

BIBLIOTECA VENEZUELA

**IICA**



REPORT OF THE FIFTEENTH  
REGULAR MEETING  
OF THE EXECUTIVE COMMITTEE

San Jose, Costa Rica

19-21 June 1995

OFFICIAL DOCUMENTS SERIES No. 58

## WHAT IS IICA?

The Inter-American Institute for Cooperation on Agriculture (IICA) is the specialized agency for agriculture of the inter-American system. The Institute was founded on October 7, 1942, when the Council of Directors of the Pan American Union approved the creation of the Inter-American Institute of Agricultural Sciences, to be headquartered in Costa Rica.

IICA was founded as an institution for agricultural research and graduate training in tropical agriculture. In response to changing needs in the Americas, the Institute gradually evolved into an agency for technical cooperation in the field of agriculture. These changes were officially recognized through the ratification of a new Convention on December 8, 1980. The Institute's purposes under the new Convention are to encourage, facilitate and support cooperation among its Member States so as to promote agricultural development and rural well-being.

The Member States participate directly in the Inter-American Board of Agriculture (IABA) and the Executive Committee, the Institute's governing bodies, which issue the policy guidelines executed by the General Directorate. Today, IICA has a geographic reach that allows it to respond to needs for technical cooperation in the countries, through its Technical Cooperation Agencies and five Regional Centers, which coordinate the implementation of strategies tailored to the needs of each region.

The participation and support of the Member States and the relations IICA maintains with its Permanent Observers and numerous international organizations provide IICA with channels to direct its human and financial resources in support of agricultural development throughout the Americas.

The 1994-1998 Medium Term Plan (MTP) provides the strategic framework for orienting IICA's actions during this four-year period. Its general objective is to support the efforts of the Member States in achieving sustainable agricultural development, within the framework of hemispheric integration and as a contribution to human development in rural areas. The Institute's work is aimed at making changes in three aspects of agriculture: production, trade and institutions, using an integrated approach to development which is based on sustainability, equity and competitiveness. IICA carries out its technical activities in four Areas of Concentration: Socioeconomic Policies, Trade and Investments; Science and Technology, Natural Resources and Agricultural Production; Agricultural Health; and Sustainable Rural Development. IICA's actions receive support from two Specialized Services: Training, Education and Communications; and Information, Documentation and Informatics.

The Member States of IICA are: Antigua and Barbuda, Argentina, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, the United States of America, Uruguay and Venezuela. Its Permanent Observers are: Arab Republic of Egypt, Austria, Belgium, European Communities, France, Germany, Hungary, [redacted] of the Netherlands, Portugal, Republic of Korea, Republic of [redacted] Russian Federation and Spain.

ISSN 1018-5704

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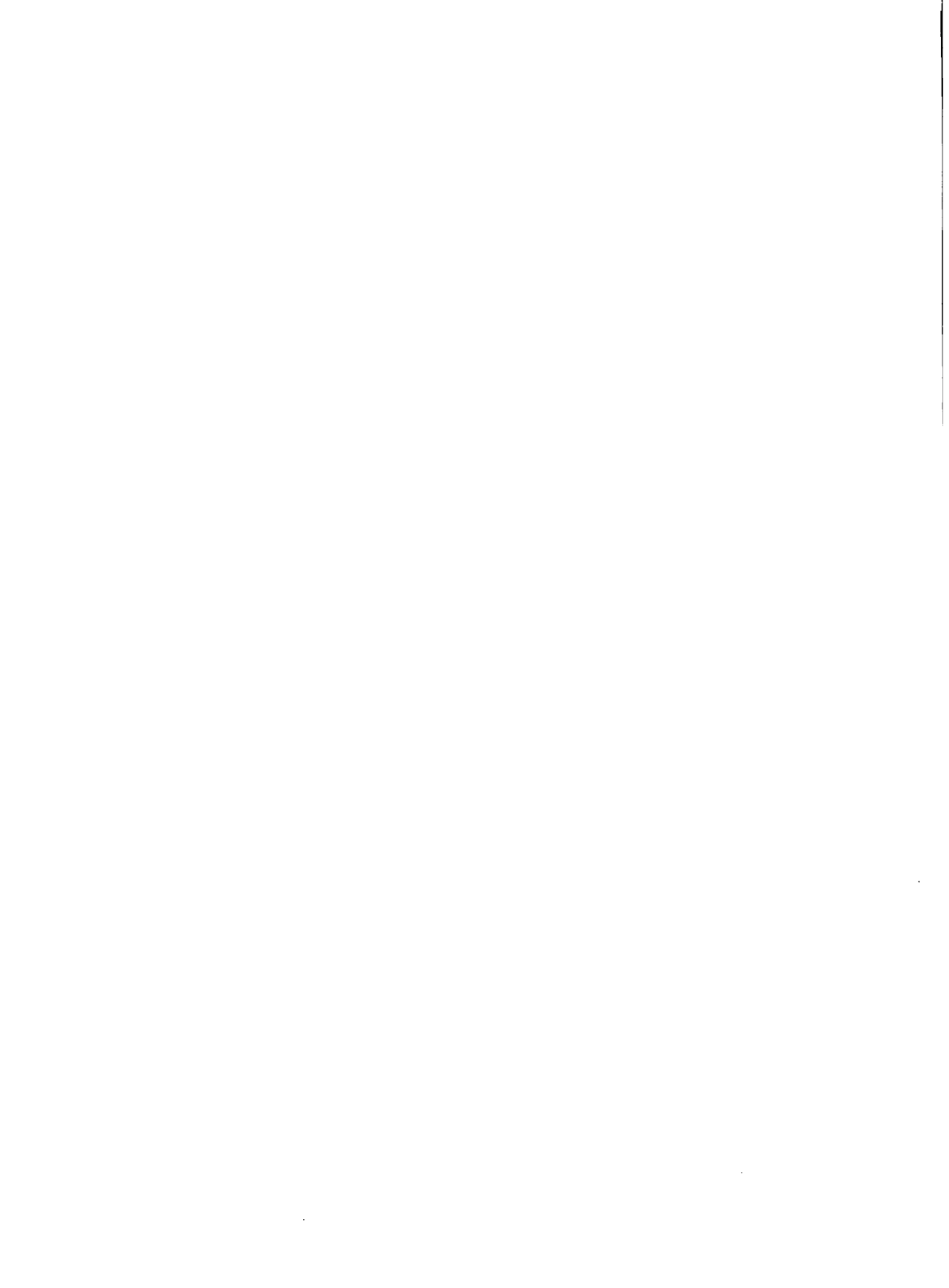
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The Inter-American Institute for Cooperation on Agriculture wishes to thank the Government of Canada, the Organization of American States and the Inter-American Development Bank for their continued support of the meetings of the governing bodies of the Institute through the services of their interpreters and translators.

**TABLE OF CONTENTS**



## TABLE OF CONTENTS

	Page
<b>MINUTES OF THE FIFTEENTH REGULAR MEETING OF THE EXECUTIVE COMMITTEE</b>	<b>1</b>
Preparatory Session . . . . .	1
Inaugural Session . . . . .	3
First Plenary Session . . . . .	7
Second Plenary Session . . . . .	15
Third Plenary Session . . . . .	34
Fourth Plenary Session . . . . .	44
Fifth Plenary Session . . . . .	66
Closing Session . . . . .	70
 <b>RESOLUTIONS</b>	
Resolution No.232      1994 Annual Report . . . . .	77
Resolution No.233      Financial Report of the Institute-1994 . . . . .	79
Resolution No.234      Convocation of a Meeting of the Executive Committee to Discuss Alternative Program- Budget Proposals Prior to the Eighth Regular Meeting of the Inter-American Board of Agriculture . . . . .	81
Resolution No.235      Measures for Collection of Quotas Arrearages . . . . .	85
Resolution No.236      Agreements, Contracts, Letters of Understanding and Others . .	88
Resolution No.237      Annual Study on CATI Rates-1994 . . . . .	108

Resolution No.238	Report of the Audit Review Committee . . . . .	111
Resolution No.239	Election of a Member to the Audit Review Committee . . .	128
Resolution No.240	Biennial Report of the Caribbean Agricultural Research and Development Institute (CARDI) . . . . .	133
Resolution No.241	Biennial Report of the Activi- ties of the Tropical Agricul- ture Research and Training Center (CATIE) . . . . .	135
Resolution No.242	Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Execu- tive Committee . . . . .	136
Resolution No.243	Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter- American Board of Agricul- ture (IABA) . . . . .	137
Resolution No.244	Emeritus Status for Dr. Héctor Muñoz Coronado . . . .	138
Resolution No.245	1994-1995 Inter-American Agri- cultural Medal . . . . .	139
Resolution No.246	1994-1995 Inter-American Agri- cultural Award for Young Pro- fessionals . . . . .	141
Resolution No.247	1994-1995 Inter-American Award for the Participation of Women in Rural Development . . . .	143



Resolution No.248	Designation of the Members of the Awards Selection Committee for the 1996-1997 Biennium . . . . .	145
Resolution No.249	Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA) . . . . .	147
Resolution No.250	Date and Site of the Sixteenth Regular Meeting of the Executive Committee . . . . .	149

**REPORTS OF THE WORKING GROUPS:**

GROUP A: PROGRAM BUDGET . . . . .	153
GROUP B: QUOTA COLLECTION . . . . .	157

SIGNING OF THE REPORT . . . . .	165
---------------------------------	-----

REPORT OF THE CREDENTIALS COMMITTEE . . . . .	169
---	-----

MINUTES AND REPORT OF THE 1994-1995 AWARDS SELECTION COMMITTEE FOR THE INTER-AMERICAN AWARDS IN THE RURAL SECTOR . . . . .	173
--	-----

AGENDA . . . . .	181
------------------	-----

LIST OF PARTICIPANTS . . . . .	187
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MEETING STAFF . . . . .	205
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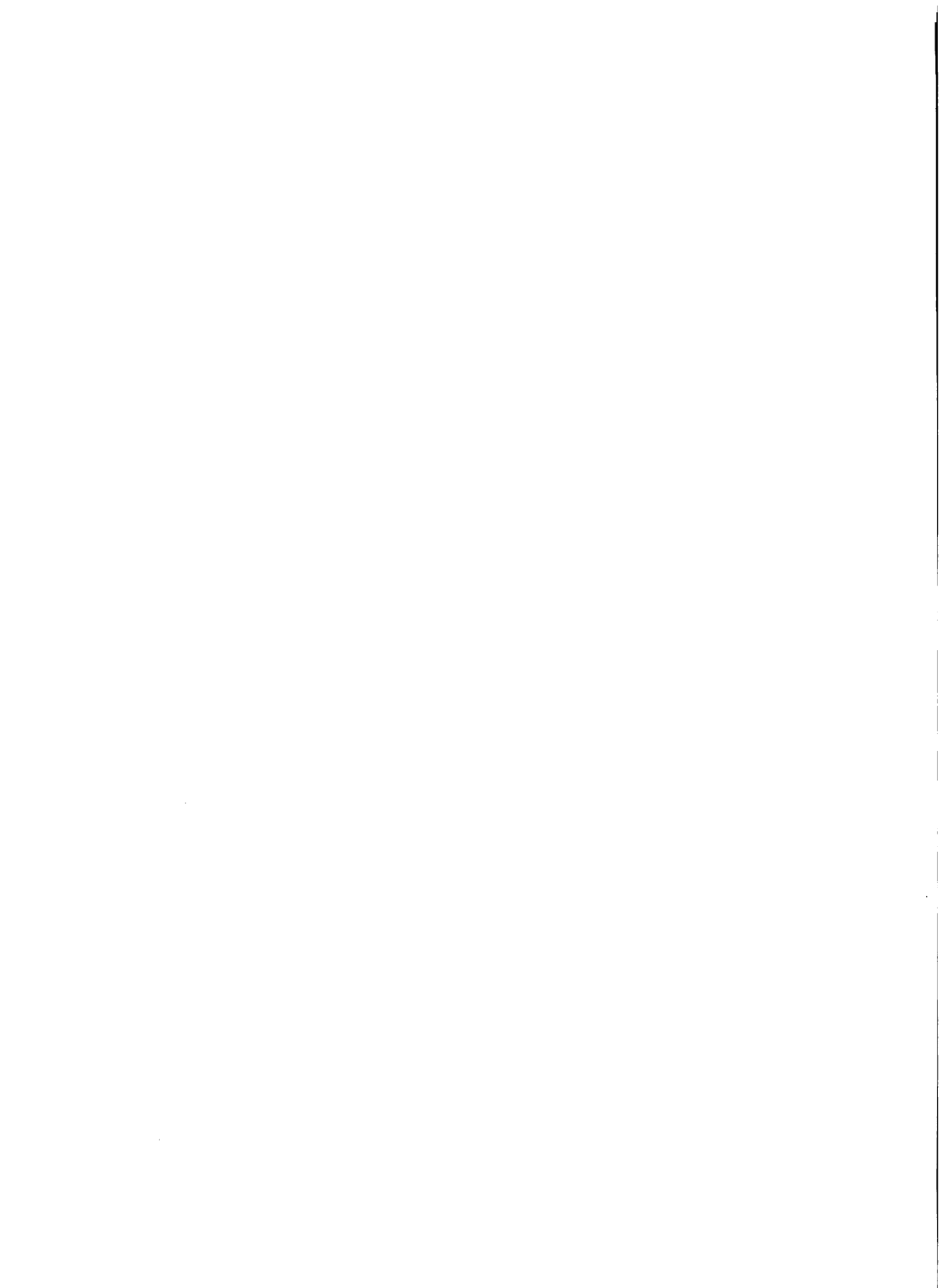
LIST OF DOCUMENTS . . . . .	215
-----------------------------	-----

**APPENDIXES**

- Address by Mr. Oscar Campos, Vice Minister of Agriculture of Costa Rica at the Inaugural Session . . . . .	221
--	-----

- Address by the Director General of IICA,  
Mr. Carlos E. Aquino González at the Inaugural  
Session . . . . . 223
- Address of Mr. Juan Luis Marambio, Representa-  
tive of Chile, at the Closing Session . . . . . 242
- Address by the Director General of IICA,  
Mr. Carlos E. Aquino González, at the Closing  
Session . . . . . 244
- Address by Mr. Oscar Campos, Chairman of the  
Fifteenth Regular Meeting of the Executive  
Committee, at the Closing Session . . . . . 248

**MINUTES OF THE FIFTEENTH REGULAR  
MEETING OF THE EXECUTIVE COMMITTEE**



**MINUTES OF THE FIFTEENTH REGULAR MEETING  
OF THE EXECUTIVE COMMITTEE OF THE  
INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE**

The Fifteenth Regular Meeting of the Executive Committee of the Inter-American Institute for Cooperation on Agriculture (IICA) was held in conformity with the provisions contained in the Rules of Procedure of the Executive Committee and Resolution IICA/CE/Res.231(XIV-0/94) of said Committee.

The 1995 Executive Committee was made up of the following countries: Belize, Brazil, Canada, Chile, Colombia, Costa Rica, Guyana, Haiti, Panama, Peru, Suriname and Venezuela.

**PREPARATORY SESSION**

0.1 The Preparatory Session of the Fifteenth Regular Meeting of the Executive Committee was called to order at 9:00 a.m. on June 19, 1995, in the United States/Canada Room at IICA Headquarters, chaired by the Representative of Belize.

0.2 During this session, agreements were reached on the following items:

0.2.1 Election of the Chair and the Rapporteur

The Committee elected Mr. Oscar Campos, Vice Minister of Agriculture and Livestock of Costa Rica, as Chairman of the Meeting. Mr. Pablo G.

Quevedo, Sectoral Director General of the Ministry of Agriculture and Husbandry of Venezuela, was elected Rapporteur. The Officers of the meeting were:

Chairman: Oscar Campos  
Rapporteur: Pablo G. Quevedo  
Ex-officio Secretary: Carlos E. Aquino-González

0.2.2 Agenda of the Meeting

The Agenda presented in document IICA/CE/Doc.-279 (95) was approved.

0.2.3 Membership of the Credentials Committee

The Representatives of Canada, Costa Rica, Peru and Suriname were the members of the Credentials Committee.

0.2.4 Membership of the Style Committee

The Representatives of Brazil, Guyana, Colombia and Haiti were the members of the Style Committee for the Portuguese, English, Spanish and French languages, respectively.

0.2.5 Working Committees

It was agreed to establish Working Committees as needed, depending on the items to be addressed.

0.2.6 Deadline for Submitting Proposals

June 20, at 12:00 noon, was set as the deadline for submitting proposals.

0.2.7 Duration of the Meeting

The Plenary agreed to hold the Closing Session of the meeting on Wednesday, June 21, at 4:00 p.m., in accordance with the proposal of the Technical Secretariat.

0.2.8 Order of Precedence of the Member States

In accordance with Article 36.A of the Rules of Procedure of the Executive Committee, the order of precedence was established beginning with Costa Rica, the Member State elected to chair the Meeting, thereafter following alphabetical order in Spanish.

0.2.9 The Chairman of the Fifteenth Regular Meeting of the Executive Committee thanked the Representatives for the opportunity afforded him to chair the Meeting, and pointed out that the new agricultural context made it imperative to establish a link between the rationale of economics and a rationale that would enable countries to strengthen one another. He added that in Belize this was being accomplished through strategic alliances and appropriate policies.

0.2.10 The session was adjourned at 9:20 a.m.

### INAUGURAL SESSION

0.3 The Inaugural Session of the Fifteenth Regular Meeting of the Executive Committee was called to order at 9.30 a.m. on 19 June 1995 in the United States/Canada Room at IICA Headquarters.

The session was chaired by Mr. Oscar Campos, Representative of Costa Rica.

0.4 The Director General welcomed all present, thanking them for their attendance and readiness to work at the meeting, and emphasized that an agenda had been drawn up which included and interlinked the technical, financial, administrative, budgetary, organizational and strategic aspects of the Institute's activities. He went on to say that since the beginning of his term, a process of institutional change had been undertaken in which the existing structure was being used as a basis on which to draw on past experience, move on to current issues while addressing the demands and needs of governments, producers, entrepreneurs and small farmers, and plan for the future with optimism and hope. Such institutional change entailed overcoming obstacles without losing sight of production and technical cooperation.

0.5 He put forward four notions he considered to be of utmost importance. The first was the need to reappraise and renovate agriculture, recognizing its importance in the context of globalization. Recent regional and world summit meetings on closely related topics no longer even mentioned the subject of agriculture. Moreover, figures on the performance of agriculture over the past few years showed that the rural sector was in an economic slump and that social conditions were poor. Many public and private institutions and agencies involved in agriculture were inefficient. One of IICA's aims was to generate a hemispheric movement, in liaison with other organizations, to reappraise agriculture by taking a holistic approach to agricultural systems in order to gain a clearer view of the multidimensional and interdependent



nature of agriculture and its links to the rest of rural society, the economy and world society as a whole, looking upon the human factor as the means, the end and the basis of support for carrying out changes in production, trade and institutions.

0.6 Secondly, he proposed the following key topics for discussion as part of the hemispheric agenda for agriculture in the coming years: 1) the need to reappraise agriculture and reorient it by taking a holistic approach to agricultural systems; 2) the need to set consistent, dynamic and sustainable economic and sectoral policies; 3) the need to review the interaction between agriculture and the world economy; 4) the linkage between agriculture, trade liberalization and hemispheric integration processes; 5) conversion, competitiveness and productive conservation of natural resources and the environment; 6) agro-quality; 7) development of agribusiness; 8) sustainable development of human resources and 9) reform and strengthening of institutions.

0.7 Thirdly, he focused on IICA's financial situation and its recurrent crises. In recent years, IICA had faced a progressive deterioration in its financial situation as a result of rising costs, delays in quota payments by certain Member States, and diminished purchasing power of the quotas received. Hence, the following issues would require further discussion: continuation of the policy of fiscal discipline and austerity; improvement and continuation of contacts with observer countries; joint ventures with the private sector; rescheduling of overdue quotas; increasing rates for CATIs; the IICA Foundation; steps to obtain funds from countries outside the region;

establishment of price-setting policies for the services delivered by the Institute; adoption of new institutional-reform models.

0.8 Fourthly, he referred to the measures and actions being take in implementing the 1994-1998 Medium Term Plan (MTP). It was necessary to undertake a thorough institutional reform, both internal and external, by taking a holistic approach to overall management systems, reformulating the Institute's mission, its vision, its values and its goals. The chief aim of the current administration was to apply theoretical knowledge to practical knowledge of the technical, administrative, organizational, budgetary and financial areas. Thus, participatory management was the means to gradually form an efficient, renovating and creative administration.

0.9 The Chairman expressed appreciation that his country had been designated to chair the meeting, and conveyed cordial greetings from Mr. José María Figueres, President of Costa Rica, and Mr. Roberto Solórzano, Minister of Agriculture and Livestock. The Director General stressed the importance of the present meeting, which would be covering some of the groundwork for the forthcoming Inter-American Board of Agriculture (IABA), at which the Ministers would be discussing the effects of the new international economic order and defining actions to be taken in the agricultural sector. Some of the main effects were the opening up of economies and the establishment of major economic blocs; formal and informal education in the rural sector; restructuring of the agricultural sector; technical development and information systems; relations between the public

and private sectors; and sustainable development.

- 0.10 The Inaugural Session was adjourned at 10.10 a.m.

### FIRST PLENARY SESSION

1. The First Plenary Session of the Fifteenth Regular Meeting of the Executive Committee was called to order on June 19, 1995, at 10:30, under the chairmanship of Oscar Campos, Vice-Minister of Agriculture, Costa Rica.
- 1.1 1993 Annual Report (IICA/CE/Doc.281(95))
- 1.1.1 The Technical Secretary stated that, since everyone had received a copy of the Annual Report in advance of the meeting, it was not necessary to give a detailed report; however, he mentioned three points that made the 1994 report innovative, which were implemented in response to suggestions from the member countries. First, the Annual Report was published in two volumes: a concise document for wide distribution, and a larger and more detailed set of appendices. Second, Table 4, "Execution of quota budget by category of activity for 1994" (in US\$), provided a comparison of amounts allocated to amounts expended. Third, the concise summary was written in simple language to explain to a broader public what IICA is and does.

1.1.2 The Chairman opened the floor for discussion, but there were no questions, and the document was approved.

1.2 Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee (IICA/CE/Doc.293(95))

1.2.1 The Technical Secretary remarked that the document was easy to follow as it was arranged in four columns: the number of the resolution; the title of the resolution; the operational paragraph, and the action taken. He explained that some of the resolutions from the Fourteenth Regular Meeting of the Executive Committee had been executed according to mandate, and others, relating to the Eighth Regular Meeting of the IABA, were in progress.

1.2.2 In the absence of comments, the Chairman declared that the document was approved.

1.3 Report on the Status of the Resolutions for the Seventh Regular Meeting of the Inter-American Board of Agriculture (IICA/CE/Doc.294(95))

1.3.1 The Technical Secretary explained that this document followed the same format as the previous document and that mandatory actions had been taken.

1.4 Report of the External Auditors and Comments by the Director General on the Report of the External Auditors - 1995 (IICA/CE/Doc.283(95))

1.4.1 The Director of Finance noted that IABA Resolution 234, adopted in September 1993, served to

appoint the independent accounting firm of Arthur Andersen & Company as IICA's external auditors for the 1994-1995 biennium. In their annual audit, this firm concluded that the Combined Financial Statements present fairly the financial position of the Inter-American Institute for Cooperation on Agriculture as of December 31, 1994, as well as the results of its activities and its cash flows, in conformity with generally accepted accounting principles.

1.4.2 The Director of Finance stated that detailed information on the 1994 Financial Statements and the Institute's financial activities in 1994 were available in the report. However, he wished to comment on the supplementary financial material relating to 1995 which had been distributed in the meeting room. This material included a Consolidated Budget Statement, a Balance Sheet, a Statement of Revenues and Expenses, and a Statement of Member States' quota contributions, prepared as of May 31, 1995.

1.4.3 With respect to quota payments from Member States, the Director of Finance reported that the Institute received a total of US\$16.2 million from a total of 13 Member States in the first five months of 1995. An additional US\$11 million of quota monies would be required for the Institute to execute its full program budget for 1995. Due to the arrears in quota payments, the Institute was obliged to adopt a series of austerity measures in February 1995, which resulted in significant expenditure reductions in the line items relating to travel, office materials and supplies, maintenance and repairs, and contracting. As a result of this austerity program, the Institute had

executed only 31% of its assigned annual budget by the end of May 1995. Until more is learned as to how much will be paid by those Member States currently in arrears, the Institute will have to continue to operate under austerity measures, with decisions having to be made as to which planned initiatives can be carried out this year and which initiatives will have to be scaled back, delayed or canceled.

- 1.4.4 The Director of Finance explained that, according to IABA Resolution 222 of September 1993, the Director General was authorized to make short-term use of a line of credit opened with a bank, whenever delays in quota payments from the Member States created the need for funds, and that these actions were to be reported to the Executive Committee. He reported that in January 1995 an amount of US\$1 million was drawn down against a line of credit negotiated with NationsBank, Washington, D.C., at an interest rate of 8.5%, and in February, an additional amount of US\$1 million was drawn down at an interest rate of 9.0%. These draw-downs were at the prime lending rate in effect at the time of each borrowing. Receipts of Member States' quota payments have since enabled the Institute to repay the full amount of these loans. Interest of US\$9,472 was paid to NationsBank for the use of these monies, and this amount will be charged to the Institute's Miscellaneous Income account, which primarily consists of interest earned on invested monies.
- 1.4.5 The Chairman thanked the Director of Finance for his presentation and opened the floor to questions.

- 1.4.6 The Representative of Chile referred to Table 1 in the Comments by the Director General on the 1994 Report of the External Auditor, particularly to the figures of approximately US\$23 million in income and US\$26 million in expenditure. He asked for clarification on the use of investment income to cover the difference between income and expenditure on a short-term basis.
- 1.4.7 The Director of Finance explained that, in 1994, the Institute started the year with some US\$4 million in the bank and collected approximately US\$23 million in quotas. Thus, the Institute was able to execute over 99% of its assigned budget of approximately US\$26 million in 1994, which left just over US\$1 million in the bank to begin the 1995 financial year. He added that, although there was some cash available at present, the cash flow of the Institute amounted to approximately US\$2 million per month, and it was necessary to continue operating under austerity until the uncertainty regarding quota collections was cleared up.
- 1.4.8 The Observer Representative of the United States stated that he was pleased with the budget performance in 1994, but expressed his concern that the shortfalls in current year quotas and growing arrearages would threaten not only future budget execution, but the very existence of the Institute.
- 1.4.9 The Representative of Canada reiterated that the decrease in income from quota payments would eventually impair the functioning of the Institute. She stated that although it was a legitimate expectation of the Director General that the member countries would meet their obligations, the Institute should also make

contingency plans to subsist within its projected means.

1.4.10 The Director General pointed out that there would be sufficient time to review the situation regarding quota payments under the agenda item concerning the budget. He stressed that, although every effort had been made to date and several communications had been sent out, it was absolutely necessary to design a further strategy for collection of quotas.

1.4.11 The Representative of Costa Rica related that his country had expended much effort trying to cover its assigned quotas, and had made arrangements for paying its 1994 and 1995 quotas.

1.5 Project Review Mechanisms (IICA/CE/Doc.288(95))

1.5.1 The Technical Secretary presented this report, underlining that progress had been made in the implementation of project systems, that teams for regional project analysis had been formed, and that a new system for monitoring and evaluation of projects had been developed.

1.6 Report of the 1994-1995 Awards Selection Committee Submitted to the Fifteenth Regular Meeting of the Executive Committee

1.6.1 The Representative of Guyana, who served as the Chairperson of this Committee, presented the report of the group that met on June 17, 1995. The Committee was made up of the Representatives of Canada, Chile, Colombia and Guyana. The background of the 22 candidates nominated for the three awards was discussed, and the following were proposed for the awards: Mr.



Kevin Conway Lindsay, nominated by Antigua and Barbuda for the Inter-American Agricultural Award for Young Professionals; Mrs. Lorna Rose Gooden, of Jamaica, for the Inter-American Award for the Participation of Women in Rural Development; and Mr. Nazeer Ahmad, of Trinidad and Tobago, for the Inter-American Agricultural Medal. In addition to recommending candidates to receive the awards, the Committee suggested some changes in the awards process.

- 1.6.2 The Technical Secretary explained that the Institute was going through a process of decentralization and establishment of regional centers, and that, over the next few months, the Director General would appoint a committee to review the awards process and adapt it to the regional system.

#### 1.7 Reading of Draft Resolutions

- 1.7.1 The Chairman asked the Rapporteur to read the draft resolutions concerning the matters discussed in the first plenary session.
- 1.7.2 The Rapporteur read the following draft resolutions: the 1994 Annual Report; Financial Statements of the Institute - 1994; Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee; Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture (IABA); Inter-American Agricultural Medal 1994-1995; Inter-American Agricultural Award for Young Professionals 1994-1995; Inter-American Award for the Participation of Women in Rural Development 1994-1995; Designation of the Members of the Awards Selection Committee for the

1996-1997 Biennium. All the draft resolutions were approved as read.

- 1.8 Report of the Audit Review Committee (IICA/CE/Doc.285(95)).
- 1.8.1 The Chairman of the Audit Review Committee took the floor to present the Committee's first annual report.
- 1.8.2 The Chairman of the Audit Review Committee, Mr. John Payne, remarked that under the Committee's statute, any matter that in its opinion might constitute a violation of the regulations and procedures governing the operations of the General Directorate should be reported to the Executive Committee in writing, as well as to the IABA. He noted that none such had been found, while stressing the fact that IICA was a complex organization.
- 1.8.3 He then pointed out that the Audit Review Committee had deemed it advisable to include in its first report some additional observations on the following points: 1) coordination of visits to the IICA Technical Cooperation Agencies (TCAs) in the countries by Headquarters officials, which should be coordinated with the different units at Headquarters; 2) project evaluation through technical audits, for which an approach needed to be adopted and a strategy developed to measure project performance and evaluation; 3) implementation of the recommendations made by the internal auditors, for which it was necessary to improve the way in which recommendations were communicated and adequately monitor their implementation; 4) more frequent communication between the (external and internal) auditors and the Directorate

of Finance; and 5) notice of the transmittal of the external auditors' "Management Letter," in order that it might be considered and its recommendations implemented in a more timely fashion.

- 1.8.4 The Chairman thanked the Chairman of the Audit Review Committee for his presentation and asked for comments from the floor.
- 1.8.5 The Representative of Canada thanked the Chairman of the Audit Review Committee for his comments, and acknowledged the reasons why the Committee had not yet fully discharged the responsibilities entrusted to it in relevant documentation, but expressed the hope that it could be able to do so in the near future.
- 1.8.6 The Observer Representative of the United States congratulated the Audit Review Committee for its efforts and for the recommendations presented.
- 1.8.7 The Chairman suggested that the relevant draft resolution should include a statement of recognition for the work of the Audit Review Committee. The suggestion was approved.
- 1.9 The First Plenary Session was adjourned at 12:05 p.m.

#### SECOND PLENARY SESSION

- 2. The Chairman called the Second Plenary Session to order at 13:50 on June 19, 1995, and asked the Chairman of the Credentials Committee to present his report.

2.1 Report of the Credentials Committee

2.1.1 The Representative of Peru read the report, stating that in accordance with Article 50 of the Rules of Procedure of the Executive Committee, the Credentials Committee, made up of the Representatives of Canada, Costa Rica, Peru and Suriname, had examined the credentials of the delegations and found them acceptable.

2.2 Proposed 1996-1997 Program Budget (IICA/CE/Doc.282(95))

2.2.1 The Chairman asked Mr. Rafael Marte, Director of Planning, Programming, Projects and Technical Audit (DIPRAT), to present the Proposed Program Budget of the Institute for the 1996-1997 biennium.

2.2.2 The Director of DIPRAT stated that the frame of reference for the proposal included: a) the 1994-1998 MTP, especially with regard to the guidelines and priorities for cooperation and for completing the implementation of IICA's new structure, as well as to the IABA resolutions currently in force; b) the new challenges in cooperation --identified through consultations with Member States-- mainly in regard to the need to promote sustainable agricultural development, the new role played by the public and private sectors and the move towards integration in the Americas; and c) an institutional situation in which the current availability of human and financial resources, the experience and past achievements of the Institute, the presence of the TCAs in the countries, and current contractual commitments had to be borne in mind.

