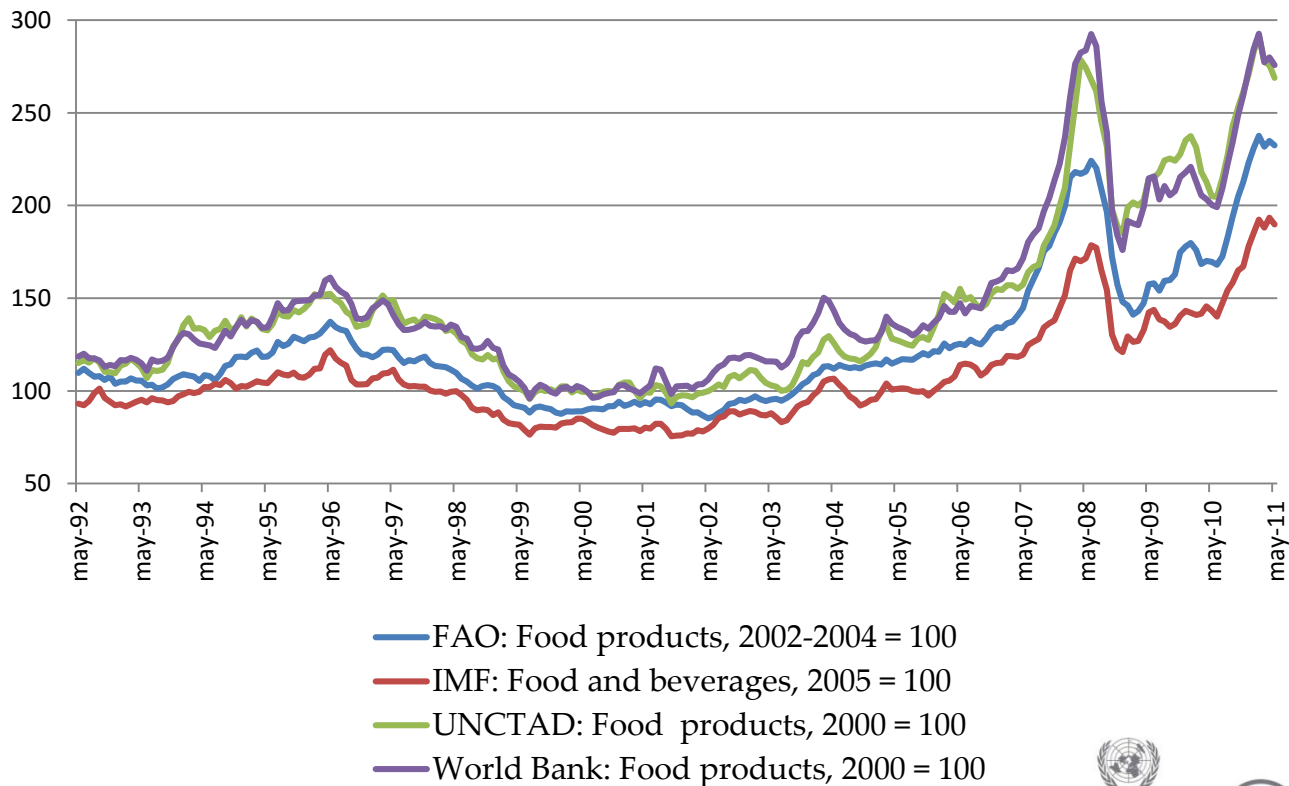
1. Macroeconomic Context





A troubled macroeconomic context

The global financial crisis and the subsequent recovery in 2010, exchange rates, a determining factor in macroeconomic variables and the evolution of international prices for 2012 is puzzling.