## 2.2.3

He went on to say that IICA's three specifications in that frame of reference were: a) concentration on thematic, geographic and institutional priorities; b) a process of decentralization/regionalization leading to the optimum use of financial and human resources and more expeditious decision-making; and c) the establishment of strategic alliances within IICA and with governmental and non-governmental organizations. He then listed the criteria used in allocating funds, in particular: a) recognizing the financial limitations of Member States; b) concentrating on the priority areas set forth in the 1994-1998 MTP; c) establishing a "Project System" to optimize the use of resources and coordinate cooperation actions at the hemispheric, regional and national levels through complementary, synergetic efforts; d) stepping up efforts to attract foreign funds; e) engaging in a distributive, balanced approach whereby more developed countries would support less developed ones; and f) favoring national actions through a 6.1% increase in allocations as compared to the 1992-1993 Program Budget.

## 2.2.4

He presented a graph showing the decreased purchasing power of quotas in arrears for the 1985-1994 period, which amounted to a total of US\$5,015,000. The total for 1990-1994 alone amounted to US\$1,700,000, due to the concurrent effect of factors such as inflation in the United States, revaluation of the currencies of certain Member States, and unpaid quotas of some countries. Using tables and graphs, he went on to compare the allocations of the different types of funds secured by IICA (quotas, external funds and others/CATIs) for the 1992-1993 biennium with the proposal for 1996-1997, highlighting the increase in external funds

with respect to quota funds, the rise in the allocation of resources for direct technical-cooperation services from 81.3% to 84.2% of quota resources, and the reduction in management costs from 14.9% to 11.4% of quota funds allocated. The process of decentralizing the Institute was reflected in an 8.6% reduction of the total funds allocated to IICA Headquarters and a concomitant increase in the funds programmed for the countries. On comparing the distribution of quota funds by regional centers and total financial resources, it could be seen that the Regions with the highest allocation of quota funds were the Caribbean (26.3%) and the Central (25.6%), whereas on considering total funds programmed, it could be seen that the Southern and Andean Regions had greater control over resources, due to agreements and accords reached with these member countries. He also pointed out that there had been significant variations in the allocation of funds by major expenditure items, mainly as a result of the reduction in the number of international professional personnel (IPP) from 186 under the 1986-1987 Program Budget to 121 in 1995. He stressed that if the 3% increase in quotas for the 1996-1997 biennium was not approved, 12 IPP positions would have to be eliminated. Lastly, he noted that efforts had been made to allocate funds in a more balanced manner among the different Areas of Concentration and Specialized Services, with greater support being given to priority areas such as trade, policies, science and technology.

He concluded his presentation by listing the new actions included in the 1996-1997 Program Budget with a view to implementing the 1994-1998 MTP at the level of: a) Areas of Concentration and Specialized Services; b) inter-

thematic projects; c) the Directorate of Strategic Thinking; d) the Center for Agribusiness, Integration and Development; e) the Directorates of the Regional Centers; f) the IICA Foundation; and g) General Costs and Provisions.

2.2.5 The Chairman gave the floor to the Observer Representative of the United States, who congratulated IICA on the excellent presentation and on its commendable effort to reflect the priorities established in the MTP adopted in 1994. She also expressed satisfaction at the fact that a larger volume of external funds had been projected for 1996 and 1997, and that the budget allocation for technical cooperation activities had been increased with respect to previous years. At the same time, she noted that the United States viewed the reduction of the deficit as a priority, and that as a result of a wide-ranging consensus, substantial cuts were being made in the funds provided by the U.S. to international programs, including the United Nations and the organizations of the inter-American system. In fact, a proposal had been made to reduce contributions in fiscal year 1996 by 17%, and further cuts were expected in the future. The United States was therefore not in a position to agree to the proposed increase in quotas for the 1996-1997 biennium, and believed that over the long term IICA should try to ensure that its budget reflected the financial circumstances of its Member States.

2.2.6 She added that the following measures might be taken to accomplish the Institute's main objectives with a lower level of quota resources: a) increasing income from CATIs by raising the overall rates, as recommended in a study car-

ried out by Price Waterhouse, Inc.; b) making a reasonable, conservative estimate of expected revenues from CATIs for projects currently being negotiated; c) reviewing the costs of TCAs in the countries and of administrative costs, general costs and supplies, which accounted for 18% of the regular budget; d) reducing the amount allocated to Area of Concentration IV: Sustainable Rural Development, which the U.S. considered to be of lesser priority in light of the hemisphere-wide mandates issued at the Miami Summit of December 1994; and e) making efforts to secure additional external resources to maintain and perhaps step up cooperation activities. The United States therefore requested that the proposal presented prior to the IABA meeting should be reformulated in such a way as to reduce the quotas of the Member States each year of the biennium until they were 20% lower than the level of funds allocated in 1995. Unless the proposal was reformulated in that manner, his country would be unable to vote in favor of the budget or guarantee its own payment capacity.

2.2.7 Another concern voiced by the United States referred to the increase in quota costs for personnel involved in activities financed through external funds; such costs should also be covered with external funds, said the Observer Representative. She also expressed concern over the level of unpaid quotas from Member States, which made it impossible to execute any budget, making prospects for the immediate future very dim. She urged all the countries to make great efforts to meet their payments on time, and asked IICA to review the current budget by taking into account the possibility that quotas might not be covered on time. In conclusion, she pointed out that the



above situation would make it necessary to resort to measures that would be more stringent than the austerity measures that had already been implemented, including real cuts in the allocation of funds for national and regional projects in the Areas of Concentration and Specialized Services.

2.2.8 The Representative of Canada stated that the efforts made by IICA to reduce overhead and administrative costs were commendable, and added that the proposed Program Budget gave due consideration to the guidelines adopted in the 1994-1998 MTP. Canada was also experiencing difficult economic and fiscal circumstances, and its government was reassessing its expenses and priorities, among them the allocation of funds for international organizations. Her country was therefore not in a position to accept the 3% increase proposed for the 1996-1997 biennium. Canada's view was that the budget should be reformulated on the basis of a zero increase in quota funds. Canada was as concerned as the United States over the arrears in quota payments, and recommended that more drastic measures should be taken to ensure payment. Such measures might include loss of the right to vote in meetings, or of the right of representation in committees, or exclusion from the allocation of funds from the regular budget of the Institute.

2.2.9 The Representative of Brazil expressed satisfaction that the proposal followed the recommendations issued at the previous meeting of the Executive Committee, mainly in regard to genetic resources and rural development. Nevertheless, he pointed out that IICA's new structure did not reflect Brazil's position, and recommended further decentralization of the

Institute in order to strengthen the decision-making power of Regional Centers with regard to cost optimization and approval of multinational actions. Clear priorities should be established for Areas of Concentration and Specialized Services alike, especially in the fields of science and technology and rural development. As part of that process, he recommended that prior-consultation mechanisms should be established with the countries, relations between the IICA TCAs and offices dealing with agricultural matters in the countries should be intensified, a consistent approach to proposed actions should be maintained, a part of CATIS should be assigned to technical-cooperation projects in order to strengthen the Institute's actions, and institutions in the countries should be allowed to play a greater role in identifying priorities so as to gain a more realistic perspective. He concluded by stating that the budgetary restrictions currently in force in Brazil made it impossible for his government to approve the proposed increase in quotas of the member countries of the Institute.

- 2.2.10 The Representative of Belize congratulated IICA on the quality of the presentation of the 1996-1997 Program Budget. He then touched upon several concerns in regard to the program under discussion. He pointed out that Latin America's agricultural exports had grown only slowly in recent years (less than 10%), and it was therefore necessary to seek the best possible methods of financial resource management. Human resources must be made more efficient, and cooperation links between countries should be strengthened, as such exchanges allowed for comprehensive solutions to be sought. IICA was

fostering such exchanges, which he considered important.

- 2.2.11 He also noted that, although from the 1940s onward the countries of Latin America had devoted considerable resources to research and extension, thereby helping small farmers to raise production and gain access to third markets, the prices of inputs such as fertilizers had also risen sharply. The vulnerability of those countries was an important issue, given the shrinking opportunities available to them. Governments should strengthen relations with the private sector without forgetting their responsibilities to the poorest rural sectors. In countries like Belize, there was a need to develop expertise in the public sector.
- 2.2.12 Lastly, the Representative of Belize called upon the countries to reflect on the situation. On the one hand, import quotas for the region's products were being cut, and on the other hand, multinational corporations had taken control of LAC exports.
- 2.2.13 The Representative of Chile stressed the excellent quality of the 1996-1997 Program Budget presented by IICA. He noted that it reflected the guidelines agreed upon by the countries at the previous meeting of the Executive Committee, including the allocation of more resources to relatively less developed countries. He wished to place on record his country's concern at the austerity measures that the Institute had adopted in 1995, as they meant that technical cooperation with the countries would be reduced. The loss of purchasing power due to arrears in quota payments was put at US\$6.4 million, roughly the same as the additional amount being requested for the 1996-1997 bud-

get. He also expressed concern at the reduction in the human resource "capital stock." Even if the budget increase was approved, the number of international professional staff in 1996 would be 123 as compared to 186 such positions in the 1986-1987 period. He felt that the expertise that the countries required should come from international consultants, and that the cost of local staff should be absorbed by the member countries.

- 2.2.14 The Representative of Chile then said that he endorsed the comments of the Representative of Brazil in regard to the future of multinational projects, and hoped that the Southern Regional Center would begin operations soon. Lastly, he said that while the Government of Chile was determined to cut spending and focus on alleviating poverty, his country supported the proposed 1996-1997 Program Budget.
- 2.2.15 The Observer Representative of Mexico commented that his country was faced with a difficult economic situation that prevented it from making a larger contribution. In addition, the analysis of the Institute's financial position showed that as of December 1994, some US\$14.2 million in quotas were in arrears. His country would be willing to help design a strategy for ensuring that the quotas were paid.
- 2.2.16 The Representative of Costa Rica thanked IICA for the clarity of the Program Budget presentation. He said that the countries of LAC were engaged in a process of change that gave rise to great challenges, such as the reduction of government expenditure and the incorporation of the region into the world economy. That called for a strengthened IICA to encourage analysis and put forward specific proposals for action.

In that regard, he could not agree with the position of the United States. He added that the countries should pay their arrears, and expressed support for the Mexican position, which offered the prospect of a solution.

- 2.2.17 The Representative of Costa Rica said that his delegation was consulting with the pertinent authorities in his country to support the increase in quotas called for in the proposed Program Budget. He disagreed with the position of the Representative of Chile concerning local professional personnel, who played a key role in IICA's cooperation actions.
- 2.2.18 The Observer Representative of El Salvador said that the overall situation in LAC was one of shrinking resources and growing problems. He suggested that steps should be taken to avoid the duplication of programs by international organizations and to promote alliances for technical cooperation, such as that proposed by IICA and FAO. He reported that the government of his country had cut spending by 45%, so that it was obliged to be more creative and expand the participation of the private sector. Lastly, he underlined the importance of rationalizing human resource policies to avoid the existing disparities in wages that did not take into account differences in experience or academic background.
- 2.2.19 The Representative of Panama also complimented IICA on the quality of the Program Budget presentation, but expressed concern at the proposed cut in resources for his country, despite its efforts to pay its quotas on time. He also noted that the current proposal to reduce the resources allocated to the Institute came at a time when the agricultural sector was facing

greater challenges than ever before. If IICA's capacity was reduced, the prospects for agriculture in the member countries would be even dimmer.

- 2.2.20 The Representative of Panama also urged IICA to strengthen its strategic alliances with the World Bank, the Inter-American Development Bank and the RUTA Project. Lastly, he expressed his support for the quota increase proposed in the 1996-1997 Program Budget, despite the severe financial constraints facing his country.
- 2.2.21 The Representative of Colombia opened her remarks by congratulating the IICA staff for their excellent presentation on the proposed Program Budget. She explained that Colombia was currently going through a severe economic crisis that required major fiscal reduction efforts, making it difficult to assume an increase in its quota to IICA. Nevertheless, the Representative of Colombia said that, owing to the important contribution of IICA to her country, Colombia had decided to accept the proposed 3% increase in quotas.
- 2.2.22 The Representative of Haiti then spoke about the recent return of his country to democracy after three years of illegal military rule. With the return to democracy, he believed Haiti must accept new responsibilities in the international community. Haiti was going through a period of review of its agricultural policies and institutions, and implementation of reforms that will increase its negotiating ability with the public and private sectors and with the developed countries. He expressed the need for a great flexibility and creativity in this period of reform and austerity, as well as increased cooperation among countries. Such

cooperation should be focused toward the needs of impoverished small farmers. He said that his country had done everything possible to at least partially pay its quotas in arrears, and would continue to work toward full payment. In conclusion, the Representative expressed support for the proposed 3% increase in quotas.

2.2.23 The Director General of IICA took the floor next to comment on the previous series of interventions on the proposed Program Budget. In light of the complexity and importance of the problems at hand, and the various requests and ideas offered by Representatives and Observer Representatives, the Director General proposed the establishment of two working groups to address these requests and ideas, with the assistance of DIPRAT.

2.2.24 The first working group would discuss the proposed budget and different alternatives for adjusting it to the new reality of cutbacks and austerity. It would also consider the likely impacts on IICA and its programs and projects associated with each of these alternatives. The second working group would focus on the problem of country quotas in arrears, and would offer recommendations for resolving this problem. The Director General pointed out that IICA does not now have a legal mechanism or other means to effectively resolve the arrears problem. He concluded by saying that the recommendations of both working groups should be presented to the Executive Committee for review, and that such a process would enable the Institute to better respond to the problems at hand.

2.2.25 The Chairman thanked the Director General for his comments, which he said emphasized the

seriousness of the discussion on the budget. He expressed support for the idea of establishing two working groups as an effective means for finding solutions to the difficult financial problems, and noted that all present wanted IICA to become a stronger institution, but were at a loss as to the best means to achieve this; the suggestion by the Director General offered a positive and constructive course of action.

2.2.26 This sentiment was echoed by the Observer Representative of El Salvador, who agreed that the proposal by the Director General was excellent and expressed support for the establishment of two working groups.

2.2.27 The Representative of Canada expressed full support for the formation of the second working group to study the problem of countries with quotas in arrears. Regarding the first working group, she expressed certain reservations. She stated that from the point of view of Canada this working group should not consider a country's ability or willingness to pay a certain quota or quota increase, and that Canada's position is clear in saying that it cannot pay more. Further, she questioned the competence a working group to study the impact of the proposed budget cuts in IICA, and the best means to prioritize activities and implement the needed changes. She pointed out that the Technical Secretariat is in the best position to work on these issues, and suggested that it take on this task and report back to the Executive Committee or to the IABA.

2.2.28 The Chairman next recognized the Observer Representative of the United States. She expressed agreement with the comments of the



Representative of Canada regarding the responsibility of the Technical Secretariat of IICA, the Director General and his staff, to study the impacts of the proposed budget cuts on the Institute. Regarding the United States' position on the budget, the Representative reiterated the proposal of a flat budget with the necessary reductions included. She argued that one obvious solution to the budget shortfall would be an increase in the CATI rates. She expressed support for the proposal to establish a working group to discuss the budget problem, and asked that the United States participate in this group.

2.2.29 Regarding the problem of countries with quotas in arrears, the Observer Representative of the United States asked the Committee to consider the procedures followed by the Organization of American States (OAS): those countries that are not current in their payments to the OAS are prohibited from receiving benefits from the organization. This has been an effective incentive for getting member countries to pay in full and on time. She concluded by putting this idea forward for consideration by the second working group.

2.2.30 The Representative of Belize expressed his profound concern for the problem of quota payments in arrears, and its impact on a vital institution such as IICA. He supported the Director General's proposal to establish working groups to study this issue in depth, and to discover the true reasons for the reluctance of certain countries to meet their quota obligations in a timely fashion.

2.2.31 The Chairman recognized the Director General, who expressed his belief that the formation of

the working groups was a healthy approach for discussing the problems at hand, and assured the Representatives of Canada and the United States that the Director General and his staff would guide and assist the work of these two groups. The Director General proposed that the working groups be formed immediately, to commence work that same day, and be prepared to bring their recommendations to the Executive Committee during the course of the meeting. The Committee would then provide feedback that would be incorporated into these recommendations.

- 2.2.32 Mr. Aquino likened his proposal for forming working groups to the process of developing the 1994-1998 Medium Term Plan, involving a series of consultations with the countries and the Executive Committee. He thought it necessary to reflect deeply on what was wanted for IICA and how to accomplish it, through a process of consultation with the member countries. From this process, several scenarios would emerge taking into account the required financial adjustments. Such scenarios might draw upon suggestions already made, including : 1) zero growth, 2) reduction in the growth rate, and 3) growth only through external funds.
- 2.2.33 The Director General argued that more time was needed for in-depth analysis of the problem and to draw up an adequate plan of action. He mentioned that IICA is opening up a TCA in Belize, which is within its mandate, but would imply additional costs. He stated that IICA has 33 members now, and the suggestion had been made to eliminate some of these TCAs. Should this be done? Should new structures be formed? Can better use be made of existing structures? The

Director General concluded by asking the Representatives and Observer Representatives, as well as interested volunteers, to work together to develop choices for action given the new financial reality.

- 2.2.34 The Chairman said that there were two options before the Executive Committee: 1) to vote on the budget immediately; or 2) to establish the two working groups proposed by the Director General. He asked whether there were any objections from the floor to forming the two working groups. With no objections voiced, the Executive Committee approved the establishment of the two working groups.
- 2.2.35 The Chairman suggested that the first working group, to study the budget and review alternatives with DIPRAT, consist of Representatives from Belize, Brazil and Canada and the Observer Representative from the United States. The respective Representatives agreed to participate, and the working group was officially established. Next, the Chairman suggested that the second working group, to study the problem of quota payment arrears and possible solutions, consist of the Representatives of Colombia, Peru, Suriname and Venezuela. The Representative of Canada and the Observer Representative of the United States stated that they would also like to participate in this working group. With no objections, the second working group was officially established.
- 2.2.36 The Technical Secretary explained that the approved formation of working groups would require a reorganization of tomorrow's schedule and of the language interpretation team. He advised that the Plenary Session of the morning

would remain unchanged. However, after the morning coffee break, the first working group would meet in the United States/Canada Room, along with DIPRAT, where translation would be offered in the four official languages. The second working group would meet in the Brazil Room, where translation would be offered in English and Spanish only.

2.2.37 The Representative of Chile said that, to be successful, these working groups should be joined by the other countries to ensure that all viewpoints and suggestions are discussed and considered.

2.2.38 The Chairman reiterated the invitation of the Director General to all Representatives, Observer Representatives and volunteers to participate in the two working groups. The Director General agreed that the working groups were open to all who cared to participate, and that the presentations from the working groups should consider all the proposals submitted by participating countries, whether they belong to the "core" member group or not.

2.3 Nomination for Granting Title of Personnel Emeritus (IICA/CE/Doc.292(95)).

2.3.1 The Chairman gave the floor to the Technical Secretary, who proceeded to describe the background of the nominee, Dr. Héctor Muñoz Coronado, stating that he met all the requirements established in the Rules of Procedure for bestowing the title of "Personnel Emeritus."

- 2.3.2 The Representative of Guyana acknowledged the contribution the candidate had made to the development of small agricultural units in Guyana and Suriname, and expressed his support for the nomination.
- 2.3.3 The Representative of Suriname seconded the nomination and endorsed the remarks made by the Representative of Guyana.
- 2.3.4 The nomination of Dr. Héctor Muñoz for the title of Personnel Emeritus was approved unanimously.

#### 2.4 Other Business

The Technical Secretary announced that during the lunch break on June 20, officials of IICA's different Areas of Concentration would be on hand to discuss the work of the Institute with all those interested. The officials were:

Training and	
Communications	Jaime Viñas-Román
Rural Development	Arnaldo Badillo
Institutional Development	Jan Hurwitch
Human Resources	Roberto Hernández
Informatics and Infor-	
mation Systems	Finn Damtoft/Manuel Otero
Agricultural Health	David Wilson
Science and Technology	Paulo Galvão
Projects	Rafael Marte
Policies and Trade	Lizardo de las Casas
Agroindustry	Rodolfo Quirós
Administration	Chelston Brathwaite

- 2.5 The session was adjourned at 17:15 p.m.

**THIRD PLENARY SESSION**

3. The Third Plenary Session, chaired by the Representative of Costa Rica, was called to order at 08:50 on June 20, 1995.
- 3.1 Administrative, Financial, and Programmatic Measures Taken to Implement the 1994-1998 Medium Term Plan (IICA/CE/Doc.287(95))
- 3.1.1 The Chairman gave the floor to the Director General to allow him to present his report in accordance with Resolution 216 of the Fourteenth Regular Meeting of the Executive Committee.
- 3.1.2 The Director General presented his report with the aid of slides illustrating the main measures being taken to implement the 1994-1998 Medium Term Plan. He emphasized that the administrative measures had focused on making more efficient use of human resources, either by reassigning staff members or by combining duties in keeping with the needs of the Institute.
- 3.1.3 Among the Administrative Measures taken, he mentioned the following:
- a) Institutional restructuring. Adjustment of the organizational structure in response to the MTP's strategic orientation; establishment of: Executive Technical Secretariat, DIPRAT, Directorate of Administration, Directorate of Strategic Thinking, COARDI and the Center for Integration and Agribusiness Development; reorganization of DIREX, orienting it more toward attraction

of external resources; programs changed to Areas of Concentration and Specialized Services; and establishment of the Regional Centers: Northern, Central, Andean, Southern and Caribbean. The Central Regional Center would be opening its headquarters in Guatemala on July 7. The headquarters of the Andean and Southern Regional Centers had yet to be determined by consensus. The headquarters of the Northern Regional Center would be located in Washington D.C., and the Caribbean Regional Center would be located in Barbados.

- b) **Participatory Management** had played a key role since the outset of his term. It had led to greater participation by IICA's governing bodies in the programming, execution and evaluation of technical cooperation projects; the strengthening of relations with public authorities and private-sector concerns, and the creation of interdisciplinary working groups among IICA staff members. In that regard, the efforts made by the Data Systems Strategic Planning Group were worthy of special mention. With advisory assistance from two APHIS (USDA) officials, the group had developed an information systems plan which would enable IICA to update and expand its technical cooperation services to member countries in that particular field.
  
- c) **Decentralization** had increased the technical cooperation and decision-making capabilities of the TCAs through the: establishment of Regional Centers; deconcentration of human resources; deconcentration of financial resources, in line with the concept of solidarity in which the countries

with the most resources should support the relatively less developed ones; deconcentration of decision-making.

3.1.4 The Director General highlighted the following **Financial Measures** taken:

- a) **Strengthening of cash-flow management.** The austerity measures implemented several months ago had played a key role; thus official travel had been reduced, activities had been prioritized, and administrative costs had been streamlined, all without affecting technical cooperation projects. Efforts to encourage Member States to pay their outstanding quotas had also been significant.
- b) **Strengthening of financial accounting management.** Financial reports had been adapted to the new organizational structure of IICA; the relevant data-processing systems had been improved, and more TCAs had been connected to the INTERNET (E-mail).
- c) **Training for staff involved in financial management and accounting.** Training had been provided for TCA officials at IICA Headquarters and specialized software had been developed for the financial area.
- d) **Strengthening of auditing operations.** The installment of the Audit Review Committee had improved communication between internal and external auditing mechanisms, and the technical audit had been established. Its work would be coordinated with the administrative and financial auditing operations. By 1996, several member countries would probably be included in the above process.



3.1.5 Among the most important **Programmatic Measures**, he mentioned the following:

- a) **Concentration.** The Institute had succeeded in developing a highly qualified technical cooperation staff, which would make a significant impact. The concentration effort had different dimensions, i.e., thematic (Areas of Concentration and Specialized Services), geographic (different strategies for different regions), and institutional (identification of and support for key public and private-sector organizations).
  
- b) **Programming, Follow-Up and Evaluation.** Methodologies in those areas had been reviewed, adjusted and linked, and the evaluation and follow-up system had been coordinated with technical auditing operations.
  
- c) **Technical Cooperation Actions.**

**Socio-economic Policies, Trade and Investment.** Strategies, methodologies and tools had been developed in the fields of socio-economic policies, modernization of markets, domestic and international trade, and investment. Important fora had been held to discuss and exchange views on such subjects.

**Science and Technology, Natural Resources and Agricultural Production.** He described the support actions taken to prepare and execute policies on technological innovation and transfers, to draw up conceptual frameworks for the conservation and management of natural resources, to carry out

training and to engage in technical cooperation for technological conversion and innovation.

**Agricultural Health.** He mentioned actions dealing with the harmonization of plant and animal health standards and regulations, the development of networks of agricultural-health laboratories, and mechanisms for promoting cooperation among agricultural quarantine and emergency services, among others.

**Sustainable Rural Development.** Efforts were centered on designing national methodologies and strategies, policies, programs and projects to organize producers, with a view to promoting management capabilities, as well as rural modernization and institutional development. Special attention would be devoted to topics related to rural youth and gender studies.

**Training, Education and Communications.** Methodologies had been designed for the training of officials of public and private agencies and of the Institute; the scholarship program had continued; efforts were under way to establish education networks in conjunction with universities, and communications strategies and methodologies had been designed and implemented.

**Information, Documentation and Informatics.** Support had been provided for efforts to strengthen and modernize national public and private documentation and statistical systems, and develop integrated information systems.

- 3.1.6 Among other measures that had been implemented, the Director General placed emphasis on the establishment and consolidation of strategic alliances with international agencies, private organizations such as universities, research centers and foundations, NGOs, funding agencies and multilateral agencies.
- 3.1.7 The Chairman thanked and congratulated the Director General for his excellent report.
- 3.1.8 The Director General invited all those present to get in touch with the directors and staff of the Areas of Concentration, Specialized Services, Human Resources, and Administration, who would provide further information on IICA's accomplishments in regard to technical cooperation and administrative adjustments.
- 3.1.9 The Chairman gave the floor to the Representative of Canada, who congratulated the Director General on his report and acknowledged his personal commitment to implementation of the MTP. She suggested that in future the objectives to be implemented, as well as performance indicators, should be included in the report. She expressed Canada's desire to become an active partner of IICA and not merely a donor, since that would enable it to develop joint actions to benefit the rural population, especially young people. It would also provide the government of Canada with an opportunity to put forward more effective arguments on the way it invests its resources. She supported the Director General's views on the need to reappraise and put new life into agriculture to enable it to regain its fundamental role of providing well-being for member countries.

- 3.1.10 The Representative of Panama expressed interest in seeing the training programs, including those dealing with financial matters, as well as the programming, monitoring and evaluation system, extended to the countries with TCAs. He also asked for more information on the operation and objectives of the IICA Foundation.
- 3.1.11 The Representative of Belize congratulated the Director General on his presentation, and said that it truly showed that IICA was carrying out its mandates. The fact that IICA was offering strategic support in terms of both resources and human development put it on the right track.
- 3.1.12 The Observer Representative of El Salvador congratulated the Director General on his presentation of the measures adopted to implement the 1994-1998 Medium Term Plan. He noted that the strategic vision and perspective that had been given to agriculture were consistent with his government's position, and stressed the need for the concept of holistic agriculture to be adopted in all the LAC countries. Finally, he expressed his satisfaction at the comments made by the Representative of Canada.
- 3.1.13 The Observer Representative of the United States congratulated the Director General and the rest of the Institute's management staff on their presentation. He referred specifically to the importance of establishing strategic alliances with the private sector and with organizations such as FAO, the IDB, universities, agribusiness firms and the United States Department of Agriculture. Activities such as the Seminar on Economic Integration in the Western Hemisphere that had been held recently

at the Institute's Headquarters were a good example of the role that IICA could play on behalf of member countries. The creation of networks, the organization of fora of experts, and the identification of solutions to the problems facing agriculture were also activities in which the Institute could play a key role. In conclusion, he said that he was in complete agreement with the comments made by the Representative of Canada.

- 3.1.14 The Observer Representative of Ecuador thanked the Director General for his presentation, and said that the position of the Representative of Canada reflected a real interest in becoming involved in the Institute's work in the hemisphere. Lastly, he stated that the growing violence in the countries of the region, which was caused by hunger and poverty, made it necessary for the more developed countries to continue their cooperation with the less developed nations.
- 3.1.15 The Director General thanked the speakers for their comments on his presentation, and stressed the inter-American scope of activities in the field of agriculture. He added that specific actions were being included for the United States and Canada, including an upcoming agribusiness conference in Canada and plans for the strengthening of the TCA in that country.
- 3.1.16 The Director General then referred to the remarks made by the Representative of Panama on the need to strengthen training. He pointed out that a high priority had been assigned to that issue in that courses in specialized areas were being offered for young people through joint actions with CATIE and IICA is collaborating in upgrading the master's program and launching

the doctoral program. Concerning the IICA Foundation, he said that the Foundation, which is based in Washington, already had legal standing. A number of actions had also been implemented with a view to obtaining external resources for its operations.

3.2 Scholarships (IICA/CE/Doc.289(95))

3.2.1 The Technical Secretary stated that the report on scholarships had been forwarded to the Representatives in time; therefore, it should not be necessary to read it out. He indicated that the Director of the Specialized Service responsible for IICA scholarships was prepared to answer any specific questions that the Representatives of the member countries might wish to ask.

3.2.2 The Chairman invited questions from the floor. As there were no questions, the report was approved as presented.

3.3 Election of a Member of the Audit Review Committee (IICA/CE/Doc.286(95))

3.3.1 The Chairman pointed out that the order of business included the election of a member of the Audit Review Committee. He asked the Director of Finance to explain the procedures for the election.

3.3.2 The Director of Finance then explained the Rules of Procedure, noting that two candidates had been nominated and that 7 votes would be required for one to be elected. He suggested that two representatives of the Executive Committee should be assigned to count the votes.

- 3.3.3 The Chairman announced that the two candidates were Mr. James B. Ebbitt of the United States and Mr. Mauricio Novoa of Venezuela. The Representatives of Guyana and Colombia agreed to count the votes.
- 3.3.4 A secret vote was taken. The Chairman then announced that Mr. James B. Ebbitt of the United States had been elected with nine votes.
- 3.3.5 The Observer for the United States expressed his satisfaction at the election of Mr. Ebbitt to the Audit Review Committee and highlighted his professional record in related activities.
- 3.3.6 The Rapporteur read out the draft resolution "Election of a Member of the Audit Review Committee," which was approved without amendments.
- 3.4 Date and Site of the Sixteenth Regular Meeting of the Executive Committee (IICA/CE/Doc.296 (95))
- 3.4.1 The Chairman gave the floor to the Technical Secretary, who pointed out that pursuant to articles 19, 20 and 21 of the Rules of Procedure of the Executive Committee, its regular meetings were normally held at IICA Headquarters. He therefore moved that the Sixteenth Regular Meeting of the Executive Committee should be held in San Jose, Costa Rica, in June 1996.
- 3.4.2 The members of the Executive Committee agreed to the site and date proposed for the Sixteenth Regular Meeting of the Executive Committee.

- 3.5 The Third Plenary Session was adjourned at 10:41.

#### FOURTH PLENARY SESSION

4. The Fourth Plenary Session, under the chairmanship of the Representative of Costa Rica, was called to order at 14:22 on June 20, 1995.
- 4.1 FAO 50th Anniversary Events in Quebec City, Canada (October 1995)
- 4.1.1 The Chair invited the Representative of Canada to report on FAO's 50th Anniversary to be celebrated in Canada in October 1995.
- 4.1.2 The Representative of Canada related that the Food and Agriculture Organization of the United Nations (FAO) was founded at the Chateau Frontenac Hotel in Quebec City on October 16, 1945, and that its anniversary would be celebrated 50 years later in the same ballroom. She explained that the events will include: 1) an International Symposium jointly sponsored by the Government of Canada and the Province of Quebec, October 11-13; 2) a concurrent technical exhibition of related products, technologies and services; 3) a meeting of the Agriculture and Development Ministers of FAO Member States, October 14-16; and 4) a commemorative event for the FAO 50th Anniversary on October 16, 1995.
- 4.1.3 The Representative of Canada specified that the theme of the symposium would be "People at the Heart of Development: Food Security Through



Know-How" and that it would reflect intergovernmental, non-governmental, university and industry concerns. The key policy recommendations relating to the thematic elements of the symposium (management of natural resources, markets, knowledge and technology) would be considered during the subsequent meeting of the ministers of agriculture to be convened under the aegis of FAO. Also, policy documents such as the World Declaration on Food and Agriculture would be considered during the ministerial meeting and are expected to serve as building blocks for the world summit on food security to be held in Rome in November 1996.