2. Sectoral Analysis





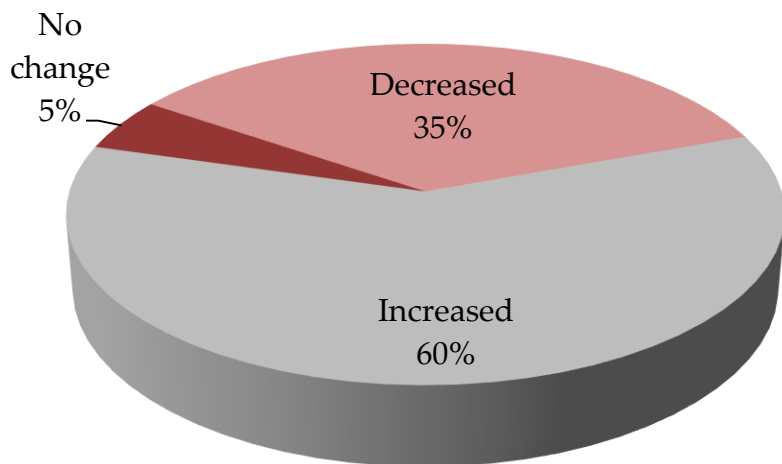
Growth of agriculture in the region has been positive

- High prices for agricultural commodities have spurred the growth of real AVA in LAC in the last decade (3.2%).
- The growth of the adjusted AVA was greater (3.8%) than that of real AVA, with regional differences: 4.5% in the Southern Cone and 2.5% in all other regions.
- Real income grew more than the volume of production.

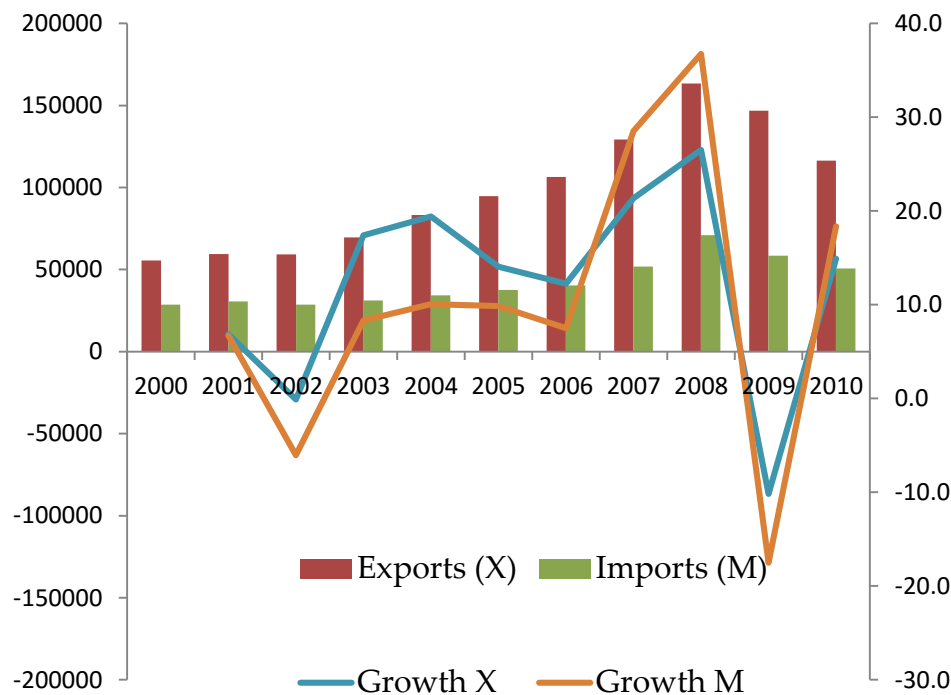


Agriculture: driving the recovery of the economies of the region

How did agricultural production levels vary from 2009 to 2010 in your country?