4.1.4 The Prime Minister and Governor General of Canada, the Secretary General of the United Nations and the Director General of FAO will be attending the commemorative events of October 16, 1995. The Representative of Canada extended a cordial invitation to the Director General of IICA to participate. She also urged the Delegates to inform their colleagues about the importance of these events on their return to their respective countries, and said that she looked forward to seeing them in Quebec.

4.1.5 The Director General said that IICA attributed great importance to this event and hoped to arrange an IICA exhibit, particularly relating to new emphases such as integration in the Americas.

#### 4.2 Annual CATI Study (IICA/CE/Doc.284(95))

4.2.1 The Director of Finance explained that Resolution No. 200 of the Executive Committee, adopted at its Thirteenth Regular Meeting in June 1993, required that an annual study be conducted to

determine the appropriate CATIs rates to be charged to externally-funded projects negotiated in the following year, and that the study was to be reviewed by the external auditor. The purpose of the study was to assure that CATIs assessed to externally funded and related projects accurately reflected the administrative costs of the Institute, so that such projects would not be subsidized by IICA's quota contributions. He added that the Financial Rules of the Institute had been amended to include these annual requirements.

4.2.2 The Director of Finance proceeded to present the Study to Determine the Indirect Technical and Administrative Cost Rate for IICA for the year ended December 31, 1994. He related that as a result of a competitive bidding process, the firm of Price Waterhouse Interamerica was awarded a contract to undertake this study in January of 1995. The study was based on actual financial data from January 1994 to November 1994, inclusive. The study attempted to establish which Institute costs were attributable to the maintenance of a basic infrastructure and which costs were incremental to undertaking externally funded projects, i.e., indirect costs attributable to those projects. This was accomplished through the use of questionnaires sent to Headquarters Directors, to Representatives in the TCAs of IICA, by conducting an extensive series of interviews with key personnel, and through field visits to selected IICA TCAs. He mentioned that supporting documentation was available for those wanting to review the firm's methodology in greater detail.

4.2.3 The Director of Finance stated that Price Waterhouse concluded that in order for the Institute to cover the incremental costs of

managing projects funded with external resources, the average CATIs rate for the negotiation of agreements should be 11.57%. The firm also concluded that the actual rate of CATIs which the Institute had been collecting during the 11 months under review was 8.96%, and that the difference between this and the recommended rate was being covered by funding sources other than CATIs. The firm recommended that in order to collect an amount of CATIs which averages 11.57% of the total external resources being managed, the Institute should establish a range for negotiating CATI rates of between 8% and 15%, or plus/minus 3.5% from the average. In addition, actual rates negotiated within this range should be based on whether or not IICA will assume technical responsibility for the project and on whether the project is to be national or multinational in scope. It was also recommended that a certain flexibility should exist with respect to the negotiation of CATIs rates in order to ensure that IICA retains its competitive position in the marketplace.

- 4.2.4 The Director of Finance related that IICA's external auditors, the firm of Arthur Andersen and Company, examined the study and the resulting rates as required under the terms of the Resolution. The general conclusion reached by Arthur Andersen was that the methodology used by Price Waterhouse throughout the course of the study was reasonable; however, they indicated that a different interpretation of the results could support a slightly higher institutional CATIs rate somewhere between 12% and 16%. In conclusion, they stated that acceptance of their interpretation would not produce overall results significantly different from those reached by the firm of Price Waterhouse.

- 4.2.5 The Chair thanked the Director of Finance for his presentation and opened the floor to questions.
- 4.2.6 The Observer Representative of the United States said he was pleased with this first step to establish what the real CATIs rate should be. He admitted that it was a difficult task, but they were looking for a reasonable approach. He expressed concern that, in the past, IICA had signed a number of agreements with a CATIs rate that was somewhat lower than what was being recommended. He suggested that the member countries might consider renegotiating these CATIs rates. He recognized IICA's unique networking capability in the hemisphere and stated that, although there was a role for externally funded projects, IICA had a competitive advantage with respect to multinational projects and should not be competing for the execution of local projects that could be handled by other organizations. He stated that the bottom line was that quota budget resources should not be used to support externally funded projects, and he was concerned that permanent staff were being paid with quota money to work on externally funded projects.
- 4.2.7 The Representative of Canada stated his support for the attempt to raise CATIs to more realistic levels. He recalled that Resolution 219 from the last meeting of the Executive Committee had indicated that CATIs should cover costs, including staff and overhead, in regional or country offices.
- 4.2.8 The Representative of Colombia expressed concern that an increase in CATIs rates would present difficulties for the agricultural sector in her country. She said that it might lead to competitive bidding for management of their resources

and would not allow the same level of cooperation with IICA as in the past.

- 4.2.9 The Representative of Brazil also expressed concern that an increase in the cost of managing projects could inhibit the ability of governments to conclude negotiations of new contracts with IICA. He said that this was a source of significant and growing contributions to IICA. He suggested a lower range than the recommended 8%-15%, perhaps an upper limit of 13% for contracts held with member countries.
- 4.2.10 The Representative of Belize questioned the effect of raising CATIs on the competitiveness of IICA.
- 4.2.11 The Observer Representative of Mexico stated that he was in agreement with Colombia and Belize and disagreed that CATIs should increase. He said that if there were an increase, his country might reassign some projects to be managed by other agencies that had expressed an interest in doing so.
- 4.2.12 The Observer Representative of the United States pointed out that if CATIs were not increased, the Institute's quota funds would be subsidizing externally funded projects, even in countries that were able to cover the administrative costs of these projects; that had to be borne in mind, since funds were scarce and should be used as efficiently as possible. He questioned how it would be possible to cover IICA's full management costs for externally funded projects without increasing CATIs.
- 4.2.13 The Observer Representative of Mexico noted that 8% was currently being charged for projects carried out in Mexico by IICA; of this, 60% was

transferred to IICA Headquarters and 40% was allocated to the TCA in that country. He stated that the funds assigned to the TCA could be reduced and that a higher percentage could then be transferred to IICA Headquarters.

- 4.2.14 The Observer Representative of the United States stated that he was confused and asked the Technical Secretariat to prepare a table showing the manner in which CATIs were collected in the countries where the Institute managed projects funded with external financial resources.
- 4.2.15 The Director of Finance pointed out that the Price Waterhouse study had used an accounting method to determine additional administrative and technical costs IICA had incurred for managing externally funded projects in 1994, based on financial information as of November 30 of that year. To determine how much IICA should be collecting to manage externally funded projects, a ratio was established between the total sum represented by projects on which CATIs were charged, and the amount collected for indirect costs, according to the study. The result was an average of 11.57%. Projects negotiated for 1995 would range between 8% and 15%, with an 8.96% rate for CATIs collected. This meant that the difference would have to be covered using some other source of funds or by increasing the average charge for CATIs. He pointed out that, despite the need to make certain adjustments, IICA must ensure its continued ability to compete for project management.
- 4.2.16 The Observer Representative from El Salvador noted that the international market was charging over 10 percent. He stated that IICA had continent-wide technical advantages, and although it was important to be conservative with regard to

market prices, the Institute should not strangle itself financially.

- 4.2.17 The Director General pointed out that the three items (budget, quota payments and CATIs) were all interlinked, and targeted the need for external funds to balance IICA's budget. He stated that when the Institute provided project-management assistance to a member country, the advantage was that a portion of the funds remained in the country concerned, to cover the technical assistance, while the percentage sent to IICA Headquarters was used partly to cover project administrative costs, with the rest allocated to a project development fund to benefit the countries. He suggested that they reflect on the need to modernize the Institute in order to support the work carried out by ministries of agriculture in the future, as it had done in the past in areas such as rural development.
- 4.2.18 The Representative of Belize expressed his agreement with the Director General's comments and emphasized the role of agriculture in the development of member countries. He pointed out that IICA was helping to change the present situation in the countries and invited those in attendance to reflect on what the agriculture ministries should do to ensure that the Institute continued to act as the driving force of development in the region.
- 4.2.19 The Representative of Costa Rica expressed concern and wondered how an increase in CATIs to 12% would affect IICA's competitiveness in comparison to what other agencies charged.
- 4.2.20 The Chairman pointed out that services were becoming increasingly competitive, and although Price Waterhouse had recommended an average rate

of 11.57% for CATIs, it was important to bear in mind that other institutions would also have to review their costs at some point.

- 4.2.21 The Technical Secretary suggested that a draft resolution be prepared and that it include criteria of costs and competitiveness as expressed by the representatives of the countries and the Director General. The proposal would be discussed in advance with those Representatives who had voiced concerns, in order to determine what the Executive Committee would like the General Directorate to submit to the consideration of the IABA.
- 4.2.22 The Representative of Colombia expressed concern over the possibility of reconciling opposing positions in drafting a resolution.
- 4.2.23 The Technical Secretary indicated that it would be necessary to give the Director General greater flexibility for adapting to the conditions of the countries, and by incorporating IICA's cost and competitiveness criteria.
- 4.2.24 The Director General stated that there was a wide range of projects that did not require much follow-up and that it was important that the criteria allow for a certain flexibility. He noted that one of the problems he had encountered during his term of office was that the regulations were very rigid, and that the support of IICA's governing bodies was needed if the Institute was to become more competitive.



4.2.25 The Representative of Chile was in agreement with the need for flexibility, and suggested that the draft resolution make special allowance for cases in which funds derive from the countries' own funds. He went on to state that they must never lose sight of IICA's objectives, which were essentially to provide support and technical assistance, rather than administrative services.

4.3 Biennial Report of the Caribbean Agriculture Research and Development Institute (CARDI) (IICA/CE/Doc.290(95))

4.3.1 The Representative of the Caribbean Agriculture Research and Development Institute (CARDI) reported briefly on the Biennial Report of CARDI provided earlier to the Executive Committee. He informed the Committee that Mr. Hayden Blades, Former Director of the Trade and Agriculture Division of the CARICOM Secretariat, had assumed duties as the new Executive Director of CARDI on April 1, 1994.

4.3.2 The Governing Board of CARDI gave the Executive Director the mandate to restructure and reposition the Institute to meet the new challenges emerging from a changing trade and economic environment. After many consultations and as the result of collaborative efforts, including the collaboration of IICA, CARDI has developed new Strategic and Operational Plans for the years 1994-2000, and, under these new Plans, the First Annual Business Plan 1995-96. These Plans were approved by the Governing Body on June 14, 1995.

4.3.3 The new Strategic Plan consists of six programs, three of them technical: Technology Adaptation

and Application, Commodity Improvement, and Natural Resource Management; and three corporate: Information and Communications, Corporate Services, and Planning, Socio-Economic and Business Development. The CARDI projects will be the vehicle for implementing these programs.

- 4.3.4 The Representative thanked IICA for its useful inputs into this restructuring process. He reminded the Committee that CARDI is made up of 12 member countries, many of them small island states with inadequate technology generation and transfer mechanisms. The Representative referred to the Biennial Report for detailed information on each program. He mentioned several highlights: 1) Animal production: upgrading of small ruminant activities, feeds, and feeding systems; 2) Crop production: tissue culture, tree crops, germ plasm evaluation, and post-harvest technology; 3) Technology adaptation and transfer: use of the farming systems and extension methodology for technology validation, as well as a "task force" methodology for the upgrading and establishment of sustainable and commercially viable enterprises.
- 4.3.5 The Representative of CARDI explained that 52% of the total budget was financed from member country quotas and the other 48% from the international donor community. He pointed out that IICA is one of these donors and has also contributed importantly to CARDI by helping to strengthen Caribbean and Latin American relations.
- 4.3.6 The Representative expressed concern about the future IICA-CARDI relationship in light of the new reality of budget austerity. He pointed out that the IICA-CARDI agreement ends this September, and expressed his hope that it would be

renewed. Finally, he referred the Executive Committee Representatives to the Auditor's Report in the CARDI Biennial Report for their review.

4.3.7 The President thanked the Representative of CARDI for his presentation.

4.4 Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE) (IICA/CE/Doc.291(95))

4.4.1 The Chairman gave the floor to the Director General of CATIE, Mr. Ruben Guevara, to present his report. Mr. Guevara explained that under clause twenty-three of its Contract, CATIE's Director General was required to present a biennial report on its work to the Inter-American Board of Agriculture. The current report covered the two years from June 1993 to June 1995.

4.4.2 Assisted by slides, Mr. Guevara presented the Statement of Income and Expenditures as of December 31, 1993 and 1994. He stressed that during the period in question, an operating reserve of over one million dollars had been generated. He reminded the plenary that CATIE had undergone a thorough evaluation in April, May and June 1992, which had provided the basis for a process of reengineering the Center to modernize operations. He added that more resources had been allocated to the commercial plantations and the training program.

4.4.3 Mr. Guevara noted that the Masters programs offered by CATIE had been strengthened. Increasing numbers of students were eager to enroll in the programs, with the figure rising

from 138 in 1991 to over 300 in 1995. Training events had also been strengthened and increased, reaching more and more people from the member countries (Central America, Mexico, Dominican Republic and Venezuela), South America, the Caribbean and other parts of the world. He described a series of breakthroughs and achievements in the areas of tropical crops, agroforestry systems and plant protection, and added that CATIE had stepped up its activities to disseminate the work it was developing.

- 4.4.4 The Representative of Costa Rica said that he was pleased with CATIE's financial statements, but was concerned at the curtailment of resources devoted to research in the agricultural sector in Latin America; he asked Mr. Guevara what, in his opinion, could be done to improve the situation.
- 4.4.5 The Observer Representative of the United States wished to know the status of scholarships at CATIE.
- 4.4.6 The Representative of Belize expressed his satisfaction with CATIE's achievements during its years of service to the region and urged it to work more closely with IICA so that even greater benefits would flow from the efforts of the two institutions.
- 4.4.7 Mr. Guevara responded to the comments by the Representatives of Costa Rica, the United States and Belize. He pointed out that the budget for agricultural research, roughly two million dollars per year, was used for projects related to production, chiefly in the area of biotechnology. He expressed concern that the topic of agriculture had been absent from the agendas of top-level meetings in Latin America in recent

years and pointed out that in August, IICA and CATIE would be organizing a meeting of the ministers of agriculture and natural resources of the CATIE member countries and Brazil; he hoped this would be instrumental in strengthening the ministries of agriculture. He went on to say that 100 percent of the scholarships in 1992 had come from the public sector, while by 1995 some 42 percent had their origins in the private sector. Lastly, Mr. Guevara stated that the strategies for joint work between IICA and CATIE were clearly defined.

4.5 Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture (IICA/CE/Doc.295(95))

4.5.1 The Chairman recognized the Director General, who reminded the Committee of the decision made at the last meeting of the IABA, that the discussion of administrative matters should be left to the Executive Committee so that the Board could devote its time to more technical matters. He said that the IABA would be a high-level forum for exchanging thoughts about agriculture in the new setting and for the ministers of agriculture to share their experiences. He planned to make a presentation on the holistic vision of agricultural systems and another on relationships between the public and private sectors, focusing on the role of agribusiness in the twenty-first century. An exhibition to demonstrate the latest developments in agricultural technology was also being planned, and public and private institutions would be invited to participate.

4.5.2 He added that although the event would be austere, it would provide the participants an

opportunity to discuss the new kind of agriculture ministry that would be needed in the twenty-first century. IICA planned to set up a commission with the Government of Costa Rica to organize a visit to a specific region where agricultural projects underway in Costa Rica could be observed.

- 4.5.3 The Chairman opened for discussion the agenda proposed for the next IABA meeting, as submitted by the Director General.
- 4.5.4 The Observer Representative of El Salvador felt that the IABA should focus on discussing the priorities of development, placing special emphasis on quantification of results. He stressed that this would be a specific and pragmatic response to the needs of the member countries.
- 4.5.5 The Representative of Chile expressed agreement with the orientation proposed by the Director General for the next IABA meeting. He explained that his country had succeeded in modernizing agriculture and effectively penetrating the world economy. However, he cautioned, Chilean agriculture was now in a state of crisis, since modernization had fallen short of incorporating 260 thousand small farmers who owned approximately 40 percent of the land and accounted for one third of gross agricultural output. He added that in view of his government's desire to accentuate the fight against poverty, it was important for the IABA agenda to include specific proposals to bring small producers into development strategies.
- 4.5.6 The Representative of Costa Rica expressed support for the proposal presented by the Representative of Chile, agreeing that it was

appropriate to develop a more substantive agenda for the next IABA meeting. He added that the countries of LAC were closely studying possibilities for entering international trade streams, and the ministers of agriculture need to be involved in analyzing the impact that this process would have on small farmers.

4.5.7 The Technical Secretary pointed out that while the administration wished to view the IABA meeting against a broader backdrop, the Institute's rules stipulated that a number of matters must be submitted to the approval of the IABA. He then read the proposed agenda (Doc. 295), and it was approved by the Representatives of the Executive Committee.

4.6 Approval of Minutes of the Preparatory, Inaugural, and First and Second Plenary Sessions

4.6.1 The Technical Secretary reported that the minutes had been distributed for review.

4.6.2 The Representative of Belize requested that item 0.1 of the Preparatory Session minutes in English be corrected to read "was chaired by the Representative of Belize." The Representative of Canada delivered her comments in writing to the Technical Secretary to be included in the Final Report.

4.6.3 The Observer Representative of Mexico expressed his government's appreciation for the designation of Dr. Hector Muñoz Coronado as Personnel Emeritus of the Institute.

4.6.4 The Chairman declared the minutes approved with the changes requested by the Representatives.

**4.7 Reading of Draft Resolutions**

- 4.7.1 The Draft Resolution "Agreements, Contracts, Letters of Understanding and Others" was introduced by the Technical Secretary, who explained that it would authorize the Director General to continue seeking extra-quota resources. The Observer Representative of the United States pointed out that operative paragraph 3 of the resolution would need to be changed to reflect the decisions of the present Committee meeting. The Technical Secretariat indicated that the Draft Resolution would be corrected.
- 4.7.2 The Rapporteur proceeded to read the Draft Resolution for granting title of Personnel Emeritus to Dr. Hector Muñoz Coronado, which was approved.
- 4.7.3 The Rapporteur then read the Draft Resolution on the Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture. The Chairman suggested that it be approved with the addition of the item on "Incorporating Small Farmers and Agricultural Businesses into the Open Market Environment," as proposed by the Delegations of Chile and Costa Rica. The Draft Resolution was approved with this addition.
- 4.7.4 The Rapporteur read the Draft Resolution "Date and Site of the Sixteenth Regular Meeting of the Executive Committee", which was approved.
- 4.7.5 The Rapporteur read the Draft Resolution "Biennial Report of the Caribbean Agriculture Research and Development Institute (CARDI)". The Representative of Haiti noted with concern that, although funds had been allocated to CARDI for the years 1996 and 1997, no mention was made of



any commitment by IICA to provide substantial funds to CARDI in subsequent years. The Technical Secretariat explained that IICA granted fixed amounts to CARDI in accordance with the provisions of legal instruments governing cooperation between the two institutions. The Draft Resolution was approved as read.

- 4.7.6 The Rapporteur read the Draft Resolution "Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE)", which was approved without changes.
- 4.7.7 At 17:45 the Chairman requested a 10-minute recess.
- 4.8 Report of the Working Group on the Program Budget
- 4.8.1 The Fourth Plenary Session reconvened at 18:13 under the chairmanship of the Representative of Costa Rica.
- 4.8.2 The Chairman requested the Representative of Chile, as Moderator of the Working Group on the Program Budget, to introduce the report, which would be attached as an appendix to the Report of the Executive Committee.
- 4.8.3 The Representative of Chile expressed his appreciation to his colleagues for having elected him as Moderator of the Working Group. He also stressed that the group's discussion had included many comments not expressly detailed in the report.
- 4.8.4 The Chairman opened the floor for discussion and recognized the Representative of Canada, who congratulated the Representative of Chile for

his performance as Moderator and pointed out that some of her comments had not been included in the report. Instead of "General Principles," she preferred to use the term "General Guidelines." She further clarified that General Principle No. 2 had to be changed to read as follows: "Every efforts should be made in the restructuring of IICA's budget to limit as much as possible the impact on projects." She also wished to add a sixth guideline, and would deliver the text to the Technical Secretariat.

- 4.8.5 The Representative of Chile continued discussion of General Guideline No. 2, noting that budget cuts should target management costs only, and not technical cooperation activities. He added that, in any case, general administrative rules set a limit on the reductions for this type of costs, and for this reason he felt it was important to maintain flexibility, as proposed by Canada.
- 4.8.6 The Observer Representative of the United States of America commented that there were different ways of approaching budget reduction; structural changes should be considered, to save resources without affecting programs, since some of the projects could be implemented through the Regional Centers.
- 4.8.7 The Representative of Panama stated his support for the 3% quota growth scenario proposed by the administration, and opposed the 10% cuts for 1996 and 1997.
- 4.8.8 The Representatives of Chile and Panama felt that, while it was true that the Working Group had failed to reach consensus on which scenario to recommend, the Executive Committee needed either to make a decision or to produce another

alternative, to save the administration work and resources.

- 4.8.9 The Representative of Belize felt that the discussion had entered a one-way street; when dealing with the subject of quotas, it could be seen as a breach of contract if a Member State entered into negotiations in the midst of a process. He asked that the measures be implemented in 1996 and not in 1995. He pointed out that reasonable agreements must be made in a reasonable time frame.
- 4.8.10 The Representative of Haiti and the Observer Representative of the United States of America agreed that General Guideline No. 5 had to be eliminated and that scenario No. 3 had to remain.
- 4.8.11 The Representative of Canada stressed the importance of reaching consensus. She noted that she had instructions not to commit her country to increased quota payments. She advised that the budget undergo a simple evaluation to determine which areas were appropriate targets for savings, and which could be subject to drastic cuts; this study should be sent to the countries for comments.
- 4.8.12 The Representative of Brazil felt that it was necessary to reach an understanding about which cuts to make and what percentage to apply. He added that the Representatives were deeply concerned at the prospect of a 10% reduction.
- 4.8.13 The Chairman suggested that two scenarios should be considered rather than three. He indicated that a 10% reduction was a menace to the weak economies of Latin America and the Caribbean. He added that IICA should look inward and find

ways to reduce administrative costs, while also looking outward with an aggressive strategy to attract external resources.

- 4.8.14 The Representative of Chile suggested that the administration consult the countries and seek another alternative proposal on which the Executive Committee could reach consensus.
- 4.8.15 The Director General felt that, if at all possible, it was important to weigh all three scenarios. He pointed out that any cost reduction, regardless of its magnitude, should be viewed within a broader context, since the measures to be taken would affect the future of the Institute. He added that the administration would have to outline the effects of the budget cut for the Member States, and that this was a most serious matter. He drew attention to the fact that IICA's financial situation had steadily declined over the past ten years, and that this in itself merited careful consideration, as it would be impossible to field all requests. He stressed that administrative matters could not be easily separated from technical work, and that a serious stand would have to be taken concerning the status of quotas, quota arrearage, and information on CATIs. He reassured the Committee that the administration was ready and willing to undertake this responsibility, that the executives and other staff would make a serious and professional effort in this direction. They would also launch an aggressive marketing strategy to raise resources. He lastly assured that IICA would emerge from this crisis with new strength.
- 4.8.16 The Observer Representative of El Salvador praised the Director General for his responsible, conscientious position and expressed

support for the proposal that all three scenarios undergo careful review in time to meet the deadlines for the next IABA.

- 4.8.17 The Director General took the floor to reiterate his willingness to fully consider the different budget proposals. He asked all of the Representatives to submit in writing the position of their governments with respect to the various budget alternatives, to help the Secretariat in developing a plan for building consensus. He emphasized the need to consider the budget problem holistically, taking into consideration CATIs rates, quotas and the budget jointly. The Director General concluded by saying again that he accepts the mandate to carry out this work at the highest professional level and would make a presentation to the Committee the next day.
- 4.8.18 The Chairman put before the Executive Committee a draft resolution to meet one day before the upcoming IABA to consider all of the budget scenarios.
- 4.8.19 The Representative of Belize spoke in favor of taking the necessary time to avoid divisions among the Committee members, to harmonize the political and economic considerations and to convert crisis into opportunity. He asked each country to reflect on the benefits it has received from IICA. If the Ministries of Agriculture do agree that IICA has positively affected the agricultural sector, than they need to help IICA accordingly. He concluded by saying that Belize has important reasons for supporting IICA and will continue to do so.
- 4.9 The Technical Secretariat took the floor to report that Working Group 2 was not yet ready to present its report. He would give the floor to

the Rapporteur to read the Project Resolution on the Annual Study on CATIs-1994.

- 4.10 Next followed a brief discussion on whether or not to suspend the field trip to continue discussion on the budget, and whether or not to suspend the breakfast meeting. It was further decided to postpone the presentation of Working Group 2 until the next day in the afternoon after the field trip. Meanwhile, at breakfast, the Representatives would receive copies of Working Group 2 recommendations for their consideration during the day.
- 4.11 The Chairman thanked the Representatives for a very fruitful day of discussion and closed the session at 20:20.

#### FIFTH PLENARY SESSION

5. The Fifth Plenary Session, presided over by the Representative of Costa Rica, was called to order at 16:45 on Wednesday June 21, 1995 in the United States/Canada Room.
- 5.1 Report of the Working Group on the Collection of Quotas.
- The Chairman gave the floor to the Representative of Canada so that he could present the report, which is included as an Appendix to the Final Report of the Fifteenth Regular Meeting of the Executive Committee.
- 5.1.1. The Representative of Canada singled out the Representative of Colombia, who had acted as Moderator, for special praise, and said that as

copies of the report had been circulated to the Representatives in advance, he only wished to mention that the proposals it contained needed to be reviewed bearing in mind the comments of the Director of Finance concerning the different policies of the ministries of finance of the countries. He added that other imaginative solutions could be explored besides those set out in the report, and that they should all be carefully reviewed by the Legal Advisor and the member countries.

5.1.2. He asked for the first line of point 2 on page 2 of the report to be changed to read "...it was indicated that, once the 1995 quotas had been covered, the countries behind in their quota payments should reach agreement with IICA within a specific period ...". In point 3 on page 3, the text should read: "offer a specific discount to countries that pay their quotas in cash and in US dollars" and "offer a discount to countries that pay the amount owed in the first quarter of the year." He also asked that operative paragraph 1.b) of Draft Resolution 25 be changed to read: "Authorizes the Director General, as a one-time exception to the rule, to credit monies received from Member States in arrears during 1995 as payments towards their 1995 quota obligations and provided, the 1995 obligation is covered, to negotiate with those Member States realistic timetables and methods for the payment of all other arrearages they owe."

5.1.3. The Representative from Costa Rica said that the report of the Working Group was very meticulous and underlined the importance of using the Sustainable Development Fund as a means of overcoming the problems with the payment of overdue quotas. He pointed out that the group's secre-

tariat had a document on this Fund that might be of interest to the Representatives.

- 5.1.4. The Observer Representative of the United States noted that the draft resolutions to be presented to the IABA included one on the 1996-1997 Program Budget. If no consensus were reached, perhaps a vote on that Program Budget could be taken at the meeting of the IABA. In that case, his country could invoke Article 24 of the Convention, which suspends the right to vote of IICA Member States in arrears with the payment of quotas for more than two complete fiscal years.
- 5.1.5. The Chairman thanked the members of the Working Group for providing the Executive Committee and the IICA administration with such useful input, and declared the report approved.

## 5.2 Reading of Draft Resolutions

- 5.2.1 The Chairman asked the Rapporteur to read out the draft resolutions pending approval.
- 5.2.2 Draft Resolution "Agreements, Contracts, Letters of Understanding and Others," with the proposed change to operative paragraph 3, was approved with no other changes.
- 5.2.3 Draft Resolution "Convocation of a Meeting of the Executive Committee to Discuss Alternative Program Budget Proposals Prior to the Eighth Regular Meeting of the Inter-American Board of Agriculture." The Representative of Chile noted that the Committee had not made a determination regarding the IICA administration's proposed nominal 3% increase in the 1996-1997 Program Budget, and therefore it should be specified in



the resolution which proposals were referred to. The Chairman replied that the IICA administration's proposal had not been rejected by the Executive Committee, and that the draft resolution was therefore adopted, bearing in mind the comments of the Representative of Chile.

5.2.4 Draft Resolution "Measures for Collection of Quota Arrearages." The Technical Secretary read out the English version of two changes that the Representative of Canada had requested. The Representative from Chile asked whether point 1.b) was legally viable. The Technical Secretary replied that the draft resolution had been studied by the Legal Advisor of the OAS, Dr. Berenson. The Chairman declared the draft resolution to be approved with the pertinent changes.

5.3 Consideration of the Provisional Report of the Fifteenth Regular Meeting of the Executive Committee

5.3.1 The Chairman gave the floor to the Technical Secretary who explained the procedure for reviewing the Provisional Report and the Verbatim Record.

5.3.2 The Observer Representative of the United States wondered whether it would be possible to include in the Verbatim Record the discussion of the meeting of the Working Group on the Program Budget. The Chairman said that it had been a very useful discussion and that if a recording of the discussion were available it would be included in the Verbatim Record.

5.3.3 The Fifth Plenary Session was adjourned at 17:45.

**CLOSING SESSION**

6. The Closing Session was called to order at 17:50 on June 21, 1995 with the Representative of Costa Rica presiding.

6.1 Signing of the Report of the Fifteenth Regular Meeting of the Executive Committee.

6.1.1 The Chairman asked the Technical Secretary to explain the procedure for reviewing the Provisional Report and the Verbatim Record. Subsequently, the Chairman and the Director General signed the Report of the Meeting.

6.2 Address by the Representative of Chile

The Representative of Chile addressed the plenary on behalf of the member countries sitting on the Executive Committee. He thanked the delegates for the opportunity to represent them; the Chairman of the Executive Committee for the wisdom and acumen with which he had guided the discussion; the Director General for the facilities provided for the meeting; the Technical Secretary and the staff of IICA for the support they had provided since the Representatives had arrived in Costa Rica. He said that during the previous three days the Representatives had discussed issues of great importance to the Institute, and that although it had not been possible to reach consensus on all of them, every effort had been made to assist the IICA administration with clear guidelines that would facilitate its oversight of the Institute. He said that all the participants would be returning to their countries to address the harsh realities of the agricultural sector, and that they would be all be hoping that consensus would be reached at the next extraordinary

meeting of the Executive Committee scheduled for September 1995. He finished by emphasizing the words, full of faith and hope, with which the Director General had received the contributions of the participants.

6.3 The Chairman gave the floor to the Director General, who announced that an institutional video on the 1994-1998 MTP was to be shown.

6.4 Address by the Director General

6.4.1 The Director General thanked the participants for allowing him to show the video and touched upon the comprehensive, participatory style of management used in the preparation of the MTP. He remarked that it was IICA's responsibility to continue its efforts to ensure that agriculture took its rightful place within the framework of globalization and hemispheric integration, and that the agricultural community of the Americas understood the new dimension of the Institute. He added that, given the changing world scenario, institutions needed to be flexible, dynamic and strong, and their managerial personnel strategic anticipators and innovators, with highly developed negotiating skills and filled with a spirit of enterprise and service. This could only be achieved by meeting the needs of and investing in human resources, so that through them society could be transformed.

6.4.2 He said that we lived in a world in which the only constant was change, and this meant that legislation should be enacted with a vision of competitiveness, as the changing conditions made it imperative that leaders rethink their objectives, priorities and future vision and be willing to adopt the principles that make it

possible to introduce organizational reforms into their structures and functions, and thus respond better to the new context. He said that while we could live in the past, the glories of the past served to strengthen us in the present and provided a springboard for the future.

- 6.4.3 The Director General thanked the Representatives for their contributions. He stressed that it was his administration's responsibility to present to the member countries the different scenarios, explaining their significance and the positive or negative impact that each would have. He also thanked the Chairman of the Executive Committee, the Technical Secretary, the Deputy Director General, DIPRAT and the entire IICA staff, the representatives from EARTH, and God for being present throughout the meeting.