LAC: evolution (rate of growth) of agricultural trade in terms of value (millions of US\$)

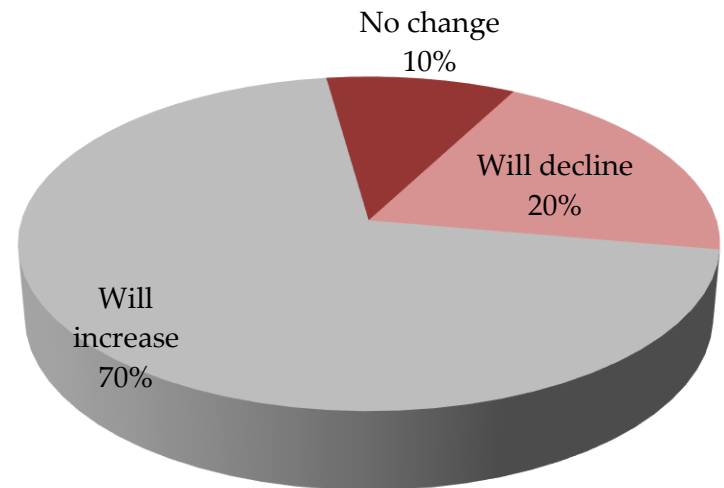




Expectations are high, but...

- There are emerging agricultural health and food safety challenges.
- Investment in R+D+i is inadequate.
- Agriculture will have to perform better.
- There are pressures related to land ownership.
- Energy and food prices are moving in the same direction.
- Some countries do not benefit from the upward trend in prices.

What is the expectation in your country regarding agricultural production in 2011 compared with 2010?





Livestock: great opportunities will depend on innovation

- Consumption and production of meat has increased
- Meat export grew higher than increase in production
- Outlook:
 - Increase of pastoral livestock production systems
 - Higher prices
 - Increased dairy production
- Policy recommendations:
 - Policies for the development of family livestock farming
 - Promote innovation in value chains
 - Policies for address CC adaptation and NNRR management



Fishing and aquaculture: a sector in transition

- Steady decline in extractive fishing.
- Greater relative importance of aquaculture, but slower rate of growth.
- Importance of South America.
- Diseases threaten aquaculture.
- High expectations in fish cultivation.
- Demand from Asia will increase in importance.
- Importance of the requirements related to production, technology, quality, health and safety.
- Competition will increase.



Forests: concern for the sustainable management of forests and the forestry industry

Annual variation in forest coverage from 2005-2010

LAC	Area of natural and planted forests (millions of ha.)		Annual variation (thousands of ha./year)
	2005	2010	
Mexico	65,6	64,8	-155
Central America	20,7	19,5	-249
Caribbean	6,7	6,9	+41
South America	882,3	864,3	-3581
Variation region	975,3	955,6	-3944
Variation world	4060,9	4033	-5581

Source: FAO 2010.