6.5 Address by the Chairman of the Fifteenth Regular Meeting of the Executive Committee

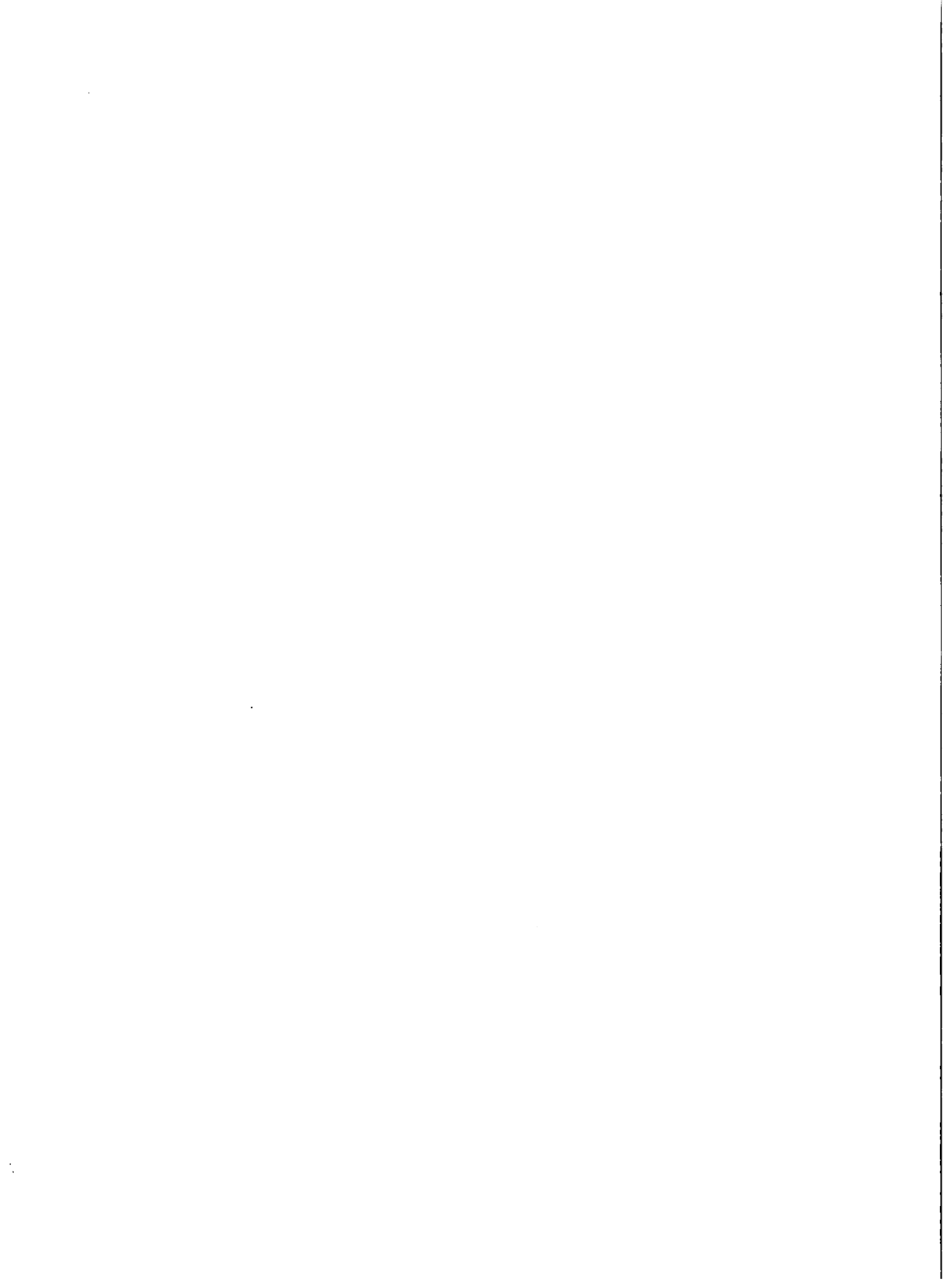
- 6.5.1 The Chairman commented that for three days those present had discussed and analyzed core issues affecting the agricultural development of our countries. He added that the possibilities for development hinged on the integration of our economies in order to use resources more efficiently, as most of the countries were engaged in the process of restructuring and reducing public expenditure. He noted that much of the discussion during the Executive Committee meeting had centered around the question of IICA's institutional sustainability. This was a matter of concern to all the participants, as they were aware of the support that the institution provided to the economies of the less-developed nations, based as they were agriculture. He pointed to the massive investments

made by the great powers during the conflicts and confrontations of the past, and suggested that today these needed to be transformed into generous assistance to reduce the levels of poverty and promote the development of the neediest countries. He acknowledged the sense of responsibility and commitment of the Representatives who had participated in the debate, thanked the Technical Secretariat and the entire staff of IICA for their efforts during the meeting and expressed the hope that in the months ahead serious consideration would be given to the issues addressed so that at the next IABA meeting mechanisms could be defined that would make it possible to improve agriculture in the Americas.

6.5.2 The Closing Session of the Fifteenth Regular Meeting of the Executive Committee was adjourned at 18:30 on June 21, 1995.



## **RESOLUTIONS**





IICA/CE/Res.232 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 232

1994 ANNUAL REPORT

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.281 (95), "1994 Annual Report,"

CONSIDERING:

That Article 4.f of the Rules of Procedure of the Executive Committee establishes that the Committee shall examine the Annual Report of the activities of the General Directorate;

That the 1994 Annual Report faithfully reflects the activities carried out by the Institute during the year;

That the Institute, in compliance with the recommendations of the Sixth Regular Meeting of the Inter-American Board of Agriculture, prepared and published a summarized report to be used as an instrument for dissemination, and a smaller number of the full report for the information of the Member States,

**RESOLVES:**

1. To accept Document IICA/CE/Doc.281(95) "1994 Annual Report," presented by the Director General.
2. To recommend that the Inter-American Board of Agriculture, at its Eighth Regular Meeting, approve the 1994 Annual Report.

IICA/CE/Res.233 (XV-0/95)  
20 June 1995  
Original: English

RESOLUTION No. 233

FINANCIAL REPORT OF THE INSTITUTE - 1994

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.283 (95) "Report of the External Auditors and Comments by the Director General on the Report of the External Auditors - 1994,"

CONSIDERING:

That Article 4 of the Rules of Procedure of the Executive Committee establishes that the Committee shall examine the financial status of the Institute and submit the corresponding report to the Inter-American Board of Agriculture;

That the external auditors attested to the proper management of the financial resources, in accordance with the stipulations of the rules and regulations of the Institute;

That in the opinion of the external auditors, the financial reports accurately represent the financial status of the Institute for the January 1 - December 31, 1994 period, and that the Institute's accounting principles are completely consistent with generally accepted accounting practices,

## RESOLVES:

1. To accept Document IICA/CE/Doc.283(95), "Report of the External Auditors and Comments by the Director General on the Report of the External Auditors - 1994."
2. To recommend to the Inter-American Board of Agriculture that, at its Eighth Regular Meeting, it approve Document IICA/CE/Doc.283(95) "Report of the External Auditors and Comments by the Director General on the Report of the External Auditors - 1994."

IICA/CE/Res.234 (XV-O/95)  
21 June 1995  
Original: English

RESOLUTION No. 234

CONVOCAÇÃO DE UMA REUNIÃO DO COMITÊ EXECUTIVO  
PARA DISCUTIR PROPOSTAS ALTERNATIVAS DE PROGRAMA-ORÇAMENTO ANTES  
DA OITAVA REUNIÃO REGULAR DO COMITÊ INTER-AMERICANO  
DE AGRICULTURA

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.282(95) "Proposed Program Budget"; and the document entitled "Working Group A, Program Budget, Summary of Conclusions" of June 20, 1995,

CONSIDERING:

That Article 3(b) of the Executive Committee's Rules of Procedure authorizes the Executive Committee "to examine the proposed biennial Program Budget that the Director General submits to the Board and to make any pertinent observations and recommendations";

That the Director General's Program-Budget proposal for the 1996-1997 biennium requires a 3% increase in obligatory Member State quotas for 1996 and another 3% increase for 1997;

That several major contributors to the Institute have declared that they are unable to support the proposed increases in quotas;

That several Member States have expressed concern that the substantial arrearages of past due quotas outstanding suggests that a number of Member States have been hard pressed or even unable to meet their quota obligations at the levels required under the Director General's Program Budget proposal;

That to address those concerns and to determine the possibilities of reaching a consensus on the 1996-1997 Program Budget, the Executive Committee formed a working group whose members included Belize, Brazil, Canada, Chile and the United States;

That several Member States in the Working Group recommended, as an alternative to the Director General's budget proposal, adoption of a budget with zero growth in quota contributions; that one Member State proposed adoption of a budget with a 10% reduction in quotas for 1996 and an additional 10% reduction in quotas for 1997, and that the Member States recommending those alternative budgets asked the General Directorate to prepare alternative budget proposals based on their recommendations;

That several Member States recommended guidelines to be used by the General Directorate in preparing the budget alternatives requested, and that those guidelines were set out in the working group's report to the Executive Committee;

That neither the working group nor the full Executive Committee were able to reach a consensus on the 1996-1997 Budget and that in response to the requests of several Member States, the Director General offered to prepare for the Executive Committee's consideration, immediately prior to the Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA) in September 1995, alternative proposals for a budget with zero growth in quotas for both years of the biennium and alternative proposals for a budget with a 10% reduction in quotas for 1996 and an additional 10% reduction in quotas for 1997;

That the Executive Committee should proffer any recommendations or comments it deems pertinent to amend the proposed Program Budget;

That Article 19 of the Executive Committee's Rules of Procedure states that the Committee "may also meet immediately prior to the regular meeting of the Board, in the same location as the Board meeting,"

RESOLVES:

1. To request the Director General to write alternative budgets for the 1996-1997 Biennium for: i) a biennial budget with zero nominal growth in quotas for both years of the biennium, and ii) a biennial budget with a 10% reduction in quotas for 1996 and an additional 10% reduction in quotas for 1997.
2. To request the Director General to send these budget alternatives to the Member States as soon as possible.
3. To schedule, pursuant to Article 19 of its Rules of Procedure, a meeting of the Executive Committee to commence prior to the inaugural session of the Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA) to: a) review the following three proposals: i) a biennial budget with a 3% increase in the obligatory quotas of the Member States in 1996 and a further 3% in 1997; ii) a biennial budget with zero nominal growth in quotas for both years; iii) a biennial budget with a 10% cut in quotas in 1996 and a further 10% cut in 1997; and b) make the corresponding recommendations to the Inter-American Board of Agriculture.

4. To instruct the Director General to ask the Member States to send in their comments and recommendations as soon as possible, so the budget alternatives can be prepared.



IICA/CE/Res.235 (XV-O/95)

21 June 1995

Original: English

RESOLUTION No. 235

MEASURES FOR COLLECTION OF QUOTA ARREARAGES

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Informational Document No. 3 entitled "Status of Quotas of the Member States as of May 31, 1995" and the document entitled "Meeting of the Quota Collection Working Group,"

CONSIDERING:

That Article 23 of the Convention on the Inter-American Institute for Cooperation on Agriculture provides that "the Member States shall contribute to the maintenance of the Institute through annual quotas established by the Board";

That Article 24 of the Convention on the Inter-American Institute for Cooperation on Agriculture states that a Member State that is in arrears in the payments of its quotas for more than two complete fiscal years shall have its right to vote suspended in the Board and the Committee unless they decide that the Member State's failure to pay those quotas is "due to circumstances beyond its control";

That Article 80 of the Rules of Procedure of the General Directorate (RPGD) states that the annual quotas "shall fall due as of the first day of the corresponding fiscal year"; Article 81 of those Rules provides that the General Directorate "shall receive all resources for the

Institute and must take all necessary steps to receive such contributions on schedule," and Rule 3.3.3 of the Financial Rules states that the Director General is responsible for obtaining the quotas owed by the Member States;

That the failure of Member States to make timely payment of quotas unnecessarily delays and obstructs execution of the approved Program Budget and is detrimental to the Institute and those Member States which fully comply with their quota obligations;

That a working group of this Executive Committee (made up of delegates from Brazil, Canada, Colombia, Costa Rica, Mexico, Peru, Suriname, the United States, and Venezuela) has recommended a series of measures for facilitating the collection of past-due quotas;

That systematic efforts to collect quota arrearages through direct negotiation with the Member States and by establishing realistic payment schedules have proved successful for reducing those arrearages in other international organizations,

**RESOLVES:**

1. To recommend that the Inter-American Board of Agriculture (IABA) adopt a Resolution that:
  - (a) Urges Member States that have not yet paid their 1995 quotas to pay those arrearages as soon as possible;
  - (b) Authorizes the Director General, as a one-time exception to the rule, to credit monies received from Member States in arrears during 1995 as payments towards their 1995 quota obligations, and, provided the 1995 obligation is covered, to negotiate with

those Member States realistic timetables and methods for the payment of all other arrearages they owe.

2. For the purpose of assisting the ministries of agriculture in their efforts to obtain timely disbursement of quota payments from the responsible authorities, to recommend that the Director General send to the Member States, before the Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA), information on the relationship between the benefits received from IICA and quotas paid, by country.
3. To urge Member States with arrearages for years prior to 1995 to negotiate timetables for payment of those arrearages with the General Directorate during the course of 1995, and before the Board meeting.
4. To instruct the Director General to prepare a study and recommendations for the next Regular Meeting of the Executive Committee on:
  - (a) the feasibility of accepting alternative forms of payment of past due quotas, including, but not limited to, payment in local currency, payment in kind (real estate, services, etc.), payment in negotiable securities, and contributions to funds for sustainable development; and
  - (b) incentives and sanctions for motivating prompt payment of current quotas and arrearages.

Resolution No. 236

Agreements, Contracts, Letters of Understanding and Others

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN: Document IICA/CE/Doc.282(95), "Proposed 1996-1997 Program Budget,"

RESOLVES:

To recommend to the Eighth Regular Meeting of the Inter-American Board of Agriculture that:

1. The Director General be authorized to use the resources provided to IICA through the following Agreements, Contracts, Letters of Understanding and others, during the 1996 and 1997 calendar years, for the specific purposes agreed upon:

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1996	1997
<b>CENTRAL REGIONAL CENTER</b>					
Administrative Support Action: Technical and Administrative Support to the Executive Secretariat for Agricultural Sector Planning and Renewable Natural Resources (SEPSA)	Cooperation Agreement between the Ministry of Agriculture and Livestock and IICA for Technical and Administrative Support to the Executive Secretariat of Sectoral Planning	Costa Rica	MAQ/SEPSA	6,296.2	2,486.1
Administrative Support Action: Administration of Funds to be Used by UNACOOP in Support of the National Student and Youth Cooperatives Program	Cooperation Agreement between the National Union of Cooperatives (UNACOOP) and IICA for the Administration of Funds to be Used by UNACOOP in Supporting the National Program of Student and Youth Cooperatives	Costa Rica	UNACOOP	32.5	32.5
Administrative Support Action: Administrative Support to the Rural Development Program of Costa Rica	Technical Cooperation and Administrative Support Agreement between the Rural Development Program of the Government of Costa Rica and IICA, for Execution of the National Rural Development Strategy.	Costa Rica	Government of Costa Rica	77.0	77.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1996	1997
Project: Supporting Agricultural Reactivation in Guatemala	<p>Agreement 43-93 between the Ministry of Agriculture, Livestock and Food of Guatemala and IICA to Create the Agricultural Statistics System.</p> <p>Agreement 42-93 between the Ministry of Agriculture, Livestock and Food of Guatemala and IICA to Provide Support in Agricultural Marketing</p> <p>Agreement No. 19/94 between the Ministry of Agriculture, Livestock and Food of Guatemala and IICA, to Strengthen and Restructure the Sectoral Planning System.</p> <p>Agreement No. 97-90 between the Ministry of Agriculture, Livestock and Food (MAGA) and IICA to Create Two Regional Agricultural Planning Units</p> <p>Agreement No. 23-94 between the Ministry of Agriculture, Livestock and Food of Guatemala and IICA, for Technical and Administrative Support in the Institutional Decentralization and Modernization of MAGA.</p> <p>Technical Cooperation Agreement between CEAR and IICA for the Development of Areas for Repatriates and Displaced Persons.</p> <p>Letter of Understanding between the Special Commission for Refugees and IICA, for Administrative Support in Executing the Project on Economic-Social Reactivation for Agricultural Cooperatives in Usumacinta, Pasión and La Machaca, Peten.</p> <p>Agreement No. 41-93 between the Ministry of Agriculture, Livestock and Food of Guatemala and IICA, for Administrative Support to the Projects of the Forestry Plan of Action.</p> <p>Agreement among the Ministry of Agriculture, Livestock and Food, the Ministry of Public Finance and IICA, for Administrative Support in Executing the Plan to Restructure the National Agricultural Development Bank.</p>	Guatemala Guatemala Guatemala Guatemala Guatemala Guatemala Guatemala	MAGA MAGA MAGA MAGA MAGA FONAPAZ MAGA MAGA	140.0 252.0 50.4 56.0 89.6 194.4 902.9 388.8	252.0 194.4
Administrative Support Action: Strengthening the CEAR to Execute the Project on Economic-social Reactivation for Agricultural Cooperatives in Usumacinta-Pasión-La Machaca in the Peten					
Administrative Support Action: Administrative Support for the Projects of the Forestry Action Plan for Guatemala					
Administrative Support Action: Administrative Support for the Execution of the Plan to Restructure the National Agricultural Development Bank					

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ ± 000	
				1988	1987
Administrative Support Action: Administrative Support for the Plan of Action to Modernize and Develop Irrigated Agriculture	Agreement No. 22-84 between the Ministry of Agriculture, Livestock and Food of Guatemala and ICA, for Administrative Support to the Plan of Action for the Modernization and Promotion of Irrigated Agriculture	Guatemala	MAGA	487.9	499.0
Administrative Support Action: Administrative Support for Operating the Executing Unit of the Project "Management and Conservation of the Renewable Natural Resources of the Upper Chixoy River Basin"	Agreement No. 35-84 between the Ministry of Agriculture, Livestock and Food of Guatemala (MAGA) and ICA, for Administrative Support to the Operations of the Executing Unit of the Project "Management and Conservation of Renewable Natural Resources in the Upper the Chixoy River Basin".	Guatemala	MAGA	785.2	206.3
Administrative Support Action: Administrative Support to Projects Addressing Fruit Crop Development and the Processing of Fruits and Vegetables	Agreement No. 82-91 between the Ministry of Agriculture, Livestock and Food and ICA, for Administrative Support to Fruit Crop Development and Fruit and Vegetable Processing Projects.	Guatemala	MAGA	785.2	785.2
Project: Execution of the Training and Communications Subcomponent of the Project to Rehabilitate and Develop the Areas Affected by the Conflict in the Department of Chaltenango (PROCHALATE)	Agreement between the Government of El Salvador and ICA, for Execution of the Training and Communications Subcomponent of the Project "Rehabilitation and Development of Areas Affected by the Conflict in the Department of Chaltenango".	El Salvador	IFAD	258.7	264.5
Project: Regional Program to Upgrade Agricultural Research on Staple Grains in Central America and Panama	Contract to Administer the Funds of Agreement No. ALA/88/23 between the European Economic Community and ICA, Regional Program to Upgrade Agricultural Research on Staple Grains in Central America and Panama	Central Regional Center	EEC	1,542.4	
Project: Training in Business Management for Rural Cooperatives	General Cooperation Agreement between ICA and the Société de Développement International Desjardins (SDID)	Central Regional Center	SDID/Canada	20.0	11.0
Administrative Support to IFPRI	Letter of Understanding between ICA and the International Food Policy Research Institute (IFPRI) for Joint Activities for Sustainable Agriculture on Central American Hillside	Guatemala Honduras	IFPRI	150.0	150.0
CARIBBEAN REGIONAL CENTER				1,768.0	116.4
Administrative Support Action: Support to Amerindian Research	UNICEF Grant Letter for Administrative Support "Support to Amerindian Research"	Guyana	UNICEF	2.7	

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 000	
				1996	1997
Administrative Support Action: Management of the French/Guyana Integrated Rural Development Programme	Agreement between the Ministry of Agriculture and IICA.	Guyana	MOA	40.0	
Project: Technology, Organization and Credit for Small Farmers in Haiti	Project Agreement between the United Nations Fund for Population Activities, Directorate of Haiti and Dominican Republic, and IICA in Haiti	Haiti	UNFPA	23.4	
Project: Technology Transfer for Coffee-based Cropping Systems for Haitian Small Farmers	USAID/IICA Grant/CA N° 921-0216-G-00-0008-00 for the Project "Technology Transfer for Coffee-based Cropping Systems for Haitian Small Farmers."	Haiti	USAID	1,997.5	
Administrative Support Action: Support to SEA in Promoting Agricultural Development and Rural Well-Being	Cooperation Agreement between the Secretariat of State for Agriculture (SEA) and IICA, to Support Agricultural Development and Rural Well-being.	Dominican Republic	SEA	86.4	86.4
Supporting the Development of Tropical Fruit Crops in the Caribbean (Phase II)	Agreement with the Government of France	Caribbean Regional Center	Government of France	25.0	30.0
ANDEAN REGIONAL CENTER					
Project: Technical Assistance and Training for the Cotagaita-San Juan de Oro Agricultural Development Project (CORDEPO)	Operating Agreement between the Potosí Regional Development Corporation (CORDEPO) and IICA, to Execute a Technical Assistance and Training Program for the Cotagaita-San Juan de Oro Agricultural Development Project.	Bolivia	IFAD/CORDEPO	63.6	42.4
Project: Technical Assistance and Training for the Chuquisaca Sur Agricultural Development Project (CORDECH)	Attachment to the Cooperation Agreement between the Chuquisaca Regional Development Corporation (CORDECH) and IICA to Expand the Technical Assistance and Training Program of the Chuquisaca Sur Agricultural Development Project.	Bolivia	IFAD/CORDECH	41.7	40.9
Project: Technical Assistance and Training for the Chuquisaca Norte Agricultural Development Project (CORDECH)	Operating Agreement between the Chuquisaca Regional Development Corporation (CORDECH) and IICA, to Execute a Technical Assistance and Training Program for the Chuquisaca Norte Agricultural Development Project.	Bolivia	IFAD/CORDECH	24.9	20.6

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1996	1997
Project Training and Technical Assistance Program for the Project to Develop and Consolidate Settlements and Assist Small Farmers in the Department of Santa Cruz	Operating Agreement between the Santa Cruz Regional Development Corporation (CORDECRUZ) and IICA to Execute a Training and Technical Assistance Program for the Project on Developing and Strengthening Small Farmer Settlements in the Department of Santa Cruz	Bolivia	IFAD/CORDECRUZ	47.6	29.7
Administrative Support Action: Administrative Support for the Colagalla San Juan del Oro Agricultural Development Project (CORDEPO)	Cooperation Agreement between the Potosí Regional Development Corporation (CORDEPO) and IICA, to Execute an Administrative Support Action for the Colagalla-San Juan del Oro Agricultural Development Project	Bolivia	IFAD/CORDEPO	284.5	292.2
Administrative Support Action: Administrative Support for the Chuquisaca Sur Agricultural Development Project (CORDECH)	Cooperation Agreement between the Chuquisaca Regional Development Corporation (CORDECH) and IICA, to Execute an Administrative Support Action for the Chuquisaca Sur Agricultural Development Project	Bolivia	IFAD/CORDECH	306.5	306.5
Administrative Support Action: Administrative Support for the Chuquisaca Norte Agricultural Development Project (CORDECH)	Cooperation Agreement between the Chuquisaca Regional Development Corporation (CORDECH) and IICA, to Execute an Administrative Support Action for the Chuquisaca Norte Agricultural Development Project	Bolivia	IFAD/CORDECH	63.3	64.3
Project: Modernization of Agricultural Marketing	Technical Cooperation Agreement between the National Planning Department and IICA for Consultancy Services in the Area of Modernization of Agricultural Marketing	Colombia	DNP	66.0	
Project: Investment in the Agricultural Price and Market Information System (SIPSA)	Technical Cooperation Agreement No. 120/94 between the Ministry of Agriculture and Rural Development and IICA for Technical Assistance in Developing the Investment Phase of the Agricultural Price and Trade Information System (SIPSA)	Colombia	MA	36.3	77.0
Project: Studies on the Development of the Agricultural Sector	Technical Cooperation Agreement No. 008/95 between the Ministry of Agriculture and Rural Development and IICA for Conducting Studies and Providing Advisory Services in Formulating Agricultural Policies	Colombia	MA	297.0	275.0



Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 000	
				1996	1997
Project: Strengthening Institutional Management Capabilities in the Public and Private Sector to Support the Competitiveness of the Sector	Technical Cooperation Agreement No. 007/95 between the Ministry of Agriculture and Rural Development and IICA to Continue with Studies and Programs for Enhancing the Competitiveness of the Agricultural Sector.	Colombia	MA	550.0	550.0
Project: Implementation of the National Classification System for Beef Cuts	Technical Cooperation Agreement No. 124/94 between the Ministry of Agriculture and Rural Development and IICA for the Implementation of the National Classification System for Beef Cuts and Carcasses.	Colombia	MA	55.0	
Project: Soil Management and Agricultural Mechanization	Technical Cooperation Agreement between the Ministry of Agriculture and Rural Development for the Reactivation of Agriculture in the Northern Sector of the Department of Cesar and the Southern Sector of Guajira	Colombia	MA	275.0	275.0
Project: Implementation of Policies on Rural Women	Technical Cooperation Agreements: No. 01-072-0-93 among the Co-financing Fund for Rural Investment, DRI and IICA.	Colombia	DNP-Office of the President of the Republic	385.0	385.0
Project: Advisory Services for Rural Development - DRI Fund	Technical Cooperation Agreement No. 01-070-0-94 among the Co-financing Fund for Rural Investment, DRI and IICA.	Colombia	DRI	646.8	646.8
Project: Advisory Services for the Small-farmer Organization and Training Fund (CAPACTAR)	Technical Cooperation Agreement No. 006-95 between the Ministry of Agriculture and Rural Development and IICA for the Operation of the Small-farmer Organization and Training Fund (CAPACTAR)	Colombia	MA	646.8	646.8
Project: Technical Services for Libraries and Publications.	Agreement between the Nation-Ministry of Agriculture and IICA for the Operation and Improvement of the Rodrigo Peña Library.	Colombia	MA	35.0	35.0
Administrative Support Action: Support for the Institutional Model of the Sugar Cane Research Center (CENICANA)	Agreement between the Sugar Cane Research Center (CENICANA) and IICA to Support Research on Sugar Cane.	Colombia	CENICANA	90.0	100.0
Administrative Support Action: Administrative Support Services to the National Land Improvement Institute (INAT)	Administrative Support Agreement No. 033 of April 7, 1990, between INAT, previously known as HIMAT, and IICA.	Colombia	INAT	112.2	91.6

Name of Project/Administrative Support Action	Name of the Agreement/Contract/ Letter of Understanding/Other	Country	Source of Funding	1985 - 1987	
				1985	1987
Administrative Support Action - Agricultural Universities - 1985-1987 (1985-1987)	Technical Cooperation Agreement between the National Planning Department and IICA for Carry Out Projects Aimed at Researching, Developing and Implementing Agricultural Universities with a View to Producing Experts	Colombia	IDB	46.5	
Project in the National Technical Cooperative Action	Operating Agreement between the Ministry of Agriculture and University of Ecuador and IICA for Operating ICA's ICA in the Country and the Institute's Programs in Ecuador	Ecuador	IMAS	12.3	12.8
Project - Technical Cooperation for Strengthening the Project in the National Technical Cooperative Action	Technical Cooperation Agreement among the Center for the Evaluation of Services and Training for the Management of ICA, IICA, the Technical Cooperation Agency of the Government of Switzerland (COTESU) and IICA	Ecuador	COTESU	44.9	
Project - Technical Cooperation for Strengthening the Project in the National Technical Cooperative Action	Technical Support Agreement among the Ecuadorian Center for Agricultural Services (CASA), the Technical Cooperation Agency of the Government of Switzerland (COTESU) and IICA	Ecuador	COTESU	79.2	
Project - Technical Cooperation for Strengthening the Project in the National Technical Cooperative Action	Technical and Administrative Support Agreement between the Society Commission for the Development of the Guayas Rural Mass (SODAGU) and IICA	Ecuador	IBRD-Gov of Holland	686.6	
Administrative Support Action - ICA/IDB Support to the Project in the National Technical Cooperative Action	Administrative Support Agreement (IICA/IMAS/IICA) to Provide Support to the Agricultural Sector of Ecuador	Ecuador	IDB	3,959.9	3,959.9
Project - Technical Cooperation for Strengthening the Project in the National Technical Cooperative Action	Operating Agreement between the Governments of Peru and IICA and IICA for Administration of the 'Llanero' Peruvian Bistrial Agreement to Intensity Efforts to Combat the Fruit Fly in Border Areas Shared by the Two Countries'	Peru	Ministry of Agriculture of Chile	569.4	
Project - Promotion of Technology Transfer to Small Farmer Communities of the Peruvian Highlands	Operating Agreement between the Executive Unit of the Project 'Promotion of Technology Transfer to Small Farmer Communities of the Peruvian Highlands' and IICA for Executing a Technical Assistance and Agricultural Training Program	Peru	IFAD	116.8	

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1986	1987
Project: Establishment of a Regional and National Network for Training in Rural Development	Technical Cooperation Agreement between the Ministry of Agriculture and Livestock (MAC) and IICA for the Execution of a Technical Cooperation Program to Support the Foundation for Training and Research Applied to Agrarian Reform (CIARA).	Venezuela	IFAD	166.0	
Administrative Support Action: Administrative Support to the Preinvestment Plan of the MAC and Institutional Strengthening of its Sectoral Planning Office (PSAT Program)	Administrative Support Agreement between the Ministry of Agriculture and Livestock (MAC) of the Republic of Venezuela and IICA, to Support the Preinvestment Plan of the MAC and Institutional Strengthening of its Sectoral Planning Office.	Venezuela	IBRD IBRD/MAC	810.0 918.0	810.0 1,080.0
Administrative Support Action: Administrative Support to the Investment Plan for the Transformation of the Agricultural Sector (PITSA Program)					
Project: Cooperative Agricultural Research and Technology Transfer Program for the Andean Subregion (PROCIANDINO) (Phase II)	Non-refundable Technical Cooperation Agreement ATN/SF-4359-RG between the Inter-American Development Bank (IDB) and IICA	Andean Regional Center	IDB	3.0	
	Non-refundable Technical Cooperation Agreement ATN/SF-4830-RG between the Inter-American Development Bank (IDB) and IICA	Andean Regional Center	IDB	102.0	25.0
	Technical Cooperation Agreement between the Bolivian Institute of Agricultural Technology (IBTA), of the Republic of Bolivia; the Colombian Agricultural Institute (ICA), of the Republic of Colombia; the National Agricultural Research Institute (INIAP), of the Republic of Ecuador; the National Institute of Agrarian and Agroindustrial Research (INIA), of the Republic of Peru; the National Agricultural Research Fund (FONAIAP), of the Republic of Venezuela; and IICA, with a View to Institutionalizing the Cooperative Agricultural Research Program for the Andean Subregion, which upon entry into effect of this agreement will be known as the Cooperative Agricultural Research and Technology Transfer Program for the Andean Subregion (PROCIANDINO) (Stage II)	Andean Regional Center	Countries	62.5	62.5