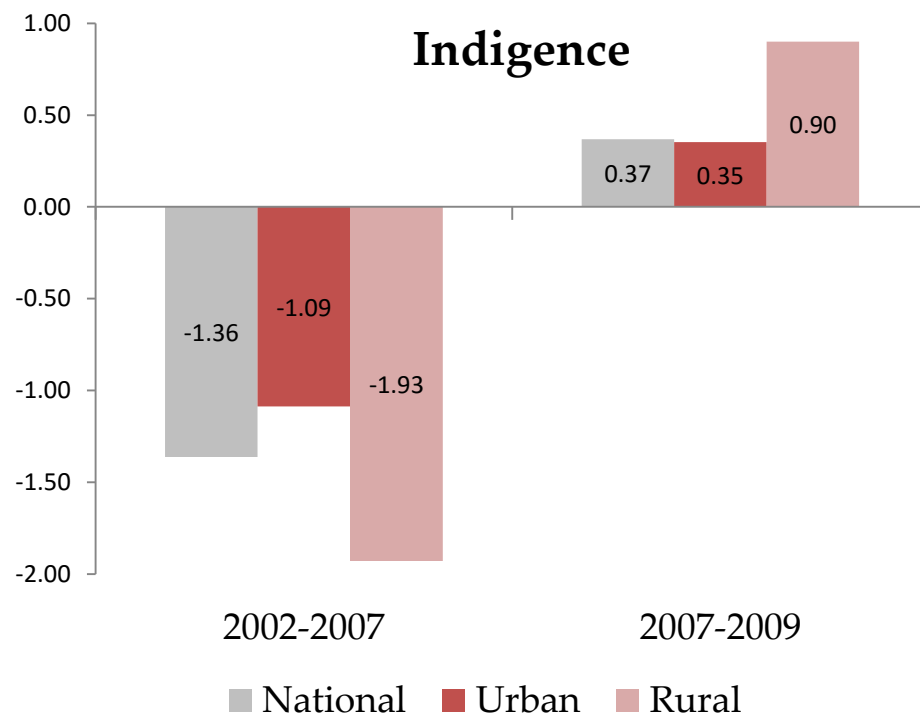
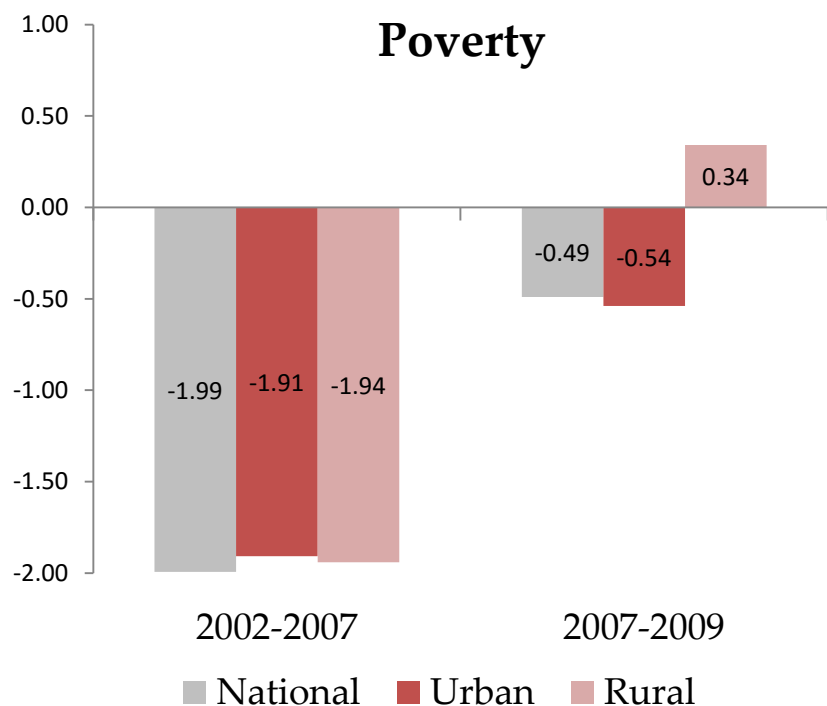
3. Rural well-being and Institutional Framework





In LAC, the negative impact of the crisis was less than expected

Changes in poverty and indigence rates 2002-2007 vs. 2007-2009



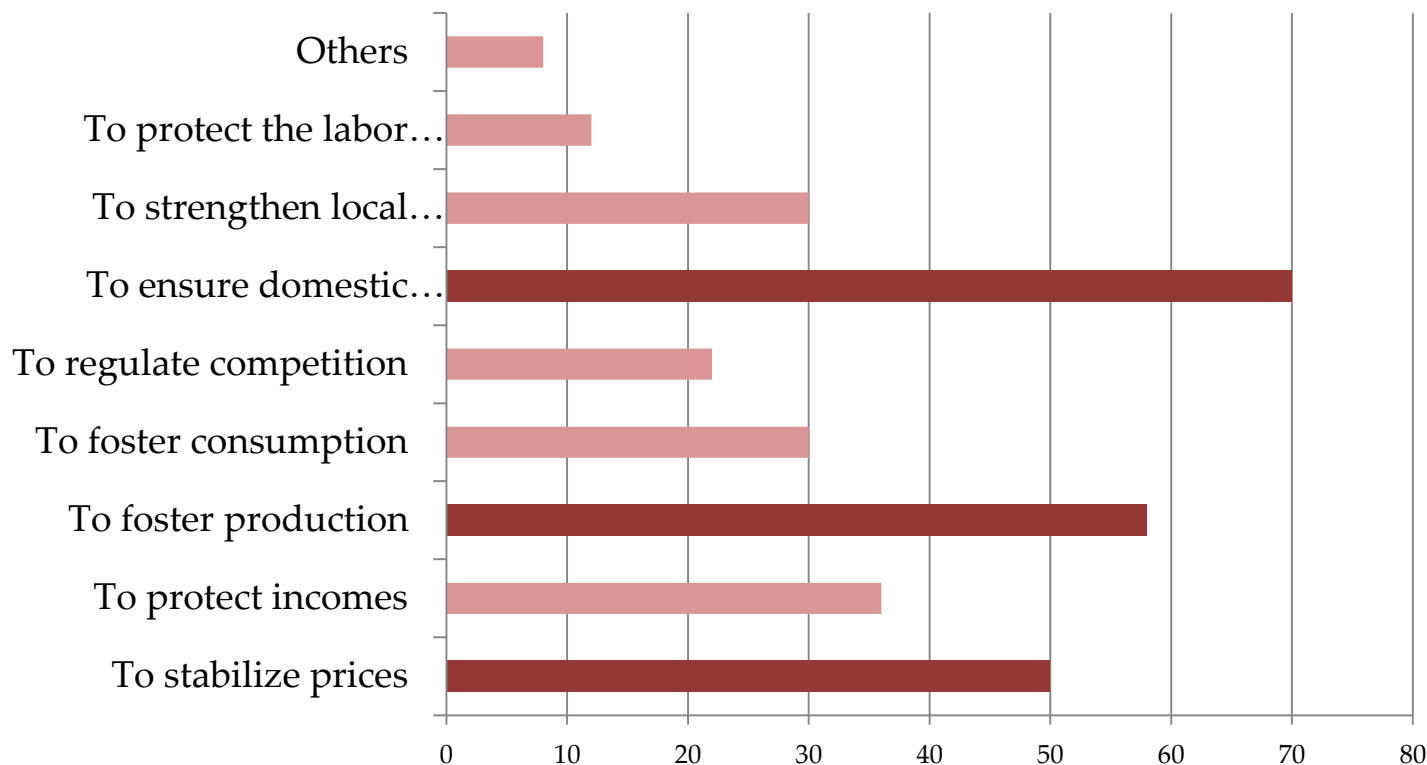
Source: CEPAL, 2010.





Policies and institutional framework: Modernization with a long-term vision

Objectives of the policies implemented (% of replies)





Policies and institutional framework: Recommendations

- To shift from sectoral policies to policies for agriculture.
- To develop joint and long-term visions.
- To increase investment in agriculture.
- To improve capacity to manage public resources.
- To expand social protection programs in rural areas.
- To strengthen programs designed to improve nutrition levels.
- To avoid measures that restrict foreign trade.



4. ICTs in Agriculture and Rural Development





ICTs in the public institutional framework for agriculture

Access

- Most personnel have access to basic ICTs, but lack specialized ICTs.