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1988	1987
Project: Support to the Regional South American Camelidize Development Program	Technical and Financial Assistance Contract - Grant A.T. No. 256 (Regional South American Camelidize Development Program) between the International Fund for Agricultural Development and IICA	Argentina, Bolivia, Chile and Peru	FAD	282.3	72.3
<b>SOUTHERN REGIONAL CENTER</b>				<b>22,883.4</b>	<b>21,888.8</b>
Project: Technical and Administrative Support to the Secretariat of the Cabinet for Activities Related to International Trade Negotiations	Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries and IICA to Provide Technical and Administrative Support to the Secretariat of the Cabinet for Activities Related to International Trade Negotiations.	Argentina	SAGYP	338.0	338.0
Project: Technical and Administrative Support to the SAGYP for Analyzing the Agricultural Sector and Defining Policy Guidelines (SAGYP/Policies)	Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries and IICA to Provide Technical Support to the Cabinet of the Secretariat of Agriculture, Livestock and Fisheries for Analyzing the Agricultural Sector and Defining Policy Guidelines (SAGYP/Policies).	Argentina	SAGYP	784.0	580.1
Project: Technical and Administrative Support to the Undersecretariat of Agricultural Economy in Formulating Agricultural Programs, Projects and Studies (SAGYP/Projects)	Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries and IICA to Provide Technical and Administrative Support to the Undersecretariat of Agricultural Economy in Formulating Agricultural Programs, Projects and Studies (SAGYP/Projects).	Argentina	SAGYP	784.0	784.0
Project: Support to SENASA in Implementing the Program to Modernize Agricultural Services	Attachment No. 2 to the Operating Agreement for Technical Cooperation between the Secretariat of Agriculture, Livestock and Fisheries of the Republic of Argentina and IICA to Strengthen the Subprogram of the National Animal Health Service (SENASA).	Argentina	SENASA	338.0	338.0
Project: Strengthening Rural Development Institutions to Promote Equity and Increase the Competitiveness of Small Farmers within the Context of Integration	Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries and IICA to Provide Technical Assistance to the SAGYP in Executing the Program on Women in Northeastern Argentina.	Argentina	UNFEM	58.0	58.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 000	
				1998	1997
	<p>Operating Agreement between the Secretariat of Agriculture, Livestock and Fisheries and ICA to Provide Training for Technical Personnel and Institutional Support to the Credit and Technical Support Program for Small Farmers in Northeastern Argentina.</p> <p>Letter of Understanding No. 16 between the National Institute of Agricultural Technology and ICA to Support INTA in the Formulation and Execution of Policies, Programs and Projects for Small Farmers.</p> <p>Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries and ICA to Support SAGYP in Executing the Social Agricultural Program.</p> <p>General Technical Cooperation Agreement between ICA and the Secretariat of Production of the Province of July for Development of and Technical Cooperation in the Areas of Science and Technology, Natural Resources, Agricultural Production, Domestic and Foreign Trade and Agricultural Health, in Support of Plans to Diversify and Modernize Production in the Province of July.</p> <p>General Technical Cooperation Agreement between ICA and the Secretariat of Production of the Province of Tucuman for Development of and Technical Cooperation in the Areas of Science and Technology, Natural Resources, Agricultural Production, Domestic and Foreign Trade and Agricultural Health, in Support of Plans to Diversify and Modernize Production in the Province of Tucuman.</p> <p>General Technical Cooperation Agreement between ICA and the Secretariat of Production of the Province of Salta for Development of and Technical Cooperation in the Areas of Science and Technology, Natural Resources, Agricultural Production, Domestic and Foreign Trade and Agricultural Health, in Support of Plans to Diversify and Modernize Production in the Province of Salta.</p>		<p>IFAD</p> <p>INTA</p> <p>SAGYP/PSA</p> <p>Province of July</p> <p>Province of Tucumán</p> <p>Province of Salta</p>	<p>26.0</p> <p>22.4</p> <p>112.0</p> <p>560.0</p> <p>224.0</p> <p>560.0</p>	<p>28.0</p> <p>22.4</p> <p>112.0</p> <p>560.0</p> <p>224.0</p> <p>560.0</p>
<p>Project: Technical and Administrative Support for Regional Development in the Province of July</p>		Argentina			
<p>Project: Technical and Administrative Support for Regional Development in the Province of Tucuman</p>		Argentina			
<p>Project: Technical and Administrative Support for Regional Development in the Province of Salta</p>		Argentina			

Name of Project/Administrative Support Action	Name of the Agreement/Contract/ Letter of Understanding/ Others	Country	Source of Funding	US\$ x 1000	
				1986	1987
Project: Technical and Administrative Support for Regional Development in the Province of Mendoza	Letter of Understanding No. 1 between the Secretariat of Production of the Province of Salta (SP SALT'A) and IICA to Provide Technical Cooperation to the Provincial Coordination Unit of the Plan to Change the Structure of Production in the Tobacco-growing Areas of the Province of Salta.	Argentina	Province of Mendoza	336.0	336.0
Administrative Support Action: Administrative Support to the Development of Tobacco-growing Areas	General Technical Cooperation Agreement between IICA and the Undersecretariat of Agriculture and Livestock of the Province of Mendoza "SAG-Mendoza", for Developing Technical Cooperation in the Areas of Science and Technology, Natural Resources, Agricultural Production, Domestic and Foreign Trade and Agricultural Health.	Argentina	SAGyP/Tobacco	756.0	756.0
Administrative Support Action: Cooperation to Develop Institutional Evaluation Programs and to Support the National Institute of Agricultural Technology (INTA) in Developing Substantive Activities	Letter of Understanding between SAGyP and IICA for the Analysis and Reorganization of Tobacco-growing Areas in Argentina.	Argentina	INTA	324.0	324.0
Administrative Support Action: Cooperation with the National Institute of Agricultural Technology (INTA) in Initiating and Executing a Course on Wheat Production for Latin America	Letter of Understanding No. 12: Cooperation for Developing Institutional Evaluation Programs and Supporting INTA's National Directorate in Developing Substantive Activities.	Argentina	IDB (IFAD)	21.8	21.8
Administrative Support Action: Cooperation and Support in Developing the Second Stage of the Integrated Agricultural Information System (INTA-INDEC)	Letter of Understanding No. 14 Between the National Institute of Agricultural Technology (INTA) and IICA in Implementing the Course on Wheat Production for Latin America.	Argentina	INTA	43.2	
Administrative Support Action: Administrative Support to the Fruit Fly Eradication Program (MENDOZA/MOSCA)	Letter of Understanding No. 15 Between the National Institute of Agricultural Technology (INTA) and IICA to Provide Cooperation and Support in Implementing Activities Related to the Processing, Analysis and Dissemination of Information Obtained from the 1988 National Agricultural Census, and Development of Stage Two of the Integrated Agricultural Information System, as Established in the INTA-INDEC Agreement.	Argentina	Province of	1,080.0	1,080.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1996	1997
Administrative Support Action: Activities to Evaluate Fisheries Resources (SAGYP/INDEP)	Province of Mendoza (SAG-Mendoza) and ICA/Argentina to Support the Execution of the Fruit Fly Eradication Program (MENDOZA/MOSCA).	Argentina	SAGYP/INDEP	324.0	324.0
Administrative Support Action: Support to the National Statistics and Census Institute (INDEC) in the Study on Formulating Methodologies for Preparing Agricultural Estimates	Letter of Understanding between the National Institute for Fisheries Research and Development (INDEP) and ICA to Provide Administrative and Technical Support for Activities to Evaluate Fisheries Resources Prior to Execution of the Project to Modernize Agricultural Services (Fisheries Component).	Argentina	INDEC	324.0	324.0
Administrative Support Action: Administrative Support to the Coordinating Unit of the Secretariat of Agriculture, Livestock and Fisheries/International Fund for Agricultural Development Project (SAGYP-IFAD)	Letter of Understanding between the Secretariat of Agriculture, Livestock and Fisheries (SAGYP) and ICA for Administrative Support in Managing the Operating Costs of the National Coordinating Unit of the Credit and Technical Support Program for Small Farmers in Northeastern Argentina.	Argentina	IFAD	37.8	37.6
Administrative Support Action: Administrative Support for Organizing and Equipping the Argentina Institute for Plant Health and Quality (IASCAV)	Letter of Understanding between the Argentina Institute of Plant Health and Quality (IASCAV) and ICA to Provide Administrative Support for Organizing and Equipping IASCAV.	Argentina	IASCAV	1,080.0	1,080.0
Administrative Support Action: Administrative Support to the Secretariat of Natural Resources and Human Environment, with a View to Carrying Out Actions Prior to the Development of the National Environment System	Letter of Understanding between the Secretariat of Natural Resources and Human Environment and ICA to Provide Administrative Support to the Secretariat of Natural Resources and Human Environment with a View to Carrying Out Actions Prior to the Development of the World Bank Loan Program and Aspects Related to the Development of the National Environment System.	Argentina	SRN and AH	540.0	540.0
Administrative Support Action: Support to Satellite Monitoring of the Fishing Fleet Activities	Letter of Understanding between the Undersecretariat of Agriculture, Livestock and Fisheries and ICA-Argentina, to Carry Out Preparatory Activities to Implement the Project to Modernize Agricultural Services (Fisheries Component).	Argentina	SAGYP	1,458.0	1,458.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ 1,000	
				1986	1997
Administrative Support Action: Support to the Project to Determine the Feasibility of Improving the Infrastructure of Fishing Ports in Argentina.					
Administrative Support Action: Study on the Demand for Argentine Fisheries Products and Efforts to Promote Consumption of Same					
Administrative Support Action: Evaluation of Water Resources for Implementing a National Aquaculture Development Program					
Administrative Support Action: Support to Participation in Fairs and International Meetings					
Administrative Support Action: Improving the Operation of Fishing Ports in Argentina					
Administrative Support Action: Administrative Support to the National Cotton Boll Weevil (Anthonomus Grandis B) Prevention Program in Argentina	Letter of Understanding between the Argentine Institute of Plant Health and Quality (IASCAV) and IICA to Provide Administrative Support to the National Cotton Boll Weevil (Anthonomus Grandis B) Prevention Program in Argentina.	Argentina	IASCAV	1,080.0	1,080.0
Administrative Support Action: Administrative Support to the Fruit Fly Eradication Program (IASCAV/MOSCA)	Letter of Understanding between the Argentine Institute of Plant Health and Quality (IASCAV), and the Secretariats of Agricultural Affairs of the Provinces of Mendoza and San Juan and IICA to Provide Administrative Support to the Fruit Fly Eradication Program (IASCAV/MOSCA).	Argentina	IASCAV	848.0	848.0
Administrative Support Action: Administrative Support in Declaring Zones Free of the Nematode Globodera rostochiensis	Letter of Understanding between the Argentine Institute of Plant Health and Quality (IASCAV), and the Secretariats of Agricultural Affairs of the Provinces of Mendoza and San Juan and IICA to Provide Administrative Support in Declaring Zones Free of the Nematode Globodera rostochiensis.	Argentina	IASCAV	324.0	324.0
Administrative Support Action: Administrative Support to Activities to be Developed by the National Counterpart	Letter of Understanding No. 2 between the Secretariat of Agriculture, Livestock and Fisheries and IICA To Provide	Argentina	SAGY/Cabinet	864.0	864.0



Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1986	1987
of the Program to Modernize Agricultural Services (Cabinet/SAGYP/ICA)	Administrative Support to Activities to be Developed by the National Counterpart of the Program to Modernize Agricultural Services (Cabinet/SAGYP/ICA).	Argentina	SAGYP	540.0	540.0
Administrative Support Action: Administrative Support to the Undersecretariat of Agricultural Production in Executing the Program to Promote Instruments for Agricultural Modernization (SAGYP/Marketing).	Letter of Understanding No. 2 between the Secretariat of Agriculture, Livestock and Fisheries and ICA for Administrative Support to the Undersecretariat of Agricultural Production in Executing the Program to Promote Instruments for Agricultural Modernization (SAGYP/Marketing).	Argentina	SAGYP	540.0	540.0
Administrative Support Action: Administrative Support for Formulating Forestry and Agroindustry Projects in the Provinces	Letter of Understanding No. 2 between the National Forestry Institute, the Secretariat of Agriculture, Livestock and Fisheries and ICA for Administrative Support for Formulating Forestry Projects in the Provinces (NSO/Provinces)	Argentina	SAGYP	540.0	540.0
Project: Cooperation with EMBRAPA in Executing Technical Cooperation Services in the Area of Agricultural Modernization Technology in the South Central Brazil	Technical Cooperation Agreement between the Brazilian Institute of Agricultural Research (EMBRAPA) and ICA in Executing Technical Cooperation Services to Modernize Agricultural Technology in South-Central Brazil (PROMOAGRO)	Brazil	IOB/EMBRAPA	2,507.0	2,725.0
Project: Institutional Strengthening of Animal Health Services in Brazil	Technical Cooperation Agreement between the Federal Union, through the Ministry of Agriculture, Supply and Agrarian Reform, and ICA, headquartered in San Jose, Costa Rica, and the ICA Office in Brazil, for Strengthening the National Animal Health Program, under the Secretariat of Agricultural Health (SDA)	Brazil	MAARA/SDA/DDA	167.0	
Project: Technical Cooperation to the Secretariat of Irrigation (SIR) or National Department of Drought Control (DNOCS) for Implementing the Northeast Irrigation Project	Technical Cooperation Agreement between the Executive Secretariat of the National Irrigation Program and ICA or the National Department of Drought Control (DNOCS) for Implementing the Northeast Irrigation Project	Brazil	IBRD	666.0	448.0
Project: Implementing the System for Risk Analysis and Control of Critical Points in Fishery Products	Agreement between the Ministry of Agriculture, Supply and Agrarian Reform and ICA for Implementing Projects Linked to the Quality and Productivity Program	Brazil	MAARA	336.0	336.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 1000	
				1986	1987
Project: Institutional Strengthening of the Secretariat of Water Resources for the Integrated Management of Water Resources	Basic Cooperation Agreement on Privileges, Immunities and Institutional Relations between the Federal Republic of Brazil and ICA for Cooperation in Managing Water Resources of Brazil and ICA for Cooperation in Managing Water Resources	Brazil	IBRD/ISR	1,263.0	
Administrative Support Action: Administrative Support to the International Center for Tropical Agriculture (CIAT) in Brazil	Letter of Understanding between IICA and the International Center for Tropical Agriculture (CIAT) for Administrative Support in Brazil	Brazil	CIAT	1,100.0	1,100.0
Administrative Support Action: Support to Cooperation Activities between North Carolina State University and the Brazilian Institute of Agricultural Research (NCSU/EMBRAPA)	Letter of Understanding between North Carolina State University (NCSU) and IICA to Renew Technical Cooperation between the two Institutions, in Coordination with Activities of EMBRAPA	Brazil	NCSU/EMBRAPA	86.0	86.0
Project: Support to the Institutional Development of the Ministry of Agriculture	Technical Cooperation Agreement between the Office for Agricultural Policy Studies and IICA, to Support Training and Technical Assistance.	Chile	ODEPA/IDS	125.2	126.9
	Technical Cooperation Agreement between the Ministry of Agriculture of Chile SAG/ICA to Support the Strengthening of SAG.		SAG	119.1	122.6
	Technical Cooperation Agreement between the Office for Agricultural Policy Studies and IICA, to Support Training and Technical Assistance.		ODEPA	58.1	56.6
Project: Upgrading the Institutional, Technical and Managerial Capabilities of INDAP	Basic Agreement between the Undersecretariat of Agriculture and IICA.		Undersecretariat of Agriculture	23.9	23.5
	Cooperation Agreement between the Agricultural Development Institute (INDAP) and IICA to Prepare Studies on Institutional Modernization.	Chile	INDAP	291.2	303.5
Administrative Support Action: Resource Management to Support Training Abroad and for International Technical Assistance	Cooperation Agreement between the Agricultural and Livestock Service and IICA for Resource Management to Support Training Abroad and for International Technical Assistance.	Chile	SAG/IDS	226.1	236.3
Project: Supporting the Implementation of Strategic Areas for the Modernization of MGAP	Letter of Understanding PSA No. 6 between the Ministry of Livestock, Agriculture and Fisheries (MGAP) and IICA.	Uruguay	MGAP	30.2	30.2

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Others	Country	Source of Funding	US\$ x 000	
				1996	1997
Project: Institutional Strengthening of the Granja Sector	Agreement between the Ministry of Livestock, Agriculture and Fisheries of Uruguay and IICA to Develop the Granja Sector.	Uruguay	MGAP/JUNAGRA	120.0	120.0
Project: Strengthening the Agricultural Health Service of the Ministry of Livestock, Agriculture and Fisheries to Promote Agricultural Exports in Uruguay	Technical Cooperation Agreement between the Ministry of Livestock, Agriculture and Fisheries and IICA for Institutional Strengthening of the Directorate of Agricultural Health Services.	Uruguay	MGAP/SPA	385.0	385.0
Administrative Support Action: Supporting the Ministry of Livestock, Agriculture and Fisheries in Improving Management of the Minister's Cabinet Staff	Letter of Understanding PSA No. 5 between the Ministry of Livestock, Agriculture and Fisheries (MGAP) and IICA.	Uruguay	MGAP	324.0	324.0
Administrative Support Action: Supporting Internal Management at the National Granja Board (JUNAGRA)	Letter of Understanding G3 between the Ministry of Livestock, Agriculture and Fisheries (MGAP) and IICA Supporting Internal Management at the National Granja Board	Uruguay	MGAP/JUNAGRA	90.0	90.0
Administrative Support Action: Support in Managing the Agreement between MGAP and Farmers' Associations for Technological Validation of Agricultural Alternatives, and in the Campaign to Control the Parrot Population	Letter of Understanding CM2 between the Ministry of Livestock, Agriculture and Fisheries and IICA, within the Framework of the Technical Cooperation Agreement with the MGAP, to Support Agricultural Modernization.	Uruguay	MGAP	194.4	194.4
Administrative Support Action: Supporting PROVA in Administering the Recuperation of Risk Capital	Letter of Understanding CM2 between the Ministry of Livestock, Agriculture and Fisheries and IICA, within the Framework of the Technical Cooperation Agreement with the MGAP, to Support Agricultural Modernization.	Uruguay	MGAP	32.4	32.4
Administrative Support Action: Strengthening the Management Capabilities of the General Directorate of Agricultural Services of the MAGP	Letter of Understanding CM3 between the Ministry of Livestock, Agriculture and Fisheries and IICA, within the Framework of the Technical Cooperation Agreement between MGAP and IICA, to Support Agricultural Modernization	Uruguay	MGAP	44.3	44.3
Administrative Support Action: Supporting the Administrative Management of the Directorate of Grains of the MGAP	Letter of Understanding CM6, within the Framework of the Technical Cooperation Framework Agreement with the MGAP, to Support Agricultural Modernization.	Uruguay	MGAP/DIGRA	182.0	182.0
Administrative Support Action: Supporting the Coordinating Unit of International Affairs of the MGAP	Letter of Understanding CM10, within the Framework of the Technical Cooperation Framework Agreement with the MGAP, to Support Agricultural Modernization.	Uruguay	MGAP	86.4	86.4

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Other	Country	Source of Funding	US\$ x 1000	
				1996	1997
Project: Cooperative Program for Research and Technology Transfer for the South American Tropics (PROCTROPICOS).	Cooperation Agreement between the Bolivian Institute of Agricultural Technology (IBTA), of the Republic of Bolivia, the Brazilian Institute of Agricultural Research (EMBRAPA) of the Federal Republic of Brazil, the Colombian Agricultural Institute (ICA), of the Republic of Colombia, the National Agricultural Research Institute (INIAP), of the Republic of Ecuador, the Ministry of Agriculture of the Cooperative Republic of Guyana, the National Institute of Agrarian and Agroindustrial Research (INIAA), of the Republic of Peru, the Ministry of Agriculture, Livestock and Fisheries of Suriname, the National Agricultural Research Fund (FONAIAP), of the Republic of Venezuela, and IICA, for the Creation and Execution of the Cooperative Program for Research and Technology Transfer for the South American Tropics (PROCTROPICOS)	Brazil, Andean Regional Center, Guyana, Suriname	Countries	150.6	150.8
Project: Cooperative Program for the Development of Agricultural Technology in the Southern Cone (PROCISUR)	Technical Cooperation Agreement between the National Institute of Agricultural Technology (INTA), of the Republic of Argentina, the Bolivian Institute of Agricultural Technology (IBTA), of the Republic of Bolivia, the Brazilian Institute of Agricultural Research (EMBRAPA) of the Federal Republic of Brazil, National Agricultural Research Institute (INIA), of the Republic of Chile, the Directorate of Agricultural and Forestry Research and Extension (DIEAF) of the Ministry of Agriculture and Livestock of the Republic of Paraguay, and the Alberto Boeiger Center for Agricultural Research (CIAAB) of the Republic of Uruguay, and IICA, with a View to Institutionalizing the Cooperative Agricultural Research Program for the Southern Cone (PROCISUR), which upon entry into effect of this agreement will be known as the Cooperative Program for the Development of Agricultural Technology in the Southern Cone (PROCISUR)	Bolivia, Southern Regional Center	Countries	581.6	581.6
Project: Strengthening Plant Protection Services to Facilitate the Trade of Agricultural Products among the Countries of the Southern Cone	Cooperation Agreement among the Ministries of Agriculture of Argentina, Brazil, Chile, Paraguay and Uruguay, and IICA to Provide Technical and Administrative Support to the Plant Protection Committee	Southern Regional Center	COSAVE	270.9	138.0

Name of Project/Administrative Support Action	Name of the Agreement/Contract/Letter of Understanding/Other	Country	Source of Funding	US\$ x 1000	
				1986	1987
Project: Cooperative Rural Development Program for the Countries of the Southern Area (PROCODER)	for the Southern Area (COSAVE) to Enhance its Capabilities in Attaining its Goals and Objectives  Cooperation Agreement among the Secretariat of Agriculture, Livestock and Fisheries (SAGYF), of the Republic of Argentina; the Ministry of Agriculture, Supply and Agrarian Reform (MAARA), of the Federal Republic of Brazil; the Ministry of Agriculture and Livestock (MINAGRI), of the Republic of Chile; the Ministry of Agriculture and Livestock (MAG), of the Republic of Paraguay; the Ministry of Livestock, Agriculture and Fisheries (MGAP), of the Republic of Uruguay; the National Institute of Agricultural Technology (Argentina) (INTA), of the Republic of Argentina; the National Settlement and Agrarian Reform Institute (INCRA), the San Francisco Valley Development Corporation (CODEVASF), the Superintendency of Development for Northeast (Brazil) (SUDENE), the Bank of Northeastern Brazil (BNB) of the Federal Republic of Brazil; the Agricultural Development Institute (INDAP), the National Agricultural Research Institute (INIA), of the Republic of Chile, and IICA, for the Implementation of the Cooperative Rural Development Program for the Countries of the Southern Area (PROCODER)	Southern Regional Center	Countries	90.0	100.0
NORTHERN REGIONAL CENTER  Project: Agricultural and Forestry Research and Extension Services: Research and Organization for Technology Transfer Component	Inter-institutional Technical Cooperation Agreement between the Secretariat for Agriculture and Hydraulic Resources, representing the United States of Mexico, and IICA to Support Implementation of the Technology Transfer Component of the Agricultural and Forestry Research and Extension Project (PIEX).	Mexico	Secretariat of Agriculture and Rural Development	7,294.0 154.8	7,232.5 49.3
Project: Strengthening Animal Health Services in Mexico	Cooperation Agreement between IICA and the Secretariat for Agriculture and Hydraulic Resources of the United States of Mexico in the Area of Animal Health.	Mexico	Secretariat of Agriculture and Rural Development	1,028.0	1,080.0



2. To authorize the Director General to formalize and carry out projects funded with external resources, presently under negotiation, as presented in Annex 3 of the proposed Program Budget.
3. To authorize the Director General to receive contributions and grants and sign agreements not expressly included in this Resolution, as long as they are in keeping with the objectives of ICA's programs, and as long as he informs the Member States of the Executive Committee in advance whenever such agreements exceed US\$500,000 annually. These contracts must contain provisions that ensure that the amounts involved cover ICA's indirect administrative and technical costs, in accordance with relevant Resolutions of the Inter-American Board of Agriculture (IABA) and of the Executive Committee in force at the time.
4. To provide for any unused balance from agreements, contracts, letters of understanding and others during 1966 and 1967 to be maintained separately in ICA's trust fund and to be used in accordance with the terms of the contributions.
5. To authorize the Director General to alter the amounts of projects prepared on the basis of estimates figures, as resources are effectively confirmed by participating institutions.

IICA/CE/Res.237 (XV-0/95)

20 June 1995

Original: English

RESOLUTION No. 237

ANNUAL STUDY ON CATI RATES - 1994

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.284(95), "Annual Study on CATIs,"

CONSIDERING:

That Indirect Technical and Administrative Costs ("CATIs") charged to externally funded and related projects should accurately reflect the actual overhead costs borne by the Institute for such projects, and that IICA's quota contributions should not be used to subsidize these costs;

That Rule 3.5.2 of the Institute's Financial Rules requires the General Directorate to conduct an annual study "to ensure that the Institute's CATI rates are commensurate with the actual costs of administering external resources", and further requires that the Institute's external auditors review the study;

That Resolution IICA/CE/Res.219 (XIV-0/94) instructed the Director General, "taking into account the observations of the Member States, to complete the 1994 annual CATI study with sufficient time so that it may be reviewed



by the external auditors and so that the results may be used for establishing the appropriate CATI rates for externally funded projects negotiated in 1995";

That pursuant to that mandate, the General Directorate contracted the firm of Price Waterhouse, which issued its report on 1994 CATIs by way of letter to the Director General dated June 12, 1995 ("the CATI Study");

That the CATI study concludes: that IICA should charge an average rate of 11.57% for projects funded with external resources in order to recover all indirect costs it incurs in administering those projects; that the Institute should establish a range of negotiating rates to achieve that average; and that the range of rates established should take into account a number of factors, including the need to remain competitive as an executing agency, the scope of the project to be administered, and the range of responsibilities assumed by IICA in executing the project;

That several Member States have indicated that the Institute should seek to recover through CATIs the full administrative costs for projects funded by external resources; others have suggested that the objective of full administrative cost recovery can be achieved by implementing a flexible range of rates which will enable the agency to take into consideration in negotiating each project agreement the factors mentioned by Price Waterhouse in its study (i.e., IICA competitiveness, project scope and complexity, the nature of IICA's obligations, and responsibilities for the project), as well as the specific needs of the target country, the limitations of the donor institution, and the relationship of the project to IICA's program goals and objectives;

That the Director of Finance has informed the Executive Committee that the External Auditors have informed him that it considers the recommendations in the CATI study to be reasonable,

**RESOLVES:**

To instruct the Director General to take into account the results and recommendations of the 1994 CATI study, together with the related concerns expressed by the members of the Executive Committee, in establishing the appropriate CATI rates for externally funded projects negotiated for the remainder of 1995 and until such time as those rates are modified based on the results of future annual CATI Studies.

IICA/CE/Res.238 (XV-0/95)

20 June 1995

Original: English

RESOLUTION No. 238

REPORT OF THE AUDIT REVIEW COMMITTEE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.285(95) "Report of the Audit Review Committee"; Resolution IICA/JIA/Res.231(VII-0/93) "Establishment of the Audit Review Committee"; and the "Statute of the Audit Review Committee," contained in Appendix B of the Financial Rules,

CONSIDERING:

That the Inter-American Board of Agriculture ("IABA"), at its Seventh Regular Meeting, adopted Resolution IICA/JIA/Res.231(VII-0/93) establishing the Audit Review Committee ("ARC") and approving its Statute;

That Article 6.1 of the Statute of the ARC provides that "the ARC may adopt its own rules of procedure, provided those rules do not conflict in any way with the provisions of this [its] Statute, the other rules and regulations of the Institute, and the resolutions of the Institute's governing bodies";

That the Report of the Audit Review Committee ("ARC Report") sets out a series of audit recommendations and includes a copy of the Rules of Procedure adopted by the

ARC pursuant to its authority under Article 6.1 of its Statute;

That Article 2(k) of the Rules of Procedure of the Inter-American Board of Agriculture ("IABA") authorizes the IABA "to review the reports of the Audit Review Committee and to evaluate periodically the results of the external auditing system, including the efficiency and effectiveness of that Committee";

That Article 3(j) of the Rules of Procedure of the Executive Committee authorizes that Committee "to receive and approve the ARC's reports and recommendations, [and] to forward the reports and recommendations of the ARC to the Inter-American Board of Agriculture";

That the work of the ARC is vital for assisting the Member States in their efforts to obtain the necessary budgetary support for the Institute,

**RESOLVES:**

1. To acknowledge receipt of the audit recommendations set out in the ARC Report and to take note of the ARC's Rules of Procedure as adopted pursuant to Article 6.1 of its Statute.
2. To forward the ARC Report to the Inter-American Board of Agriculture for its review and information.
3. To express satisfaction with the work of the ARC presented to the Executive Committee during this meeting.

THE AUDIT REVIEW COMMITTEE (THE COMMITTEE)  
OF THE  
INTER-AMERICAN INSTITUTE  
FOR COOPERATION ON AGRICULTURE (IICA)

CONSIDERING Resolution 231 of the Inter-American Board of Agriculture and the need for rules to guide the activities and actions of the Audit Review Committee, in accordance with Section 6.1 of the Statute of the Audit Review Committee

RESOLVES:

To adopt the following:

RULES OF PROCEDURE

GENERAL OBJECTIVES

- Art. 1            In carrying out its duties and responsibilities, the Committee has adopted the following general objectives to guide its operations:
- a.            To promote the continued development of auditing, accounting and financial reporting procedures in order to provide support to the Executive Committee, the Inter-American Board of Agriculture, as well as the Director General and other officials and employees of the General Directorate, and thus fa-

cilitate the discharge of their duties and responsibilities.

- b. To address to the Inter-American Board of Agriculture, the Executive Committee, the Director General and other officials of IICA, reports and recommendations growing out of the audit work that will contribute to achieving greater efficiency, effectiveness and economy in the conduct of the Institute's affairs.
- c. To ensure the conduct of all external and internal audit operations in such a way that the Committee meets the responsibilities assigned to it by the Inter-American Board of Agriculture and the Executive Committee while keeping to a minimum the operating costs and the demands it makes on the time and effort of the officials and employees of IICA.
- d. To ensure the performance of the audit function in accordance with generally accepted auditing standards, the Rules of Procedure of the General Directorate, IICA's Financial Rules, and other regulations in force assuring the conduct of all labors by technically and professionally qualified auditors.

INTERNAL ORGANIZATION OF THE  
AUDIT REVIEW COMMITTEE

Art. 2           The Committee shall have its headquarters in the headquarters city of IICA.

- Art. 3           The Committee shall elect a Chairman from among its members.
- Art. 4           The Chairman of the Committee shall remain in office for the entire term of his/her appointment; however, if he/she resigns from his/her official position with the member country and is replaced, the Committee shall elect a new Chairman, whose term of office shall be the same as that for which he/she was appointed.
- Art. 5           The Chairman shall cease to hold office;
- a.           Through resignation from the chairmanship, accepted by the other members;
  - b.           Through resignation of his/her membership on the Audit Review Committee, accepted by the Executive Committee; or,
  - c.           Through resignation or other termination of his/her official position in his/her country.
- Art. 6           The Chairman has the following duties:
- a.           To convoke the meetings of the Committee;
  - b.           To preside over the meetings; and,
  - c.           To carry out the decisions of the Committee and to sign all correspondence. However, all audit reports shall be signed by the three members of the Committee.
- Art. 7           The meetings of the Committee shall normally be held at headquarters, in office space and with the resources provided by IICA, for the

most efficient performance of its work. At the call of the Chairman, however, the Committee may meet at other locations. Meetings shall be called by the Chairman who shall communicate the calling to the Directorate of Finance in sufficient time for forwarding travel fares and expenses. Actions of the Committee will be taken by a majority of votes. When the Committee is in recess it may, however, take decisions and reach agreements by means of correspondence among its members and where there is an agreement of two of them through correspondence received by the Chairman, he/she shall communicate those decisions as an agreement of the Committee to any appropriate person. In the next subsequent meeting, decisions made by correspondence shall be included in the minutes of the first session.

- Art. 8 When the Committee is in recess, its files may be placed in the custody of the Director of the Office of Administrative and Financial Audit, who shall be entrusted to keep them secure and free from access by persons not authorized by the Committee. Members of the Committee may maintain in their countries files and documents related to their Committee work. They shall take appropriate steps to keep them secure and free from access by unauthorized persons.

#### AUDIT RESPONSIBILITY

- Art. 9 The Committee is responsible for reviewing the external and internal auditing (including administrative, financial, and technical) of the following funds of IICA, as well as any others subsequently created by the Executive



Committee or Inter-American Board of Agriculture:

- Regular Funds
- Special Funds
- Trust/Revolving Funds
- Fixed Asset Fund

- Art. 10 In the conduct of its duties, the Committee will comply with the mandates contained in the Resolution IICA/JIA/Res. 231 (VII-0/93), including Attachment I--Statute of the Audit Review Committee, Attachment II--Amendments to the Institute's Rules of Procedure, and Attachment III--Amendments to the Rules of Procedure of the General Directorate.
- Art. 11 The Committee will also comply with IICA Financial Rules and any other applicable provisions that may be issued in the future by the Executive Committee or the Inter-American Board of Agriculture.
- Art. 12 The Committee will take whatever measures it considers necessary to ensure that all external and internal audit work is performed by technically and professionally qualified auditors whether they be auditors or firms of auditors contracted as such or audit staff members of their respective audit Organizations.
- Art. 13 In accordance with Articles 94 through 106 of the Rules of Procedure for the General Directorate, the accounts, financial transactions, and financial statements of the funds of IICA for which the Committee has audit responsibility shall be audited annually by External Auditors and a report on such audit submitted to the Audit Review Committee, the Executive

Committee and the Inter-American Board of Agriculture.