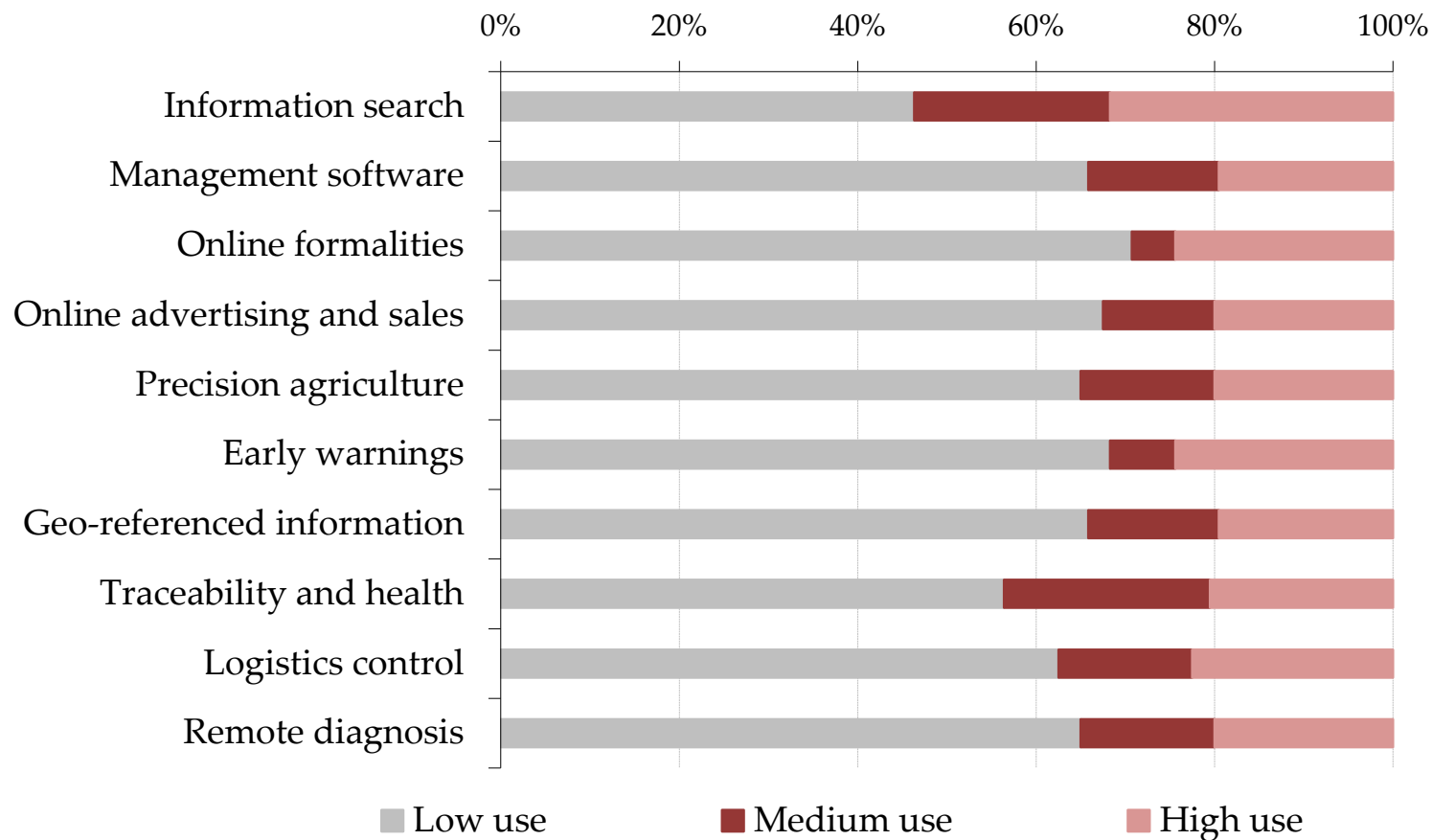
Use

- Used mostly for internal management purposes and for human capital development.
- Websites with contents that are not easily accessed and are outdated, hindering interaction with the end user.
- More paperwork is done and services requested on line.
- Information is shared for decision making related to production and markets.