- Art. 14 The annual audit shall be made in accordance with generally accepted auditing standards and the external auditing requirements prescribed in Chapter VII of the Rules of Procedure for the General Directorate.
- Art. 15 The audit shall specifically include all necessary audit procedures to enable the Committee, as required by Section 1.2 of the Audit Review Committee Statute, to report to the Executive Committee and the Inter-American Board of Agriculture on (1) the overall adequacy of the External Auditors' examination and report and (2) any matters which, in the judgement of the Audit Review Committee, may constitute a violation of the rules and procedures governing the operations of the General Directorate.

Audit of Financial Statements and Supporting Records

- Art. 16 The Committee will satisfy itself that the External Auditors have conducted their work in accordance with generally accepted auditing standards, the Rules of Procedure for the General Directorate, and the Financial Rules of IICA by obtaining sufficient supporting evidence through the examination of accounting records and supporting corroborative material, general observation, inquiry, confirmations and application of other professional auditing techniques.

This examination will include but will not necessarily be limited to:

- a. Verification of the financial statements to the organization's main accounts, supplemented by analyses and tests of the latter subsidiary ledgers, supporting records, vouchers, contracts, purchase orders and other original documents.
- b. Ascertaining whether expenditures are in accordance with budgetary provisions, and whether appropriate regulations and directives have been observed.
- c. Verification of securities and cash recorded in the organization's books as being on deposit by certificates received directly from the depositories and appropriate reconciliations.

#### Relationship to the Internal Audit Offices

Art. 17      The Committee will keep itself fully informed of the work of the internal audit offices and fully consider the nature, extent, and effectiveness of internal audit work in determining the scope of its work. Internal audit offices include both the Office of Administrative and Financial Audit and the technical audit function included in the Directorate of Planning, Programming, Projects, and Technical Audit.

Art. 18      In its relations with the internal audit offices, the Committee will assess the effectiveness, efficiency, usefulness, and professional standards of the internal audit work and make suggestions or recommendations for improvements in performance or scope of audit

work. It may also make recommendations for the internal examination of special problems or questions that come to the Committee's attention.

Art. 19 The Committee will receive and review drafts of each annual plan prepared by the internal audit offices before it is finalized. The Committee will provide opinions, comments, and suggestions to the internal audit offices concerning changes to the plans.

Art. 20 The Committee will have access to all reports issued by the internal audit offices.

#### Access to Records

Art. 21 Article 99 of the Rules of Procedure for the General Directorate provides:

"The Audit Review Committee and the external auditors shall have access at all times to any books, records, documents, and vouchers that they feel are necessary for the performance of their functions."

Art. 22 If the Committee or its representatives are refused access to records deemed necessary for the performance of its functions, and the matter cannot be resolved in any other way, the problem shall be immediately communicated to the Director General and the Executive Committee, and as necessary to the Inter-American Board of Agriculture for resolution.

#### SERVICES OF INDEPENDENT AUDITORS

Art. 23 Section 1.1 of the Statute of the Audit Review Committee provides that the purpose of

the Committee is "to coordinate the examination of the accounts of the General Directorate by the Member States." Article 106 of the Rules of Procedure of the General Directorate requires the Committee to "review the work of the external auditors and all other aspects of the Institute's external auditing system \* \* \*." In order to fulfill these requirements, the Committee will advise the Inter-American Board of Agriculture on the selection of external auditors and will monitor the planning and conduct of external audits. The Committee will report on the external audit work for the annual financial statement audits and any other audits, studies, or evaluations which the Committee determines to be necessary.

Art. 24 It is the policy of the Committee to assure the Inter-American Board of Agriculture, the Executive Committee, and IICA that all audit work, regardless of who performs it, shall be done by technically and professionally qualified auditors. In its advice on the selection of external auditors the committee will take into consideration their technical capability, qualifications of personnel, reputation, and their consistent observance of generally accepted auditing standards in work performed for other clients.

Art. 25 "Technically and professionally qualified auditors" for performing any auditing activities under these rules, include auditors who:

- (1) meet the legal, professional and/or educational qualifications required in their country of residence;

- (2) have acquired a satisfactory degree of practical experience in conducting audits according to generally accepted auditing standards as is commensurate with the degree of responsibility to be assumed in the course of the audit work scheduled to be performed; and,
- (3) have demonstrated technical and professional competence in the performance of prior audits conducted for their firm, office or clients.

Art. 26      The Committee shall seek to ensure that clear and precise terms of reference are established for the conduct of the work (including the contents of these rules of procedure and of the resolutions on external auditing contained in Articles 94 through 105 of the Rules of Procedure of the General Directorate.) This material shall be set forth in the engagement letter.

Art. 27      The Committee will obtain information concerning the work and conclusions of the external auditors through verbal presentations and written reports. The Committee will incorporate the External Auditors report in its annual report to the Executive Committee or in such special reports as may be appropriate.

#### AUDIT REPORTS

Art. 28      The Committee will submit its annual report on its activities to the Executive Committee each fiscal year.

Art. 29      The annual report will contain:

- a. A summary of the activities of the Committee during the period covered.
- b. The Committee's opinion on the work and the report by the external auditors for the period covered.
- c. Comments and conclusions on any serious deficiencies or irregularities that the Committee may have found in performing its work (after first informing the Director General about them in order to give him the opportunity to explain or correct them).
- d. Information on any other matters which, in the Committee's judgement, should be brought to the attention of the Executive Committee or The Inter-American Board of Agriculture, among them:
  - \* Wasteful or improper expenditure of funds, notwithstanding the reasonableness of the accounting. Criteria to be used by the Committee to identify possible wasteful expenditures include, but are not limited to:
    1. Expenditures of more than the minimum necessary to achieve an intended purpose, such as accepting, without adequate justification, other than the lowest offer for a particular purpose,
    2. Expenditure of funds to satisfy a questionable need,
    3. Expenditure of funds for something never received, such as specified contract deliverables, and

4. Expenditure of funds for which no real benefit was realized.

Criteria to be used by the Committee to identify improper expenditures include, but are not limited to:

1. Expenditures which are contrary to regulations and/or procedures,
2. Expenditures which exceed the level of authority of the person authorizing such expenditures, and
3. Expenditures for items not allowed under the terms of a project agreement.

In assessing what, in its opinion, constitutes wasteful or improper expenditures, the Committee will take into consideration the provisions of the agreements under which particular funds are administered by IICA.

- \* Cases of fraud or presumptive fraud;
- \* Expenditures likely to lead to further outlays on a large scale;
- \* Expenditures that are not in accord with the provisions authorizing them, or excessive expenditures;
- \* Expenditures that exceed the amount of appropriations, taking into account the changes resulting from transfers duly authorized in the Inter-American Board of Agriculture resolution approving the budget;



\* Any deficiency in the general system governing the handling of income and expenditures or of supplies and equipment, and the corresponding administrative services.

Art. 30 If the Committee, on the basis of its work, has reservations as to the completeness and accuracy or the fairness of the financial statements or the work of the external auditors, it will report these reservations and clearly explain the basis for them.

Art. 31 The annual report will be signed by each of the three members of the Committee. Any one member shall explain his/her particular viewpoint in the event of a discrepancy in the analysis of the facts on which the Committee must report.

Art. 32 The Committee shall submit its annual report to the Executive Committee prior to the annual meeting of the Executive Committee.

Art. 33 At any time the Committee may call to the attention of the Executive Committee, for the purpose of Article 106 of the Rules of Procedure of the General Directorate, any fact that it has observed in the performance of its duties that in its judgement may constitute a violation or non-observance of the rules and procedures governing the operations of the General Directorate.

Art. 34 The Committee may also submit special reports on other specific subjects to the Executive Committee when the subject matter is judged by the Committee to be important enough to justify such special report.

- Art. 35 All reports of the Committee will be referred in draft form to the Director General for his comments and will be discussed with him or with officials designated by him before placing them in final form for submission to the Executive Committee or to the Inter-American Board of Agriculture. To make the reports as informative and useful as possible, the comments of the Director General will be included when the Committee determines such treatment to be desirable. The Director General would be expected to provide his comments within two weeks of receiving the Committee's draft reports. If comments are not received within the allowed time, the Committee may forward the report to the Executive Committee without comments.
- Art. 36 The members of the Committee shall act in the performance of their duties with complete independence in relation to all the organs, offices, and agencies of the Inter-American Board of Agriculture and the specific requests of the Executive Committee.
- Art. 37 The Committee may request the Executive Committee to establish any provisions that will facilitate its work.

#### AMENDMENT OF THE RULES OF PROCEDURE

- Art. 38 These Rules of Procedure may be amended by the Committee, either at its own initiative or at the proposal of the Executive Committee or the Board. Proposed amendments must be approved by a majority vote of the members of the Audit Review Committee.

Art. 39 Amendments to these Rules of Procedure shall enter into force on a date specified by the Audit Review Committee, or, if no date is so specified, on the date they are approved by the Committee.

INTERPRETATION

Art. 40 For purpose of interpretation of these Rules, the language of origin shall govern (English).

IICA/CE/Res.239 (XV-0/95)  
20 June 1995  
Original: English

RESOLUTION No. 239

ELECTION OF A MEMBER TO THE AUDIT REVIEW COMMITTEE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.286(95), "Election of a Member to the Audit Review Committee;" Resolution IICA/JIA/Res.231(VII-0/93), "Establishment of the Audit Review Committee;" the Statute of the Audit Review Committee as contained in Appendix B of the Financial Rules; Resolution IICA/CE/Res.221(XIV-0/94), "Election of the Audit Review Committee,"

CONSIDERING:

That the Inter-American Board of Agriculture ("IABA"), at its Seventh Regular Meeting, adopted Resolution IICA/JIA/Res.231(VII-0/93), establishing the Audit Review Committee ("ARC") and approving its Statute;

That Articles II and III of the ARC Statute provide that the ARC shall have three members -- at least one elected from candidates presented from among the six largest contributors and at least one elected from candidates presented from among all other Member States.

That the term of the member elected from candidates presented from among the six largest contributors to the Institute expires on December 31, 1995; that said member

cannot be reelected under the terms of the ARC Statute; and that nominations have been received from the six largest contributors for the replacement of that member;

That by Resolution IICA/CE/Res.221(XIV-0/94) the Executive Committee approved special one-time procedures for electing the first three members of the ARC to staggered terms of unequal length as required under the ARC Statute:

That the Director General has proposed and the Executive Committee has accepted "Procedures for Electing Members to the Audit Review Committee," which shall govern the election of the candidate who will replace the outgoing member this year and all subsequent elections of ARC members;

That the Executive Committee has, at this Fifteenth Regular Meeting, elected the member for the January 1, 1996 - December 31, 2001 term in accordance with those procedures,

RESOLVES:

1. To confirm the adoption of the Procedures for Electing Members of the Audit Review Committee.
2. To appoint Mr. James R. Ebbitt of the United States of America to the ARC for the term beginning January 1, 1996 and expiring on December 31, 2001.

PROCEDURE FOR ELECTING MEMBERS TO THE  
AUDIT REVIEW COMMITTEE

I. INTRODUCTION

The Audit Review Committee ("ARC"), which was established by the Inter-American Board of Agriculture in 1994, has three members. The ARC Statute requires that at least one of the members must be selected from candidates nominated from among the six major contributors, and that another member must be selected from candidates nominated from among all the other IICA Member States.

At its Fourteenth Regular Meeting in 1994, the Executive Committee elected the first three ARC members. Although the regular term for an ARC member is six years, Transitory Provisions in the ARC Statute provided that the first three members elected would serve in staggered terms of one, three, and five years respectively, as determined by lot following their election, and the Executive Committee adopted special procedures to implement those provisions for the 1994 election. At the conclusion of that election, the member nominated from the six largest contributors drew the one-year term, which expires on December 31, 1995. The election of his successor, who will serve for a six-year term ending on December 31, 2001, is to take place at this Fifteenth Regular Meeting of the Executive Committee.

The term of the member elected from candidates nominated from among all the other Member States expires on December 31, 1997. His successor will be elected for a six-year term at the Seventeenth Regular Meeting of the Executive Committee in 1997. The term of the remaining member, who was elected from candidates nominated from among all the IICA member States, expires on December 31, 1999. His successor will be elected for a six-year term at the Nineteenth Regular Meeting of the Executive Committee in that year.

The procedures that follow contain many of the same provisions adopted by the Executive Committee in 1994 for the election of the first ARC members. These procedures, however, are less complicated than the 1994 procedures because they do not have to take into account the special circumstances that existed in that year for electing three ARC members at once for staggered terms of different length. The adoption of these new procedures at the Fifteenth Meeting of the Executive Committee should obviate the need to draft new procedures for subsequent elections of ARC members.

## II. PROCEDURE

### ARTICLE I

In accordance with the requirements of Article 74 of the Rules of Procedure of the Executive Committee, each member of the Audit Review Committee ("ARC") must be elected by a majority of the Committee Members. The required majority is seven votes.

### ARTICLE II

Prior to the voting, the Chairperson will read the name and nationality of each candidate. Any discussion of the candidates shall precede the voting, and once the voting for the position has commenced, no further discussion of the candidates shall be permitted.

### ARTICLE III

If the Executive Committee so decides, the voting may be taken by secret ballot in accordance with Articles 77-79 of the Executive Committee's Rules of Procedure. Pursuant to those Articles, the Chairperson must appoint two representatives as tellers from those Member States that have "no direct interest" in the election (i.e., that have not nominated a candidate for the position under

consideration). In the event the Committee decides to proceed by secret ballot, the Institute's Director of Finance will assist the meeting's Technical Secretary in providing the necessary secretariat services.

#### ARTICLE IV

If after the first ballot for a position on the ARC there is no candidate with the required majority, there will be a second ballot for that position in which only the candidates who received the first and second highest number of votes will be considered; however, in the case of a tie for first place, the candidates involved in the tie will be the only candidates considered on the second ballot. If after the second ballot, no candidate has achieved the required majority and there are more than two candidates because of ties for the first or second highest number of votes, then the balloting shall continue until a candidate is elected by the required majority. In each subsequent balloting, only those candidates with the first and second highest number of votes on the immediately preceding ballot will be considered; however, in the event two or more candidates are tied for first place in the immediately preceding ballot, only those candidates who are so tied may be considered.

#### ARTICLE V

The Chairperson will announce the number of votes received by each candidate immediately after each balloting.



IICA/CE/Res.240 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 240

BIENNIAL REPORT OF THE CARIBBEAN AGRICULTURAL  
RESEARCH AND DEVELOPMENT INSTITUTE (CARDI)

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.290(95) "Biennial Report of the Caribbean Agricultural Research and Development Institute (CARDI),"

CONSIDERING:

That the Executive Committee, at its Thirteenth Regular Meeting, and the Inter-American Board of Agriculture (IABA), at its Seventh Regular Meeting, by Resolutions IICA/CE/Res.207(93) and IICA/JIA/Res.245(93) respectively, requested that the Director General include on the agendas of its meetings the review of the Biennial Report of CARDI;

That CARDI received significant funding from the Institute during the 1994-1995 biennium and will receive substantial funds from the Institute under the proposed 1996-1997 Program Budget;

That the IABA, by Resolution IICA/JIA/Res.244(93), requested that the activity report of CARDI include

audited financial reports, as established in Article 5.e of the Agreement between the Institute and CARDI;

That the Executive Committee, at its Fifteenth Regular Meeting, has reviewed Document IICA/CE/Doc.290(95) "Biennial Report of the Caribbean Agricultural Research and Development Institute (CARDI),"

RESOLVES:

To recommend that the Inter-American Board of Agriculture (IABA), at its Eighth Regular Meeting, approve the Document IICA/CE/Doc.290(95) "Biennial Report of the Caribbean Agricultural Research and Development Institute (CARDI)."

IICA/CE/Res.241 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 241

BIENNIAL REPORT ON THE ACTIVITIES OF THE  
TROPICAL AGRICULTURE RESEARCH AND TRAINING CENTER  
(CATIE)

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.291(95) "Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE),"

CONSIDERING:

That in accordance with Clause Nine of the CATIE Contract, the Center should submit a biennial report to the Inter-American Board of Agriculture (IABA) covering technical, financial and administrative issues,

RESOLVES:

To submit to the consideration of the Inter-American Board of Agriculture (IABA), at its Eighth Regular Meeting, Document IICA/CE/Doc.291(95), "Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE)."

IICA/CE/Res.242 (XV-O/95)  
20 June 1995  
Original: Spanish

RESOLUTION No. 242

REPORT ON THE STATUS OF THE RESOLUTIONS OF THE  
FOURTEENTH REGULAR MEETING OF THE EXECUTIVE COMMITTEE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.293(95) "Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee,"

CONSIDERING:

That after examining the aforementioned document, it was noted that the General Directorate of the Institute has satisfactorily complied with the recommendations of the Executive Committee,

RESOLVES:

To accept Document IICA/CE/Doc.293(95) "Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee."

IICA/CE/Res.243 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 243

REPORT ON THE STATUS OF THE RESOLUTIONS OF THE SEVENTH  
REGULAR MEETING OF THE INTER-AMERICAN BOARD OF AGRICULTURE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.294(95) "Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture (IABA),"

CONSIDERING:

That the Executive Committee, at its Fifteenth Regular Meeting, studied Document IICA/CE/Doc.294(95) "Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture";

That the Executive Committee, after studying the document mentioned above, noted that the General Directorate of the Institute has complied satisfactorily with the recommendations of the IABA,

RESOLVES:

To recommend that the Inter-American Board of Agriculture, at its Eighth Regular Meeting, approve Document IICA/CE/Doc.294(95) "Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture."

IICA/CE/Res.244 (XV-O/95)  
20 June 1995  
Original: Spanish

RESOLUTION No. 244

EMERITUS STATUS FOR DR. HECTOR MUÑOZ CORONADO

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.292(95) "Nominations for Granting Title of Personnel Emeritus,"

CONSIDERING:

That Dr. Héctor Muñoz Coronado has devoted much of his professional life to the service of the Inter-American Institute for Cooperation on Agriculture, where he held important positions and discharged them with great success, dedication and skill;

That Dr. Muñoz fulfills all the requirements established in Article 13.A of the Rules of Procedure of the General Directorate for achieving the status of Personnel Emeritus;

That, in compliance with Article 13.A of the Rules of Procedure of the General Directorate, the Executive Committee may grant the title of Personnel Emeritus,

RESOLVES:

To grant Dr. Héctor Muñoz Coronado the title of Personnel Emeritus of the Inter-American Institute for Cooperation on Agriculture, with all the rights and privileges this entails.

IICA/CE/Res.245 (XV-O/95)  
20 June 1995  
Original: Spanish

DRAFT RESOLUTION No. 245

1994-1995 INTER-AMERICAN AGRICULTURAL MEDAL

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

The report submitted by the Selection Committee for the Inter-American Awards in the Rural Sector and its recommendations concerning the conferring of the corresponding awards for the 1994-1995 period,

CONSIDERING:

That, as evidenced in the aforementioned report, the Committee conducted an exhaustive study of the nominations received, taking into consideration the regulations for conferring the Inter-American Awards in the Rural Sector approved by the Inter-American Board of Agriculture, at its Fifth Regular Meeting;

That these regulations stipulate that the Inter-American Agricultural Medal may be awarded on a biennial basis to only one person;

That Mr. Nazeer Ahmad from Trinidad and Tobago was nominated by the Government of Guyana as a candidate for the 1994-1995 Inter-American Agricultural Medal, and that his nomination was submitted in compliance with all established requirements;

That all documentation examined indicates that the candidate is qualified to receive this honor,

**RESOLVES:**

To recommend to the Inter-American Board of Agriculture, at its Eighth Regular Meeting, that the 1994-1995 Inter-American Agricultural Medal be awarded to Mr. Nazeer Ahmad, in public international recognition of his outstanding contributions to agricultural development and to improving rural life.



IICA/CE/Res.246 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 246

1994-1995 INTER-AMERICAN AGRICULTURAL AWARD  
FOR YOUNG PROFESSIONALS

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

The report submitted by the Selection Committee for the Inter-American Awards in the Rural Sector, and its recommendations concerning the conferring of the corresponding awards for the 1994-1995 period,

CONSIDERING:

That, as evidenced in the aforementioned report, the Committee conducted an exhaustive study of the nominations received, taking into consideration the regulations for conferring the awards approved by Inter-American Board of Agriculture, at its Fifth Regular Meeting;

That these regulations stipulate that the Inter-American Agricultural Award for Young Professionals may be awarded on a biennial basis to only one person;

That Mr. Kevel Conway Lindsay was nominated by the Government of Antigua and Barbuda as a candidate for the 1994-1995 Inter-American Agricultural Award for Young Professionals, and that his nomination was submitted in compliance with all established requirements;

Rural Development, and that her nomination was submitted in compliance with all established requirements;

That all documentation examined indicates that the candidate is qualified to receive this honor,

**RESOLVES:**

To recommend to the Inter-American Board of Agriculture, at its Eighth Regular Meeting, that the 1994-1995 Inter-American Award for the Participation of Women in Rural Development be awarded to Ms. Lorna Rose Gooden, as public international recognition of her outstanding contributions to improving rural life.

IICA/CE/Res.248 (XV-O/95)  
20 June 1995  
Original: Spanish

RESOLUTION No. 248

DESIGNATION OF THE MEMBERS OF THE AWARDS SELECTION  
COMMITTEE FOR THE 1996-1997 BIENNIUM

THE EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.297(95) "Designation of the Members of the Awards Selection Committee for the 1996-1997 Biennium,"

CONSIDERING:

That the regulations for conferring the Inter-American Awards in the Rural Sector, approved in Resolution IICA/JIA/Res.174(V-O/89), establish a committee for selecting candidates for the awards, with one representative each from five Member States sitting on the Executive Committee the years in which the Inter-American Board of Agriculture (IABA) holds its regular meeting;

That these regulations establish that four of the appointees shall represent the four geographical areas of IICA's work and the fifth shall represent the United States of America and Canada, and that they shall be selected in alphabetical order in accordance with the established criteria;

That it is necessary to establish the Selection Committee for the biennium beginning January 1, 1996,

**RESOLVES:**

To inform the Inter-American Board of Agriculture (IABA) that, in compliance with the pertinent regulations, the Selection Committee to bestow the Inter-American Awards in the Rural Sector for the 1996-1997 biennium shall be made up of one IABA representative from each of the following Member States: Argentina, Barbados, Bolivia, Guatemala and the United States of America.

IICA/CE/Res.249 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 249

PROVISIONAL AGENDA FOR THE EIGHTH REGULAR MEETING  
OF THE INTER-AMERICAN BOARD OF AGRICULTURE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.295(95) "Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture,"

CONSIDERING:

That Article 4.p of the Rules of Procedure of the Executive Committee states that the Committee shall "analyze the provisional agenda for the meetings of the Board...";

That the Executive Committee, at its Fifteenth Regular Meeting, analyzed said agenda,

RESOLVES:

1. To accept the Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture, as presented in Document IICA/CE/Doc.295(95).

2. To include on the agenda of the Eighth Regular Meeting of the Inter-American Board of Agriculture the following topic: "The Incorporation of Small-scale Entrepreneurs and Farmers into the Context of Open Markets."

IICA/CE/Res.250 (XV-O/95)

20 June 1995

Original: Spanish

RESOLUTION No. 250

DATE AND SITE OF THE SIXTEENTH REGULAR MEETING  
OF THE EXECUTIVE COMMITTEE

The EXECUTIVE COMMITTEE, at its Fifteenth Regular Meeting,

HAVING SEEN:

Document IICA/CE/Doc.296(95) "Date and Site of the Sixteenth Regular Meeting of the Executive Committee,"

CONSIDERING:

That it is necessary to set the date and site of the Sixteenth Regular Meeting of the Executive Committee;

That in accordance with Article 19 of the Rules of Procedure of the Executive Committee, this governing body must hold one regular meeting annually;

That in accordance with Article 22, if no site for the meeting is offered by one of the Member States, the meeting will be held at Institute Headquarters,

RESOLVES:

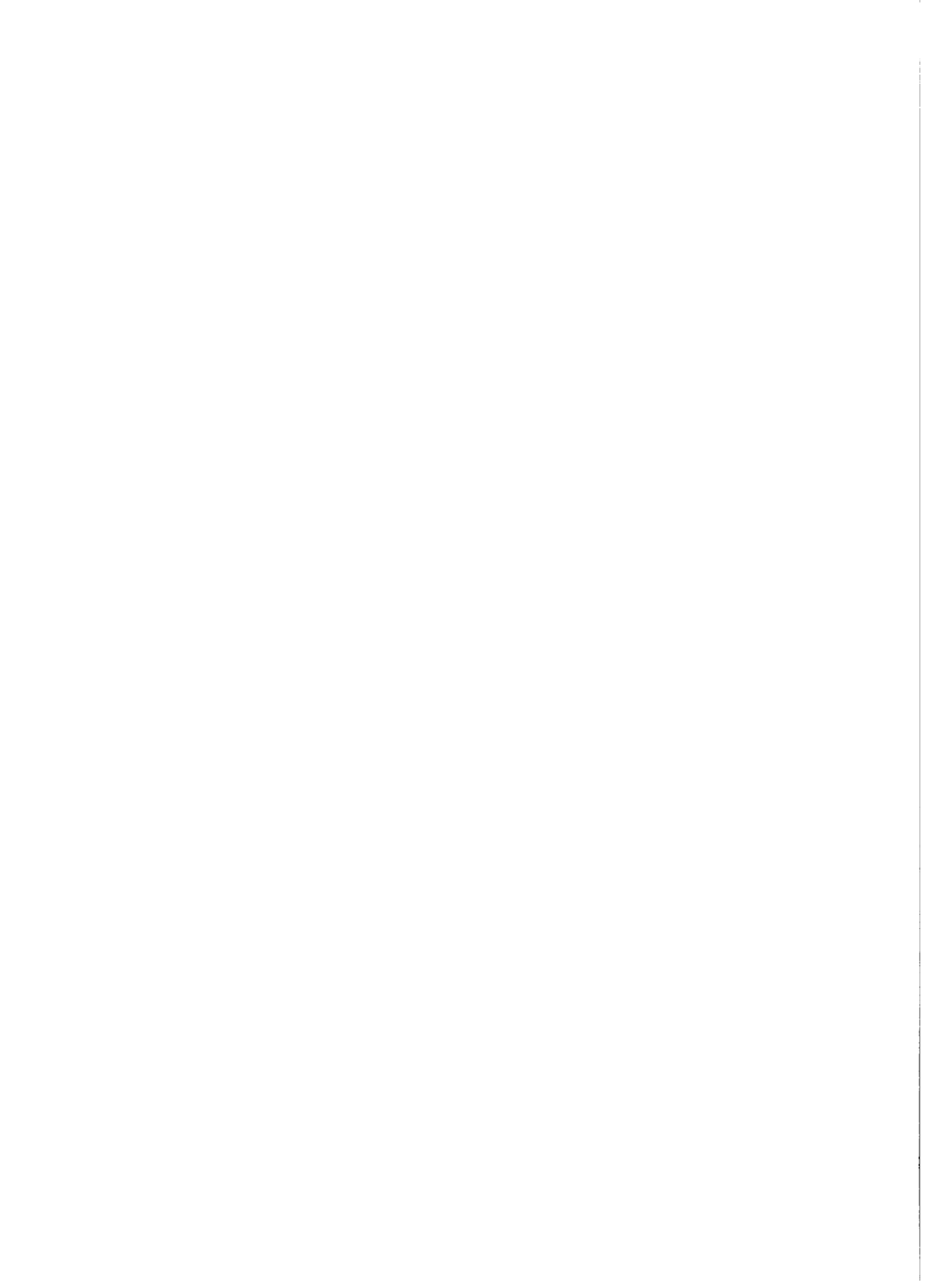
1. To hold the Sixteenth Regular Meeting of the Executive Committee at IICA Headquarters in

San Jose, Costa Rica during the month of June 1996.

2. To request the Director General to issue the call to the meeting and to invite the Member States and other participants, in compliance with the rules in effect.



**REPORTS OF THE WORKING GROUPS**



**WORKING GROUP A: PROGRAM BUDGET**

**Moderator:** Representative of Chile

**Members of the working committee:** Belize, Brazil, Canada, Chile, Costa Rica, United States of America, and Uruguay

**For IICA:** DIPRAT Staff

The session began with a presentation of the various scenarios under discussion.

The Moderator requested clarification from the Delegations regarding their positions on the proposed 1996-97 Program-Budget. The proposals are the following three:

**I. Alternative scenarios under discussion**

- 1) Three percent (3%) increase in quotas (Administration's proposal). Incremental amount over 1995: US\$825,300 (1996) and US\$1,675,300 (1997).
- 2) Every effort should be made to restrict IICA's budget to limit as much as possible the impact on projects.

- 3) Ten percent (10%) reduction in quota contributions in 1996 and another 10% reduction in 1997 (United States' proposal). Amounts reduced as compared to 1995: US\$2,750,900 (1996) and US\$5,226,700 (1997).

II. Compensatory measures for offsetting the possible reduction in quota receipts:

- 1) The Representative of Brazil proposes that adjustments be made in the internal structure, with emphasis on the decentralization of activities, and implemented through the regional Centers, strengthening the TCAs and downsizing Headquarters.
- 2) The United States Delegation suggests increasing the rate charged for CATIs and placing greater emphasis on generating income from other sources.
- 3) The United States delegation also suggests that the Secretariat consider estimating a conservative amount of CATIs that would be generated through the signing of new agreements and that those amounts be used to offset quota contributions.

III. General principles:

The United States Delegation suggests that the proposal of the working committee emphasize the following general policy principles to orient the General Directorate in the preparation of its amended budget for 1996-97.

- 1) The Member States must establish a minimum percentage (to be decided) for quotas within

IICA's budget structure, to ensure control of its actions.

- 2) Restructuring of IICA's budget should not be made at the expense of the funding of its projects.
- 3) The rates IICA charges for CATIs should suitably reflect the real cost of managing projects funded with external resources.
- 4) The countries may make additional, voluntary quota resource contributions.

The Delegation from Canada suggests:

- 1) That subtitle number III above be changed from "General Principles" to "Guiding principles".
- 2) That item 2 of the General Principles be reworded to read: "Every effort should be made in the restructuring of IICA's budget to limit as much as possible the impact on projects."
- 3) IICA's budget restructuring exercise should first address any further austerity measures to be taken later (such as, for instance, lengthened project delivery time frames, salary freezes where possible, de-layering of management, and so forth). IICA should also explore possible alternate/complementary sources of funding such as matching funds and in-kind contributions for projects.
- 4) IICA should assess areas for cuts based on how decisively each area contributes to the essential precepts of the Medium Term Plan.

## IV. Actions to be taken

- 1) It was agreed that DIPRAT would prepare the minutes of the working session and submit them to the consideration of the members of this committee.
  
- 2) The members of the committee will reach an agreement with the Technical Secretary of the Executive Committee as to the next step to be taken in this regard.

**WORKING GROUP B: QUOTA COLLECTION**

- Moderator:** Representative of Colombia
- Members of the Working Committee** Delegates of Brazil, Canada, Colombia, Costa Rica, Mexico, Peru, Suriname, United States and Venezuela.
- For IICA:** Representatives of DIREX, Directorate of Finance and DIPRAT.

IICA submitted the document "Financial Losses of IICA Quota Resources during the Period 1985-94", which served as a basis for discussion of the topics (see Annex).

**1. Recommendations on the collection of quotas**

The Working Group agreed to separate the two problems related to quotas, so as to make specific recommendations on each one, i.e., 1995 quota payments and recovery of quotas in arrears. After a wide-ranging discussion on IICA's payments system, the current economic situation of both the Institute and the Member States, and the need for the countries to make specific commitments to cover the amounts in arrears, the group reached agreement on three main recommendations:

- 1.1. That the IABA issue a resolution urging the member countries that had not paid their quota for 1995 to do so as soon as possible during 1995, in order to enable the Institute to deal with the difficult financial situation it is facing.**

- 1.2 That in order to encourage countries to pay their 1995 quotas, the Executive Committee and the IABA should for one time only, allow quotas paid by the countries during the current this year to be credited to their quota for 1995.
- 1.3 That the General Directorate of IICA should continue with its efforts to collect overdue quota payments. To that end, the Director General should be authorized to negotiate with individual countries on specific time frames and forms of payment for outstanding quotas.