ICTs and agricultural and rural development

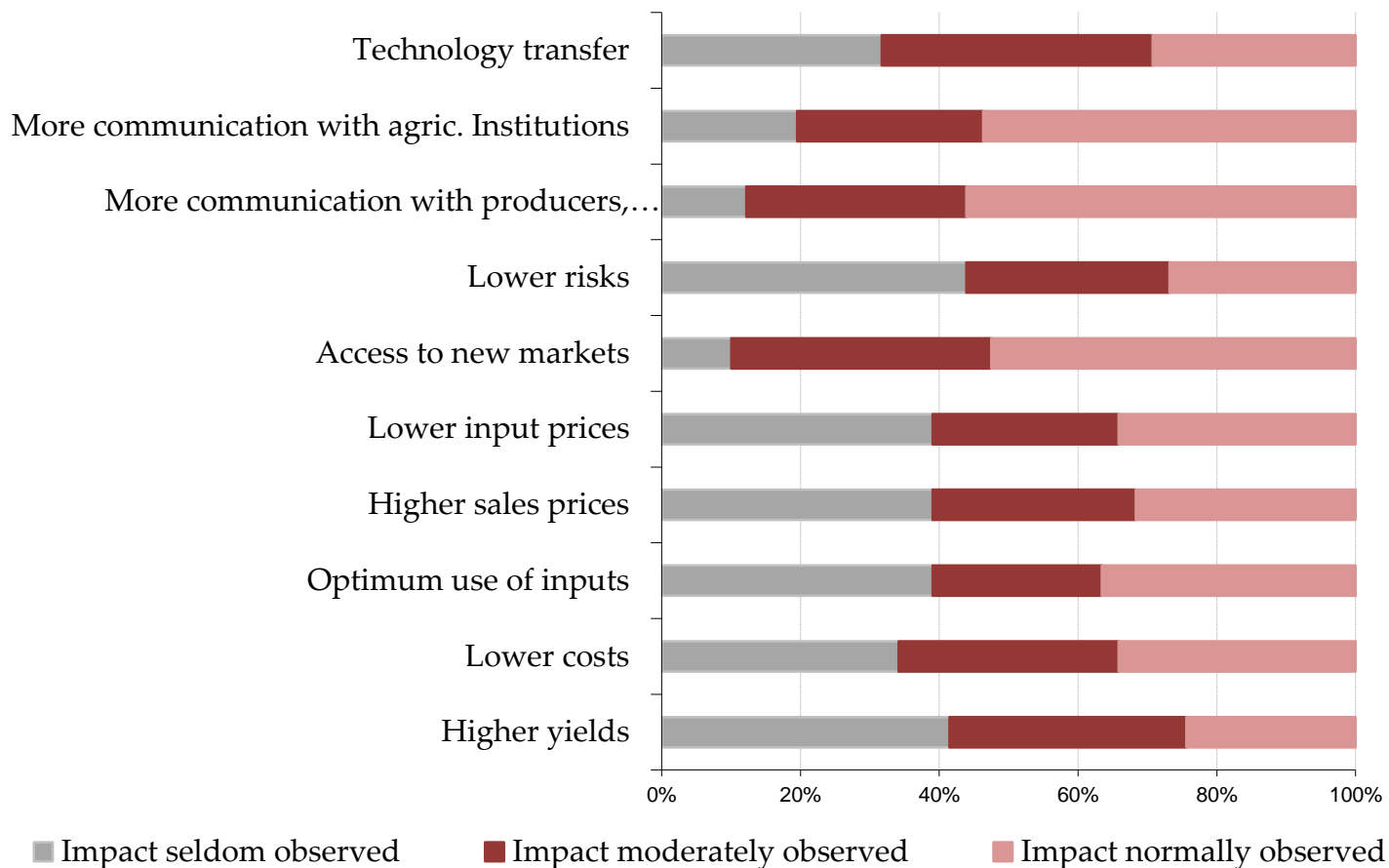
LAC (nine countries): use of ICTs by farmers





ICTs and agricultural and rural development

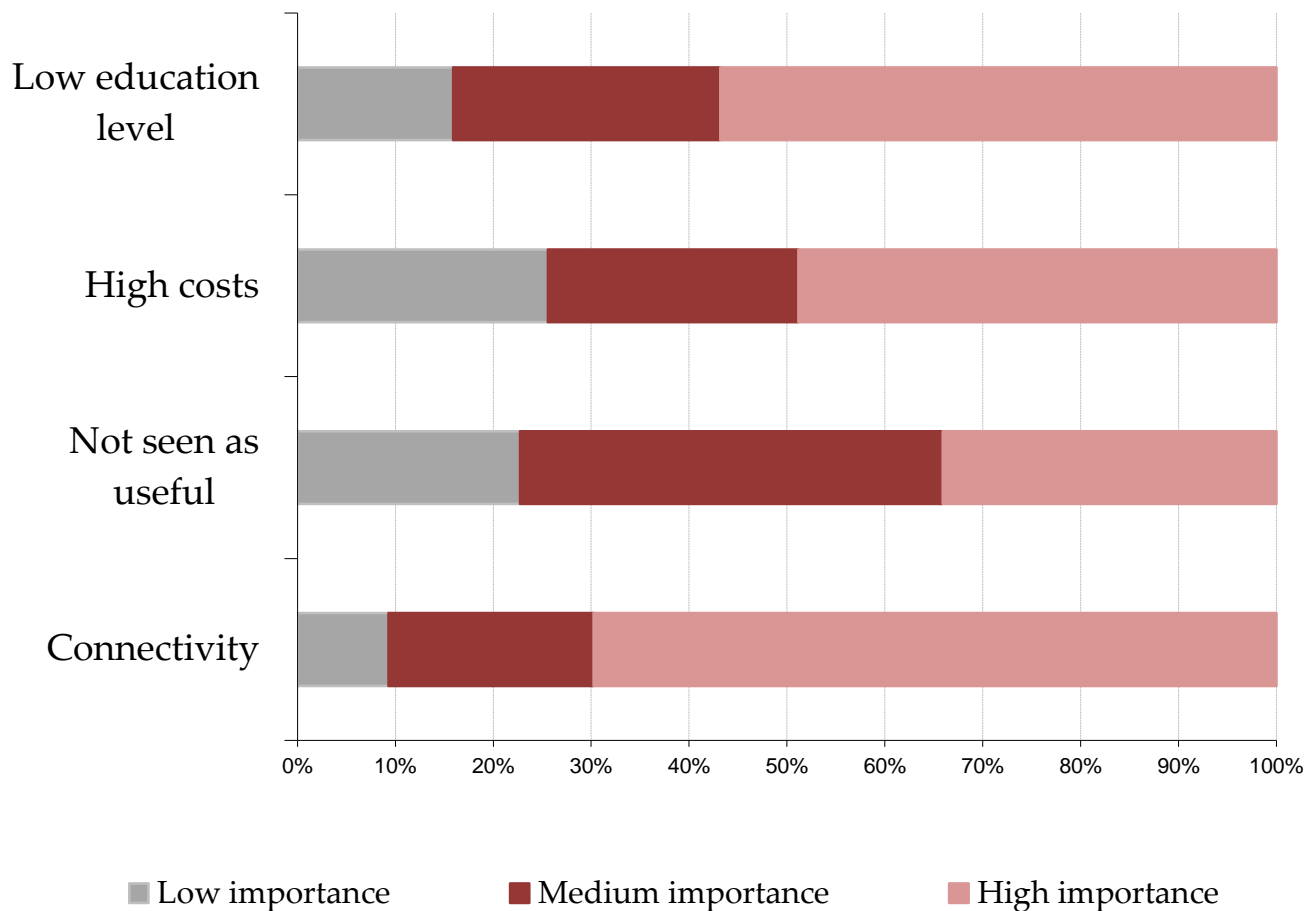
LAC (nine countries): impact of the use of ICTs in agriculture





ICTs and agricultural and rural development

LAC (nine countries): Main limitations on farmers' use of computers and Internet





Thank you