The Working Group also proposed a number of alternatives, as set out below, that should be implemented by the Institute with a view to helping the countries fulfill their commitments.

Some representatives stated that current budgetary restrictions in their countries prevented them from paying quotas to international organizations during the first third of the year; payment schedules should be adjusted accordingly. What was important was to ensure that payments would be made and to know the date on which they would occur.

The Working Group also recommended that the Director General should send the countries, as soon as possible, a table showing "the multiplier effect of the IICA allocations" by country, highlighting the ratio between the amounts paid by the country to IICA and the benefits it received. It was felt that such information would help the Ministers of Agriculture in their negotiations with the Ministries of the Economy and Finance concerning the payment of quotas and the timeliness of payment.



## 2. Payment of outstanding quotas for years prior to 1995

In that regard, it was indicated that, once the 1995 quotas had been covered, the countries that were behind in their quota payments should reach agreement with IICA within a specific period, whereby they would undertake to pay all or part of the amount in arrears. To that end, each country would need to assess its actual capacity to pay and determine the most suitable payment schedule. Attention was called to the importance of IICA maintaining constant communication with the countries in order to keep abreast of their situation.

In connection with such payment arrangements, the Working Group noted that, in the past, similar measures had been applied in the United Nations and the inter-american system. Hence the group recognized that:

- The measures are feasible
- The principle that payment is an obligation of each Member State remains valid.
- A country should be allowed to establish a reasonable time frame for settling its debts.

The members of the group also felt that unless countries in arrears with their quota payments were offered possibilities for paying what they owed, there would be practically no hope of recovering those debts. The following alternatives were therefore proposed, on the understanding that they should be studied in greater depth and analyzed by IICA's Legal Advisory Services department, particularly in view of the precedent that the adoption of such measures would be setting:

- Payment of part of the debt in local currency. This suggestion would have to be handled very carefully, as the accumulation of local

currency could create financial problems for the Institute, bearing in mind its own dollar commitments. However, it was agreed that this could be an important option for some countries.

- Payment of part of the debt in kind. Wisdom was also needed in regard to this recommendation, in order to prevent such payments from becoming "white elephants" for the Institution. The Directorate of Finance recalled the recommendation made by IABA on the matter at its 1987 meeting; IABA had proposed that payment in kind might be applied in the cases of countries that had a significant amount of quotas in arrears, provided that the payments in kind were in the form of real estate (facilities, buildings, etc.). The Working Group suggested the possibility of granting the General Directorate discretionary powers to negotiate the settlement arrangements.
- One-time payment of outstanding balances, with no allowance being made for any extension, through a Special Fund for Sustainable Development negotiated with the Global Environment Fund (GEF-IBRD) or the IDB, as suggested by IICA to the countries. That alternative had been well received by the participants, as it would allow countries to pay off their debts with IICA with the investments they made in sustainable development. The funds would be provided by funding agencies through their sustainable development programs.
- It was also proposed that IICA might accept the payment of debt in the form of negotiable securities.

### 3. Incentives and penalties

It was suggested that incentives should be offered to encourage countries to make regular and timely payments of quotas:

- Offer a discount of a specific percentage of the amount in arrears to countries willing to settle their debts in cash and in US dollars.
- Offer a discount to countries that pay the amount owed in the first quarter of the year.

#### Penalties

The issue was discussed in depth in view of its potential repercussions for the countries. The most important points mentioned were:

- There would have to be well-defined criteria on the imposition of penalties to a country that was in arrears with its payments. It was specifically mentioned that, if it were decided that penalties should be imposed, a reasonable time should be allowed for the countries to bring their payments up to date.
- They could have negative psychological impact, as they might undermine unity within IICA. Therefore, great care would have to be taken in choosing the measures to be introduced.
- Some of the possible penalties mentioned for countries that fell more than two years

behind in their quota payments from 1995 onward were: enforce the provision that countries that are not up to date with their quota payments would not have the right to vote; suspend the right of countries to be elected to the IICA Committees; withdraw the benefits of programs, and charge interest on overdue quotas.

**SIGNING OF THE REPORT**




**SIGNING OF THE REPORT OF THE FIFTEENTH  
REGULAR MEETING OF THE EXECUTIVE COMMITTEE**

In compliance with the provisions of Article 91 of the Rules of Procedure of the Executive Committee, the Report of the Fifteenth Regular Meeting of the Executive Committee, in Spanish, English, French and Portuguese, the official languages of that meeting, is hereby signed at 16:00 on the twenty-first day of September of the year nineteen hundred and ninety-five, at the Headquarters of the Inter-American Institute for Cooperation on Agriculture.

The Report will be edited by the Secretariat and the changes approved during the Closing Session will be included before it is published in the four official languages of the Institute in the Official Documents Series, all versions being equally authentic and valid.

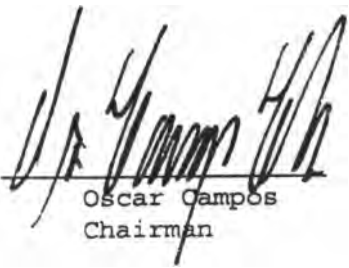
The Secretary shall file the original texts in the archives of the Inter-American Institute for Cooperation on Agriculture, and the General Directorate shall send copies of the official version of this Report to the Governments of the Member States, the Permanent Observers of the Institute and other participants in this meeting.

San Isidro de Coronado, Costa Rica



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Carlos E. Aquino González  
Director General and  
Ex-officio Secretary



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Oscar Campos  
Chairman





**REPORT OF THE CREDENTIALS COMMITTEE**



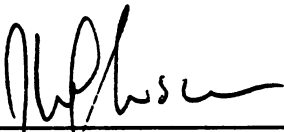
**REPORT OF THE CREDENTIALS COMMITTEE OF THE FIFTEENTH  
REGULAR MEETING OF THE EXECUTIVE COMMITTEE**

Pursuant to Article 50 of the Rules of Procedure of the Executive Committee, the Fourteenth Regular Meeting of the Executive Committee designated a Credentials Committee composed of representatives from Canada, Costa Rica, Peru and Suriname.

Meeting on the morning of June 19, 1995, the Credentials Committee elected its officers and proceeded to review the credentials of the representatives to the Executive Committee.

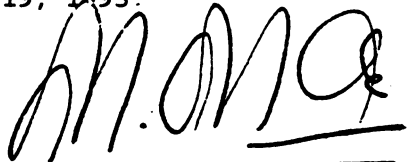
The Credentials Committee concluded that the credentials were in order and that there was no reason to doubt their authenticity.

San Jose, Costa Rica, June 19, 1995.



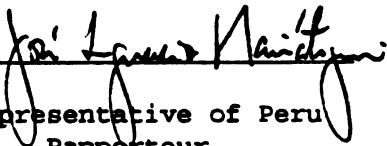
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Representative of Canada  
Chairperson  
John L. Ausman



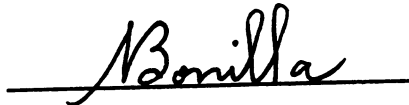
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Representative of Suriname  
Vice-Chairperson  
Johan Saidi Sisal



---

Representative of Peru  
Rapporteur  
José I. Mariátegui



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Representative of Costa Rica  
Nury Bonilla



**MINUTES AND REPORT OF THE 1994-1995 AWARDS SELECTION  
COMMITTEE FOR THE INTER-AMERICAN AWARDS  
IN THE RURAL SECTOR**



**MINUTES OF THE SELECTION COMMITTEE FOR THE  
INTER-AMERICAN AWARDS IN THE RURAL SECTOR - 1994-1995**

On June 17, 1995, the Awards Selection Committee met in compliance with the stipulations of Articles 9 to 15 of the Regulations governing the Inter-American Awards in the Rural Sector.

The Committee was made up of John L. Ausman (Canada), Adriana Herrera (Colombia), Prabhu Sookraj (Guyana), and Juan Luis Marambio (Chile). The delegate from Costa Rica, Arnaldo Urefia, was not present.

Also participating in the meeting was Eduardo Salvadó, Technical Secretary of the Fifteenth Regular Meeting of the Executive Committee and Secretary of the Awards Selection Committee, and Mrs. Guadalupe Belloc, Legal Advisor.


The meeting was called to order at 10:00 a.m.

The following agreements were reached:

1. To elect Mr. Prabhu Sookraj, delegate of Guyana, as Chairperson.
2. To grant the Inter-American Award for the Participation of Women in Rural Development to Ms. Lorna Rose Gooden, of Jamaica.
3. To grant the Inter-American Agricultural Award for Young Professionals to Mr. Kevel Conway Lindsay, of Antigua and Barbuda.
4. To grant the Inter-American Agricultural Medal to Mr. Nazeer Ahmad, of Trinidad and Tobago.

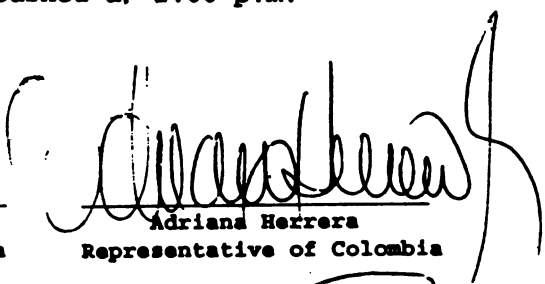
5. To draft a report to the Executive Committee of IICA setting forth the reasons for these decisions.
6. To designate Mr. Prabhu Sookraj, Chairperson of the Committee, to report to the Executive Committee on this matter.

The session was adjourned at 2:00 p.m.



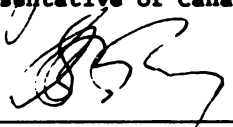
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John L. Ausman  
Representative of Canada



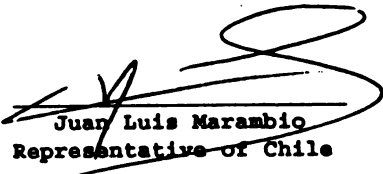
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Adriana Herrera  
Representative of Colombia




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Prabhu Sookraj  
Representative of Guyana



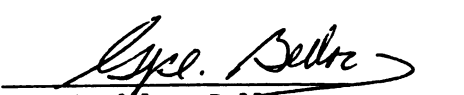
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Juan Luis Marambio  
Representative of Chile



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Eduardo Salvadó  
Secretary of the Committee



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Guadalupe Bellón  
Legal Advisor



**REPORT OF THE 1994-1995 AWARDS SELECTION COMMITTEE  
SUBMITTED TO THE FIFTEENTH REGULAR MEETING  
OF THE EXECUTIVE COMMITTEE**

The 1994-1995 Awards Selection Committee, made up of representatives from Canada, Colombia, Chile and Guyana met at IICA Headquarters in San Jose, Costa Rica on June 17, 1995, with the participation of the Secretary of the Committee. The Committee examined the documentation submitted for the consideration of the Committee in support of the candidates for the Inter-American Awards in the Rural Sector.

The first point on the agenda was the election of the Chairperson of the Committee. Mr. Prabhu Sookraj, representative of Guyana, was elected by unanimous vote.

Upon compliance with this requirement of the Regulations, the Committee proceeded to conduct a careful analysis of the background documents of 22 candidates nominated by the following Member States of IICA: Antigua and Barbuda, Argentina, Barbados, Brazil, Bolivia, Colombia, Dominica, Jamaica, Mexico, Panama, Saint Lucia, Trinidad and Tobago, United States of America and Venezuela.

Nominations were submitted as follows:

Inter-American Agricultural Medal: 13 candidates

Inter-American Agricultural Award for Young Professionals: 3 candidates

Inter-American Award for the Participation of Women in Rural Development: 6 candidates

By decision of the Committee, candidates nominated after the deadline were excluded from consideration.

After an exhaustive examination of the documentation presented in support of each of the candidates, the Awards Selection Committee recommends to the Executive Committee that the Inter-American Awards in the Rural Sector for the 1994-1995 period be granted as follows:

1. Inter-American Agricultural Award for Young Professionals to Mr. Kevel Conway Lindsay

- Mr. Lindsay has exhibited very strong personal commitment and dedication to the promotion of the interest of youth and community groups. He has displayed persistence in overcoming both obstacles and lack of traditional opportunities, and has imparted a strong sense of values to other young people.
- Mr. Lindsay has exercised remarkable leadership and creativity in his field, and has demonstrated that he is a "hands-on" animateur of rural people.
- He has achieved respect in his country and, through representing his country, in the region.
- The Committee believes that the award to Mr. Lindsay is not only fully deserved, but will have significant beneficial effect on others who carry out similar grassroots work, giving such work international validation and credibility.

2. Inter-American Award for the Participation of Women in Rural Development to Ms. Lorna Rose Gooden

Ms. Gooden has been selected for her personal commitment to promoting the participation of women in rural development. She has designed and executed several programs and projects to integrate rural women into agricultural development.

Such undertakings include the coordination of social service programs in 13 parishes, the design of programs for women that have been integrated into general agricultural extension activities, and the organization and direction of training activities for technical personnel, in the areas of nutrition, agro-processing and family planning.

In carrying out these activities, she has made a significant contribution to the integration of women into rural development, and has had a major impact in the societies where she has worked.

3. Inter-American Agricultural Medal to Mr. Nazeer Ahmad

- Mr. Ahmad is recommended for his important contribution to research in soil science, especially in respect of the elucidation of the genesis, development and fundamental properties of representative soils from the wider Caribbean area.
- His current research work on nitrogen efficiency in tropical soils is expected to have major impact on small farmers far beyond the Caribbean.

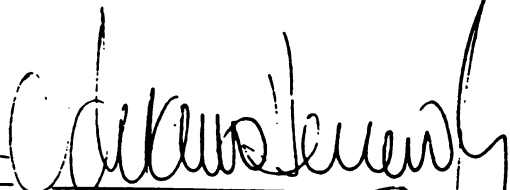
- He is considered by many as an authority on tropical soils and his work has reached a very wide and diverse readership through his large number of publications in prestigious international journals and through technical notes targeted for farmers.

The Committee also questioned whether the criterion for publication in prestigious journals should be given as high an emphasis for the Award to Young Professionals and the Award for Participation of Women in Rural Development as it has for the Agricultural Medal. It recommended that the word "prestigious" be dropped for these two categories to permit the consideration of practical or technical notes and documentation destined for farmers, for specialists in the field and for the media. The Committee also recommended that lists of publications be a desirable, but not obligatory criterion.

We hope that these recommendations will be accepted by the Executive Committee.


San Jose, June 17, 1995.


  
 John L. Ausman  
 Representative of Canada

  
 Adriana Herrera  
 Representative of Colombia

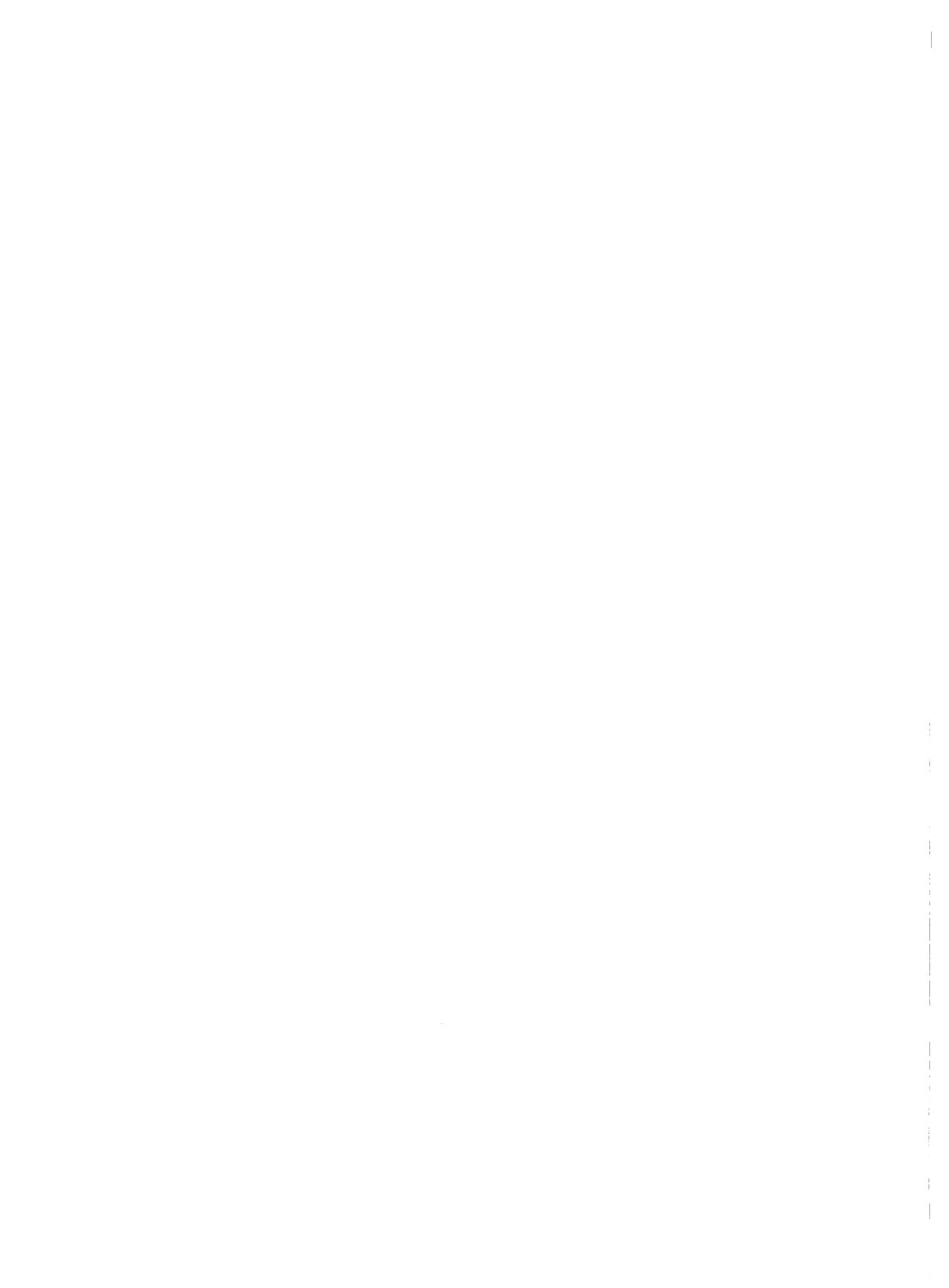
  
 Prabhu Sookraj  
 Representative of Guyana

  
 Juan Luis Narandio  
 Representative of Chile

  
 Eduardo Salvadó  
 Secretary of the Committee

  
 Guadalupe Belloo  
 Legal Advisor

## **AGENDA**



**AGENDA**

1. Provisional Schedule IICA/CE/Doc.280 (95)
2. 1994 Annual Report IICA/CE/Doc.281 (95)
3. Financial Issues
  - 3.1 1996-1997 Program Budget IICA/CE/Doc.282 (95)
  - 3.2 Report of the External Auditors and Comments by the Director General on the 1994 Report of the External Auditors IICA/CE/Doc.283 (95)
  - 3.3 Annual Study on CATIs IICA/CE/Doc.284 (95)
  - 3.4 Report of the Audit Review Committee IICA/CE/Doc.285 (95)
  - 3.5 Election of the Members of the Audit Review Committee IICA/CE/Doc.286 (95)
4. Special Reports
  - 4.1 Report of the Director General on Administrative, Financial and Programmatic Measures Taken to Implement the 1994-1998 Medium Term Plan IICA/CE/Doc.287 (95)
  - 4.2 Project Review Mechanisms IICA/CE/Doc.288 (95)

- 4.3 Scholarships IICA/CE/Doc.289 (95)
- 4.4 Biennial Report of the Caribbean Agriculture Research and Development Institute (CARDI) IICA/CE/Doc.290 (95)
- 4.5 Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE) IICA/CE/Doc.291 (95)
- 4.6 Nominations for Granting Title of Personnel Emeritus IICA/CE/Doc.292 (95)
5. Reports of the Meetings of IICA's Governing Bodies
- 5.1 Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee IICA/CE/Doc.293 (95)
- 5.2 Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture (IABA) IICA/CE/Doc.294 (95)
- 5.3 Progress Report of the Director General on the Upcoming, Eighth Regular Meeting of the Inter-American Board of Agriculture (No document)



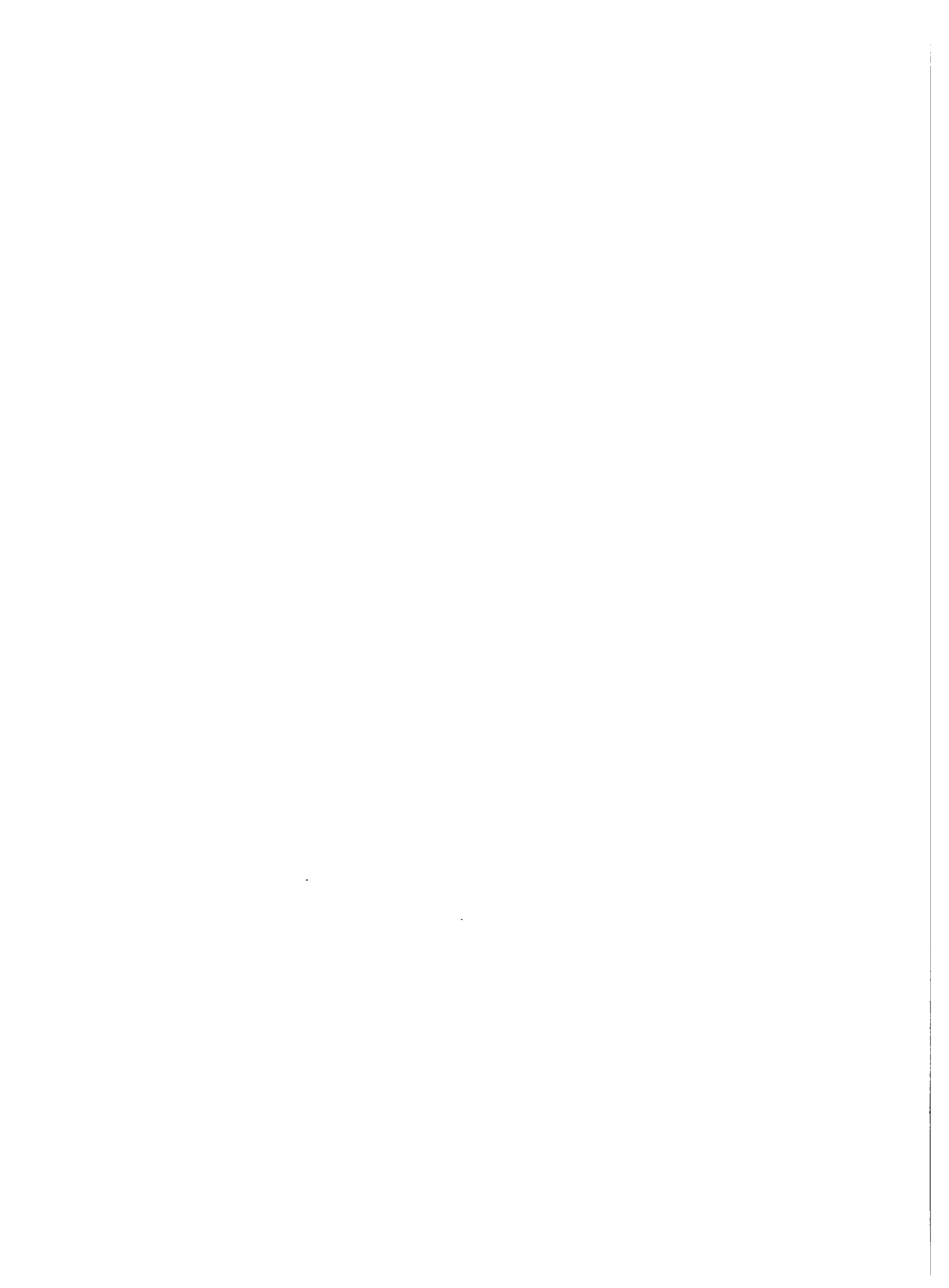
5.4 Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture IICA/CE/Doc.295(95)

5.5 Date and Site of the Sixteenth Regular Meeting of the Executive Committee IICA/CE/Doc.296(95)

6. Other Business

6.1 Report on the Selection of Candidates for the Inter-American Awards in the Rural Sector, 1994-1995 (No document)

6.2 Designation of the Members of the Awards Selection Committee for the 1996-1997 Biennium IICA/CE/Doc.297(95)



**LIST OF PARTICIPANTS**



MEMBER STATES OF IICA ON THE EXECUTIVE COMMITTEE

BELIZE

**Regular:**

Russell Garcia  
Minister of Agriculture  
Ministry of Agriculture  
Belmopan

**Alternate:**

Cresencio Sosa  
Permanent Secretary  
Ministry of Agriculture  
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BRAZIL

**Regular:**

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Assessoria para Assuntos Internacionais  
Ministério da Agricultura, do Abastecimento  
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**Alternate:**

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International Markets Bureau  
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**Alternates:**

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Ministerio de Agricultura  
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COSTA RICA

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Ministerio de Agricultura y Ganadería  
San José

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Asesor del Ministro  
Ministerio de Agricultura y Ganadería  
San José

Nury Bonilla  
Asesora del Ministerio  
Ministerio de Agricultura y Ganadería  
San José

GUYANA

Prabhu Sookraj  
Permanent Secretary  
Ministry of Agriculture  
Regent & Vlissengen Roads  
Georgetown

HAITI

Philippe Mathieu  
Directeur Général Adjoint pour les  
Affaires Techniques  
Ministère de l'Agriculture, des Ressources  
Naturelles et du Développement Rural  
Damien



PANAMA

Alfredo Acuña  
Director de Cooperación Internacional  
Ministerio de Desarrollo Agropecuario  
Panamá

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Embajada de Perú  
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José Ignacio Mariátegui  
Primer Secretario  
Embajada de Perú  
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SURINAME**Regular:**

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Minister of Agriculture, Animal  
Husbandry and Fisheries  
Ministry of Agriculture, Animal  
Husbandry and Fisheries  
Paramaribo

**Alternate:**

Robert Lieuw-A-Joe  
Acting Permanent Secretary  
Ministry of Agriculture, Animal  
Husbandry and Fisheries  
Paramaribo

VENEZUELA

Pablo G. Quevedo R.  
Director General Sectorial de  
Servicios Administrativos  
Ministerio de Agricultura y Cría  
Caracas

MEMBER STATES OF IICA NOT ON THE EXECUTIVE COMMITTEEDOMINICAN REPUBLIC

Pablo A. Cabrera A.  
Director del Departamento de  
Economía Agropecuaria  
Secretaría de Estado de Agricultura  
Santo Domingo

ECUADOR**Regular:**

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EL SALVADOR

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MEXICO

Jorge Rueda  
Director  
Dirección de Asuntos Internacionales  
Secretaría de Agricultura, Ganadería  
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PARAGUAY

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2050 San Pedro

UNITED STATES OF AMERICA

**Regular:**

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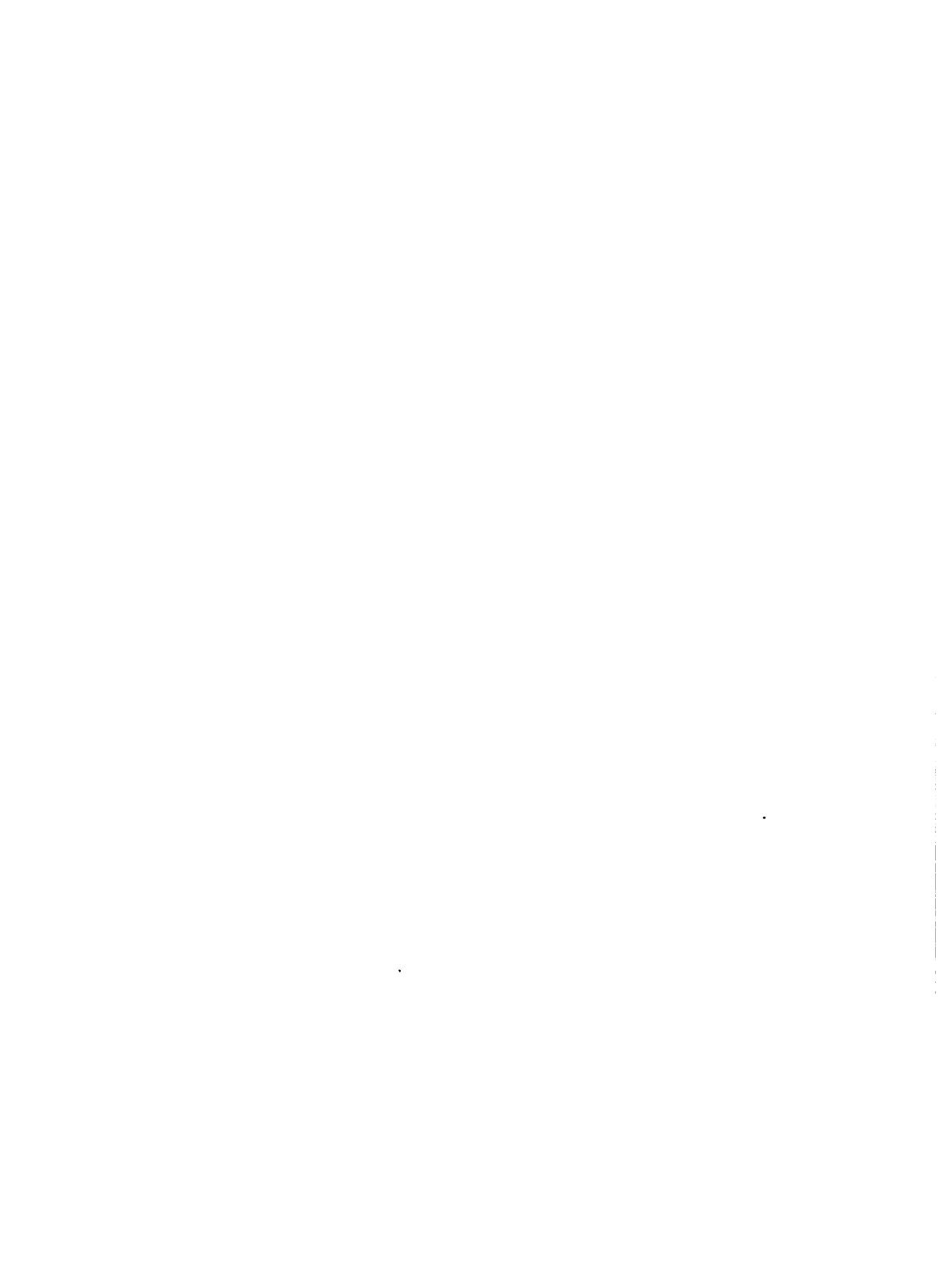
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**MEETING STAFF**

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**LIST OF DOCUMENTS**





**LIST OF DOCUMENTS**

1. IICA/CE/Doc.279 (95)      **Agenda**
2. IICA/CE/Doc.280 (95)      **Provisional Schedule**
3. IICA/CE/Doc.281 (95)      **1994 Annual Report**
4. IICA/CE/Doc.282 (95)      **1996-97 Program Budget**
5. IICA/CE/Doc.283 (95)      **Report of the External Auditors and Comments by the Director General on the 1993 Report of the External Auditors**
6. IICA/CE/Doc.284 (95)      **Annual Study on CATIs**
7. IICA/CE/Doc.285 (95)      **Report of the Audit Review Committee**
8. IICA/CE/Doc.286 (95)      **Election of the Members of the Audit Review Committee**
9. IICA/CE/Doc.287 (95)      **Report of the Director General on Administrative, Financial and Programmatic Measures Taken to Implement the 1994-98 Medium Term Plan**
10. IICA/CE/Doc.288 (95)      **Project Review Mechanisms**
11. IICA/CE/Doc.289 (95)      **Scholarships**

12. IICA/CE/Doc.290 (95) Biennial Report of the Caribbean Agriculture Research and Development Institute (CARDI)
13. IICA/CE/Doc.291 (95) Biennial Report on the Activities of the Tropical Agriculture Research and Training Center (CATIE)
14. IICA/CE/Doc.292 (95) Nominations for Granting Title of Personnel Emeritus
15. IICA/CE/Doc.293 (95) Report on the Status of the Resolutions of the Fourteenth Regular Meeting of the Executive Committee
16. IICA/CE/Doc.294 (95) Report on the Status of the Resolutions of the Seventh Regular Meeting of the Inter-American Board of Agriculture (IABA)
17. (No document) Progress Report of the Director General on the Upcoming Eighth Regular Meeting of the Inter-American Board of Agriculture
18. IICA/CE/Doc.295 (95) Provisional Agenda for the Eighth Regular Meeting of the Inter-American Board of Agriculture

19. IICA/CE/Doc.296(95) Date and Site of the Sixteenth Regular Meeting of the Executive Committee
20. (No document) Report on the Selection of Candidates for the Inter-American Awards in the Rural Sector, 1994-95
21. IICA/CE/Doc.297(95) Designation of the Members of the Awards Selection Committee for the 1996-97 Biennium

#### INFORMATIONAL DOCUMENTS

INFO No. 1: Report on the hiring of national and international consultants from January to December 1994

INFO No. 2: Consolidated Budget Statement

INFO No. 3: Status of Quotas of the Member States as of May 31, 1995



## **APPENDICES**



**ADDRESS BY MR. OSCAR CAMPOS, VICE MINISTER  
OF AGRICULTURE OF COSTA RICA AT THE INAUGURAL SESSION**

I would like to preface my remarks by expressing my appreciation to all the delegates for the distinction of being elected Chairman of the Fifteenth Regular Meeting of the Executive Committee. On behalf of Mr. José María Figueres, President of Costa Rica, and Mr. Roberto Solórzano, Minister of Agriculture and Livestock, I warmly welcome you all to Costa Rica.

Likewise, I believe we would all like to express our gratitude to Dr. Russell García, Minister of Agriculture of Belize, for his expertise and diplomacy in chairing the Fourteenth Regular Meeting of the Executive Committee.

This meeting of the Executive Committee deserves our special attention. As I understand the message of IICA's Director General and conversations I have held with some of the Delegates, we would like to take a different approach from that of meetings in the past. Not only do we need to give due consideration to the various items already specified in the agenda, but we must also lay the groundwork to ensure that the ministers attending the meetings of the Inter-American Board of Agriculture (IABA), most particularly the forthcoming one to be held in Costa Rica next September, can avoid become entangled in bureaucratic or administrative affairs. Instead, we should make sure they have the opportunity and time required to reflect on the new economic order and how it affects the agricultural sector, and to define specific actions by which the sector can adjust to the changes that the twenty-first century will bring.

We need to carefully consider and discuss the problems that our farmers are facing: the liberalization of our economies and the formation of large economic blocks; the restructuring of state bureaucracies and especially of agricultural sector institutions; formal and informal education in the rural sector; technological

development and information systems; relations between the public and private sectors; sustainable development; and many more.

For these reasons, I would respectfully request that we be expeditious in our deliberations, specific in our comments, and careful to use our time wisely.

Lastly, I am certain you will agree with me that these three days will give us the opportunity to share experiences both during the sessions and in the course of other scheduled activities. This is the best way to learn more about the successes and difficulties we have all experienced in our countries. This type of feedback can enrich us all.

Thank you.



ADDRESS BY THE DIRECTOR GENERAL OF IICA  
CARLOS E. AQUINO GONZALEZ AT THE INAUGURAL SESSION

On behalf of the community of the Inter-American Institute for Cooperation on Agriculture, on my own behalf, may I wish you all a warm welcome and thank you for your readiness to come and work with us for the next three days.

The agenda for this meeting has been carefully structured to present the technical, administrative, financial and organizational affairs of the Institute as a single, interdependent whole. It also reflects the progress achieved in implementing the MTP in 1994 and the first half of 1995, and the process of institutional change we set in motion as soon as we took office.

During this meeting, we will have the opportunity to reflect on the present and future of agriculture in the hemisphere and, of course, on the present and future of this, your institution.

Institutional change is necessary. However, institutional change must have a clear direction to ensure that it is done efficiently, avoid costly detours, and taps into the positive and negative synergies and experiences already acquired at the institution. The change being sought draws on what already exists, without rejecting what went before. On the contrary, it profits from past efforts and links them to the latest developments and the present demands and needs of governments and producers, businesses and small farmers. At the same time, the past and the present are fused together and projected into the future, with a vision of optimism and hope.

Adopting this approach, we have been able to work simultaneously in several areas of institutional structure. Changes have been introduced in the technical,

human, managerial, administrative, regulatory, organizational, programmatic and financial areas. These will continue to be subject to change and ongoing improvements. However, the first stage, that of "initial basic change," part of the overall transition that we proposed at the Fourteenth Regular Meeting of the Executive Committee last year, has now been completed.

In fact, this meeting marks the end of the first phase. We believe that, as happens in many other actions undertaken in every walk of life, it was the first step in the process of change and as such, the most difficult. Furthermore, it has been accomplished by overcoming obstacles, economic difficulties and fierce resistance, but without neglecting production and technical cooperation at Headquarters and in the countries.

Institutional transformation has come about even as work has proceeded, geared to making the best possible use of our limited economic and human resources; combining planning, creative and pragmatic thinking. However, we recognize that there is still much to be done. Many risks and dangers still lie ahead, although great opportunities also await.

Delegates to the Committee, I would now like to share with you the basic tenets of my address, which will be divided into four parts:

In the first, I will identify what I consider to be a great challenge facing all of us who work in and for agriculture. I will also describe the basic assumptions we are currently encouraging at IICA to meet this challenge successfully.

In the second part, I will propose for your consideration some of the more specific core issues that should make it easier for us to arrive at a hemispheric agenda for discussion regarding agriculture in this and coming years. With this new agenda, we will be able to define

the role that agricultural sector institutions and IICA should play in some of these areas. This will call for planning, careful coordination, and implementation of a global, regional and national strategy that will provide a better response to the challenges and changes that are developing so quickly in the economies of countries around the hemisphere and the world. The purpose will be to enter the twenty-first century at a higher threshold of quality, excellence, competitiveness and sustainability.

In the third part, I will describe the present status and recurring crises of our institution.

Over the past 10 years, IICA has encountered increasing deterioration in its financial situation as a result of the combined effect of two main factors:

- growing financial cost or delays in quota payments by some of the Member States; and
- loss of purchasing power by the quotas received by the Institute.

Bearing in mind the implications that situation holds for IICA's ability to meet its objectives, a document has been prepared that gives a rough view of the financial losses experienced by the Institute in the recent past as a consequence of the two factors mentioned above. It also gives a synthesis of the main measures IICA has taken to respond to this problem and, finally, it poses several suggestions for solving it.

In the fourth part, I will give an overview of the measures and actions that IICA is carrying out to meet this challenge and, of course, a current picture of the implementation of the 1994-98 Medium Term Plan.

1. **The evident and misleading decline in the importance of agriculture and the need to reassess, renew and fashion a new role for it in the context of the globalization of world economy**

Before discussing this first issue, I should point out that I shall not be referring to agriculture in any specific country. Rather, I shall try to give a quick summary of agriculture in Latin America and the Caribbean as a whole. As conditions in the regions and countries vary and in many cases differ enormously, and my comments refer to the region as a whole, they, therefore, may not apply to a given country.

What is the greatest challenge facing agriculture in the region? The greatest challenge is to reassess, modernize and revitalize agriculture and give it a new face, while at the same time making it more efficient and bringing it into line with the economic model currently being built in LAC.

I should begin by noting that the relevance of agriculture as a concept, a reality, and an important activity for national economies is today being seriously questioned.

For many of us who work in agriculture and perform different functions, it is a fact that in many countries of LAC, less and less importance is being attached to agriculture. While many pay lip-service to the importance of agriculture, too little action is taken to support it.

Indeed, several regional and world summit meetings dealing with topics closely related to agriculture failed to even mention it. The recent Summit of the Americas and the Summit on Social Development spring to mind.

Another very important fact, which reinforces this impression of declining importance for agriculture and heightens our concern, is the overall performance of

agriculture in LAC over the last ten or twelve years. In many countries, agricultural production has lagged. The sector has become paralyzed, unable to bring about the transformations it needs to grow more modern and competitive, attract and mobilize greater allocations, and make more sustainable use of natural resources.

What, then, is the reason for this apparent decline in the importance of agriculture and its poor performance in recent years?

At the root of the seeming decline in the importance of agriculture, and its real economic and social backwardness, is the inefficient and anachronistic record of many of the institutions and public and private agents that participate in this sector in one way or another. All of us, from national and international, public and private institutions, to economic and sectoral agents as a whole, some acting positively and others not, are directly or indirectly responsible for the weak performance of agriculture in the region.

During the event "Economic Integration in the Western Hemisphere", which we co-sponsored with the International Agricultural Trade Research Consortium and held here at IICA Headquarters some ten days ago, I shared the floor with the Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC), Gert Rosenthal. We stressed a number of elements that make up what is usually seen as the new model that is taking shape in the region. This new model is based on liberal economic and social ideas, economic opening, integration, the market and the leading role played by farmers. It also recognizes the need to relieve poverty, improved earning potential, advanced democratization and pursuit of human development. What I believe is important to underscore is that this process has yet to produce a renewed approach by which agriculture can keep abreast of new trends an approach which, is completely functional, responds to today's challenges and would both counteract this apparent

but misleading "exclusion" of agriculture and catalyze renewed growth and development in the sector.

What is IICA doing to present this renewed vision of agriculture? Allow me to share a few ideas in alliance with other institutions (IFPRI, PAHO, IDB, Earth Council), IICA is devoting efforts and resources to creating a hemisphere-wide movement to raise the profile of agriculture, with the participation of governments and particularly Ministers of Agriculture, farmer organizations, small farmers and small-, medium- and large-scale businesses, nongovernmental organizations, national and international financial, research and technical cooperation agencies, and universities and research centers.

IICA is developing and proposing a holistic approach to agricultural systems that will make it easier to grasp the multidimensional nature and interdependence of the phenomena associated with agriculture, as well as agriculture's links with the rest of rural society, the economy and, indeed, society as a whole.

Basically, the holistic approach to agricultural systems is first an interdisciplinary concept for interpreting the complex multidimensional nature of agriculture, as well as its closely interwoven relationship with the rest of rural society, the economy and society as a whole (national and international). Secondly, it is a higher purpose or objective defined as the sustainable development of agriculture. And thirdly, it is a strategy of transformation that will guide our actions, focussing on four types of change (human, production-related, trade-related and institutional) to achieve an agricultural sector that is competitive, equitable and unified and, thus, fully sustainable agriculture.

A systems approach to agriculture prioritizes human resources for three powerful reasons. First, because they are the instruments for changing production, trade and institutions. Without people, it is impossible to bring

about these changes and, even less, to try to induce them. Second, human resources are the very object of the transformation. Why else would we induce change, if not to bring about human development in rural areas? Third, human resource development (education, training, food and nutrition, social security and productive employment) is the essence of competitiveness, equity and sustainability, and in the final analysis, the key to the irreversibility or sustainability of the changes.

## 2. Items for an agricultural agenda for the Hemisphere and IICA

In view of these thoughts, we will now briefly consider some of the essential, specific items that could figure on a new agenda for the hemisphere and for IICA.

i) **The need to raise the profile of agriculture and renew its approach through agricultural systems**, which is a concept but also a policy objective and above all, an operating strategy for action. This calls for a collective, hemisphere-wide effort in which ministries of agriculture, producers, professionals, national and international funding organizations and technical cooperation agencies should be the main promoters and protagonists, acting separately and jointly to develop a global strategy that will give shape to the new mission, vision, values and goals of the agri-food sector.

ii) **Economic and Sectoral Policies.** Deficits are burgeoning in both current accounts and the balance of assets<sup>1</sup>. Net capital flows are highly volatile, overly

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The 1994 current accounts deficit topped 53 billion dollars and the balance of assets deficit exceeded 21 billion dollars, respectively.

concentrated and very speculative in nature<sup>2</sup>. Exchange rates are increasingly overvaluated<sup>3</sup>, external debts continue to grow<sup>4</sup>, and countries such as Mexico, Argentina, Venezuela and Costa Rica, are in dire straights. All these developments remind us that we must learn to live with the simultaneous implementation of stabilization and structural adjustment programs.

The definition and execution of consistent, dynamic and sustainable macroeconomic and sectoral policies is an extremely important issue. The sharing of experiences and expertise between countries in the hemisphere should also be mandatory, as it would make it possible to build the new model more quickly and allow agriculture to play a more dynamic role in the countries.

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2 Net Capital flows have been positive since 1991 and are making a useful contribution to overcoming the problems with the current account balance.

3 A by-product of the injection of capital flows, which tend to make exports and import substitution less competitive.

4 Indebtedness is up from 330 billion dollars in 1982 to over 500 billion at present, representing between 33% and 45% of the Region's GDP. It is also true that interest on the debt as a percentage of exports has fallen from 42% to around 18%, which clearly reflects the enormous effort being made by the countries to gear their exports to the world market.



iii) **Global growth and agriculture.** The World Bank's forecasts for the next ten years<sup>5</sup> are encouraging for the countries of southern Asia, eastern Asia and China (they will experience dynamic annual growth of around 7% of GDP). The Latin American and Caribbean countries are expected to have a much slower growth rate (3.4%). A lower global rate would bring per capita growth in the region down by -0.7% annually, a sharper decline than would be expected for sub-Saharan Africa. In contrast, the impact on Asian countries would be minimal.

In view of the recent poor performance of agriculture, we are bound to ask ourselves whether the sector is preparing itself adequately to meet the challenges facing it now and in the future, and whether we are guiding it on the right track, with strategic interdependence, basic support, sufficient dynamism and the institutional framework needed. Short-term actions must go hand in hand with the review and monitoring of the interaction between agriculture and the global economy, its role in the new model and projections for the future, i.e., a forward-looking analysis.

iv) **Agriculture and external opening.** The conclusion of the Uruguay Round of negotiations has done much to clear the way ahead, as until recently the outlook was discouraging. The agreements will generate an additional agricultural market worth between 35 and 65 billion dollars per year. This is between one and two times the present level of agricultural exports from all of LAC.

This is a tremendous opportunity, but also great challenges and, perhaps, a cause for concern, as over the past ten years agricultural exports in LAC have grown by less than 1% per year. Why is it that precisely when the countries are opening their economies and implementing

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World Bank. Global Economic Prospects and the Developing Countries. Washington, 1994.

outward-looking structural adjustment programs, agriculture, unlike other sectors of the economy that have responded very well, is falling behind?

The transformation of production for both domestic and foreign markets, the revitalization of agroindustrial processing and agricultural services, quality control systems, technology, animal health and plant protection, copyright, etc., are key issues that require constant monitoring to make sure they are workable.

v) **Agriculture and hemispheric integration.** Intraregional trade is extremely beneficial to economies in the hemisphere. But we are concerned at the disparities in terms of the endowment of natural resources, the capacity of agriculture and the potential of the agri-food and agroindustrial complexes of the different countries, and the fact that the countries and regions of LAC take highly dissimilar views of the relative importance of agriculture.

There is a present need to harmonize trade, macroeconomic and health policies and measures, and hold hemispheric planning efforts to encourage the joint development of comparative advantages and the exchange of information, expertise and experiences in regard to integration (e.g. NAFTA, the enterprise of the Americas initiative, other free trade agreements and complementary accords on economic issues, MERCOSUR and the ANDEAN GROUP, CARICOM.)

vi) **The transformation of production, competitiveness and the conservation of natural resources and the environment.** At the same time, it is encouraging to think that easy access to new technologies is indispensable for transforming agricultural production and inserting our economies into world markets and integration processes. But the region's agriculture has failed to make headway in improving its competitiveness. If countries are to take advantage of the new markets for their products, their

agriculture must develop dynamic and holistic competitive advantages, and not be content merely with comparative advantages. In view of the breakthroughs in the third technological revolution, not only are comparative advantages destined to prove insufficient, but we cannot continue to squander our natural resources and the environment.

vii) **Agroquality and growth.** The phase through which mankind is passing, and into which the hemisphere must integrate itself even more quickly than it has been, is **quality**: the quality of products, inputs, infrastructure and transportation; the quality of human resources, education and training; the quality of assistance and technical cooperation; the quality of food, health, policy-setting and the implementation of actions and measures. Therefore, we call this topic, which we suggest is another issue that should be given serious consideration, holistic and total agroquality. In this area also, the hemisphere-wide circulation of knowledge, experience and information should contribute enormously to implementation and development.

viii) **Relations with the agribusiness sector.** The new economic model, the agricultural paradigm and its insertion into the global economy and society are being driven by increasingly sophisticated agri-business enterprises. Producers are now expected to be responsible for greater competitiveness, the transformation of production, decisions regarding production and investment, hemispheric and regional trade integration, the use and implementation of agricultural services (many of which they are already using effectively), the use of information, knowledge and the development of experiences. It is they who are called upon to fulfill this role so that agriculture can maximize its contribution. They are directly responsible for managing a sizeable chunk of our natural resources. They are the protagonists today, and will be in the future. To strengthen and facilitate relations with this sector is a key task for us. Efforts to achieve concerted action and

complementarily between the public and private sectors are essential if we are to build this renewed phase of revitalizing, modernizing and taking a holistic approach to agriculture.

ix) **Sustainable development and human resources.** Today we know that human expertise is one of the linchpins of competitiveness. And this is a question of knowledge, already the key factor in production. What the countries of eastern and southern Asia and China have been doing - and will continue to do - is investing in technology, physical infrastructure, education and training. They have been investing 30-40% of their GDP in these areas, which they realize are the keys to growth and development. This is one of the main reasons for the astonishing growth forecast for their economies in the years ahead.

Why will LAC be unable to grow as dynamically as those countries? It is my belief that one of the reasons, as Lester Thurrow<sup>6</sup> has pointed out, is that countries in the Americas are doing exactly the opposite: allowing education to atrophy and building a society characterized by high consumption and low investment that refuses to sacrifice the privileges of individual consumption.

Education and training, for the agricultural system must have a powerful impact on productive agricultural and forestry activities, on the entire agroindustrial and agricultural trade chain, and even on the institutional framework in each subsector. This includes businesses and

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Lester Thurrow La Guerra del Siglo XXI. Editorial Vergara, Argentina 1992. Dean of the Sloane Business School of the Massachusetts Institute of Technology and one of the leading economists in the US.

campesino organizations, ministries of agriculture, research and technology transfer centers and institutes, schools and universities, credit and financial institutions and other agricultural services such as marketing and information, both public and private, and even coordinating ministries. Food and nutrition, like education and training, result in increased productivity and competitiveness and greater individual earning potential. The two action fronts, must be linked holistically. The same applies to human, plant and animal health, which not only enhance human potential, but also generate additional foreign exchange and employment. Social security, rather than mere welfare, and the creation of productive employment, in combination with all the aforementioned elements, are the key to greater earning potential for every individual; this, in turn, contributes substantially to guaranteeing economic growth with sustainable development and income distribution. Meeting the needs of rural families, women, children and youth is a strategic condition for all the above.

x) Finally, institutional reform and institution building. This requires consolidating a new public and private institutional framework, keyed to the leading role of the private sector and the public sector's fundamental responsibility to direct agriculture, by promoting, facilitating and providing market intelligence. It must keep markets transparent, and make sure that "public goods" are managed efficiently and effectively. Finally, it is responsible for guaranteeing complementarity between the public and private sectors. All these tasks are extremely important and should continue to be supported and even shared with other countries. The international institutional framework, especially for technical cooperation, has an important role to play in this, provided that it also is reformed and strengthened.

### 3. The Institute's Financial Situation and the recurring crisis

I believe we need to engage in a dialogue to develop our ideas on a number of issues involving the Institute's financial and economic crisis. Possibilities include:

- Pursue the policy of financial discipline and austerity.
- Maintain more and better contact with the observer countries.
- Enter into joint ventures, inviting the private sector to bid for consultant services and project implementation.
- Participate in new institutional reform models. IICA can be an attractive partner, with its expertise, prestige and infrastructure.
- Rely on participation and training as keys success.
- Develop activities with countries from outside the hemisphere.
- Create an IICA Foundation and define its role ("New weapons for these new times").
- Establish collection policies for services lent by the Institute.
- Increase CATIs.
- Set up payment plans to collect overdue quotas.

4. IICA's comprehensive approach to action and the implementation of the MTP.

The great challenge facing us in Latin America and the Caribbean is to raise the profile of agriculture through a renewed approach that will reactivate the sector and closely follow the new economic and social development model. This and the need to respond to the enormous demand for technical cooperation from the member countries are issues that cannot be addressed effectively without a thorough reform or institutional reorganization at IICA - internal and external, administrative and organizational, managerial and participatory, technical and human. Its mission, vision, values and goals must undergo in-depth scrutiny and be held up to the criteria of comprehensive management.

When I speak of comprehensive management, I do not mean simply changing organizational and accounting procedures, i.e. the method and mechanisms used to allocate our continually shrinking and more limited resources, or the management structure or breadth of executive power, that is, the relationship between management and junior staff. No, I mean the very essence of the managerial revolution that characterizes the modern era and the already post-modern society.

This is my vision of comprehensive management. I, of course, did not invent it, as a number of great thinkers have contributed to it, including Peter Drucker, one of the first and greatest contemporary philosophers in the field of management<sup>7</sup>. I am merely a practitioner and

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The Wall Street Journal has described Peter Drucker as the first of the analytical futurists and still the best management philosopher. In the opinion of The Economist, the breadth of his vision, his internationalism  
(continued...)

a faithful and true follower who has adopted many of the elements that I have just mentioned. But my vision goes beyond this and, like Peter Drucker, basically concerns the method of applying knowledge to knowledge itself.

Peter Drucker has said that when most people hear the term "management", they still think of "business management." It is true that management in its present form first appeared in the large corporate organizations. Today we realize that management is a generic function of every kind of organization, regardless of its specific mission. It is a generic organ of the knowledge-based know society. When Drucker began to study management during World War II and immediately thereafter, a manager was defined as a person responsible for the work his/her subordinates. In other words, this was a "boss" and management meant position and power. This is still the definition that many think of when they hear the terms "manager" and "management". By the early Fifties, the definition had changed: a manager was responsible for the performance of other people. Today we realize that this definition is also too narrow. The correct definition is: a manager is responsible for the application and performance of knowledge. This change means that today we regard knowledge as the basic resource. Land, capital and work are important, mainly as constraints. Without them, not even management can produce results. When there is efficient management, i.e. the application of knowledge to

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<sup>7</sup>(...continued)

and his sober realism combine to make his analysis of the present and his predictions for the future convincing. The Harvard Business Review has described him as the most outstanding management thinker of our times. For its part, the Financial Times affirms that it would be difficult to overestimate his contribution to management thinking. In P. Drucker, La sociedad post-capitalista.



knowledge, we can always obtain the other resources. The fact that knowledge has become the resource rather than a resource is what makes our society post-capitalist. It fundamentally changes the structure of society. It creates a new social dynamic. It creates a new economic dynamic. It creates a new politics. And I would add that the contemporary manager or administrator is not only responsible for the application and performance of knowledge, but for managing the attitudes, feelings and emotions of his/her teammates. Thus the manager becomes a facilitator and coordinator of the team's effort.

The implementation of the MTP adopts this philosophy. Our intention is that knowledge be applied to knowledge of the technical, administrative, organizational, budgetary and financial areas. This is the essence of modern management, and all-inclusive participatory management, the basic mechanism for gradually achieving comprehensive, efficient, dynamic, renewing, energizing and creative management.

Delegates to the Executive Committee, observers and guests, I feel sure that you would agree with me that agriculture in the hemisphere is not at a crossroads but at the most important crossroads of recent times. Either we decide to reassess it, inject it with new vigor and make it more efficient so that it resumes sustained growth and serves the new economic development model, on a sustainable and lasting basis, or we will have to pay the political, social and generational price. If we allow agriculture to continue to deteriorate, if we fail to harness and develop its huge potential it will never contribute its full share to the global hemispheric economy, social peace and the betterment of human life, all of which are essential pre-conditions for achieving change and building a better world for all of us and for future generations.

The process of raising the profile of agriculture begins in each country in the hemisphere, from Canada and

the U.S. to Argentina and the Caribbean, where it is an equally important and interdependent activity, even though we still do not place sufficient importance on it.

If agriculture truly comes into its own in this hemispheric context, we will begin to see the magnitude of its impact in the globalization of the economy and the sector. It will become possible for the countries to orchestrate their production and tap their dynamic comparative and competitive advantages.

At this level, the institutional framework creates what economists term "economies of scale" in every hemispheric arena and for every item on the renewed agenda for agriculture; it will reveal the true power of integration and the transformation of production and trade.

Let us harness this hemispheric synergy, create strategic networks and alliances at this level, exchange information, experiences and expertise, forge links between farmers and consumers in the countries, negotiate the best terms for our products, encouraging opening and integration, and promote agriculture and farmers throughout the hemisphere and the rest of the world.

International institutions are also faced with this challenge. IICA cannot remain on the sidelines as these changes take place in the hemisphere. On the contrary, IICA is changing - and not only in order to keep up with the changes, but primarily to be an agent and facilitator of change in agriculture. Understood in these terms, IICA becomes not a hemispheric institution for agriculture, but our hemispheric institution for agriculture. This should be its vision, mission and goal.

Let us contribute once and for all to bringing about a new appreciation of agriculture and, in doing so, raise the profile of all its institutions, including our own hemispheric IICA.

Let us add our efforts and enthusiasm to this necessary and committed reassessment of agriculture. And let us lend our firm political, moral, economic and diplomatic support to the institutional change being undertaken at IICA, so that it may provide better, more efficient and more effective support to the government and private organizations associated with agricultural development and agribusiness in the Americas.

The word "crisis" in Chinese is written with two symbols. The first means risk, danger and death; the second means opportunities hidden inside changes.

We believe that we need to take a firm stand as we face this new crisis in the institutions and the sector, one with faith, steady footing and enthusiasm. We need strategic management, not only to foresee the risks and dangers that lie ahead, but also to identify and reach out to the new opportunities taking shape on the menu of possibilities.

Thank you very much.

**ADDRESS BY MR. JUAN LUIS MARAMBIO, DELEGATE FROM CHILE,  
DURING THE CLOSING SESSION**

First of all, I would like to thank the other delegations for giving me the honor of speaking on their behalf, especially those with whom we may have had small, momentary differences during the course of the meeting.

I would also like to commend the Chairman for the wisdom and prudence he displayed in conducting the deliberations. I think we would all agree that there were difficult moments during the meeting, especially when consensus was impossible. Therefore, Mr. Chairman, we thank you for being patient with us, even when we may have been more insistent than necessary. Also, we want to thank the Director General for again providing us with everything we needed to carry out our work. We also wish to thank the Technical Secretary, who, for the last three days, and even before we arrived in Costa Rica, offered us support and the materials we required.

I do not want to finish, Mr. Chairman, without saying one more thank you. Mr. Director General, on our behalf, please thank all your personnel, those we see and those we do not, who have made this meeting possible and enabled us to do our work. Also, we appreciate the support provided by the IICA staff members who contributed to our discussions of certain points which are of the utmost importance for the future of the Institute.

Mr. Chairman, Mr. Director General, over the last three days we have addressed many topics, including the many reports you have presented and the progress made in implementing the Medium Term Plan. Also, we have discussed certain instruments that are of great importance for the future of the Institute. We believe we have made important progress, even when we did not agree. I believe this strengthens the Institute. On some points we were able to reach consensus, on others we were not. However,

you can be certain, Mr. Chairman and Mr. Director General, that our intention was always to help the Administration by providing it with clear guidelines for future actions, as reflected in the suggestions and contributions put forth by certain delegates. Our objective was to strengthen and better the Institute and, if we were somewhat vehement in expressing our views, it is because we believe this is our Institute. At the conclusion of this meeting of the Executive Committee, we will all return to our countries and to the harsh realities facing our agricultural sectors, which, as many delegates have stated, are evolving, or trying to evolve, under very difficult conditions. We have viewed with satisfaction the Institute's plans to help us in this regard, and look forward to the upcoming IABA meeting, where we will have an opportunity to address these issues in greater detail.

Mr. Chairman, as we leave, we will take with us much food for thought, especially in connection with those issues on which we could not reach consensus. You can be certain, however, that we will make a serious effort to address them in the interim, and that we are hopeful that we will reach consensus at the IABA meeting. Also Mr. Chairman, we want to commend the Director General for his willingness to accept our recommendations for improving the Institute. His words to this effect yesterday afternoon strengthen our faith and make us hopeful. I believe we have given our best during these three days, and have tried to offer IICA support for the tasks that lie ahead.

We thank you, Mr. Chairman and Mr. Director General, for the hospitality you have shown us and for the opportunity to offer recommendations for improving the Institute which, as I said earlier, belong to all of us. Thank you.

**ADDRESS BY THE DIRECTOR GENERAL, MR. CARLOS E. AQUINO  
GONZALEZ, AT THE CLOSING SESSION OF THE FIFTEENTH  
REGULAR MEETING OF THE EXECUTIVE COMMITTEE**

Thank you, Mr. Chairman and Representatives. In October 1993, following my election to the post of Director General of this Institute, we got down to the task of preparing the 1994-1998 Medium Term Plan, which was approved in September 1993 with the full participation of our counterpart institutions, the private sector and IICA's own officials. This effort took one year and every part of the hemisphere was involved.

IICA's entry into the twenty-first century is based on the execution of this Plan, which is the fruit of countless hours of work, contributions and input from the different entities and professionals involved in its preparation. In presenting it to you, and at the upcoming Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA), we are endeavoring to demonstrate and disseminate this new dimension of the Institute.

At the Seventh Regular Meeting of the Inter-American Board of Agriculture in September 1993, we were given mandates and guidelines immediately following my election which were incorporated into the 1994-1998 Medium Term Plan.

As is explained in the Plan itself, every institution has a dynamic of its own. We believe that our present efforts to enlist their collaboration in raising the awareness of the entire agricultural community of the Americas should be continued and supported, while recognizing the limitations of our Member States. This is particularly important to ensure that IICA is not viewed as an "outside" institution, but as something unique in our hemisphere and, possibly, the entire world. IICA is an exemplary institution with a specific role and a wealth of experience to share with other parts of the world.

I mention this point in light of the importance of the work that has gone before and, above all, because of the significant contribution that this Fifteenth Regular Meeting of the Executive Committee has made. We have all worked with keen interest. We have made many contributions to the concept of comprehensive participatory management, and these will make it possible to tackle the tremendous challenges facing agriculture in the Americas, empowering it to take its rightful place during this stage of globalization and integration in the hemisphere. And - -as we said at the beginning of this Meeting-- with a global, systemic vision of agriculture, recognizing its true importance.

There can be no doubt that, given the changing world in which we live, what are needed to guide institutions and business concerns in this decade and the next are strong, flexible and dynamic institutional cultures, what is often referred to as a "winning culture," with executives, administrators and managers acting as visionary strategists, innovators and negotiators filled with a spirit of enterprise and service. And how are we to achieve such a transformation? This transformation will be achieved by placing emphasis on our human resources, the core resource which, we believe, will bring about a real and effective transformation of society provided that we sufficiently support and invest in people.

One year ago, we came together to draft the 1994-1998 Medium Term Plan. Since then, new situations have arisen and the Member States are faced with new circumstances. We have to make adjustments, and that is why, fellow Representatives, when we said that legislation should not be rigid, but instead permeated with the vision that is needed in this changing world to make it competitive, we were referring to our need to adapt to the conditions of the competitive world. These conditions and the changing context are making unprecedented demands on leaders and organizations, often obliging them to radically change their outlook as regards their objectives,

priorities, vision of the future and, in particular, their ability to introduce the reforms that they require in their structures and functions to better respond to the new scenario.

We cannot live in the past. The glories of the past strengthen us in the present, as we endeavor to define our new role with a fresh vision and creativity. I feel, fellow Representatives, that if we wish agriculture to take its rightful place, it is up to us to endow it with a fresh vision, defining its task and values and highlighting its key importance, not perhaps as the only element in the development of our peoples, but certainly as a core component. The new scenarios therefore demand flexibility, enthusiasm and the dedication of all of us.

To conclude, I should like to thank all of you who have participated in this, the Fifteenth Regular Meeting of the Executive Committee, for the important contribution you have made to this institution. During our discussions, someone perhaps said that returning to your countries with no final decision on the Program Budget was not a great achievement. We feel that, given its importance and significance, this question needs careful deliberation and consideration in light of the changes that the world and the different organizations are undergoing. The decisions that you have taken and the guidelines and criteria you have laid down are of enormous importance. We shall do our duty in continuing to point out to the Member States the significance of these scenarios, indicating their positive or negative impact, because it is up to all of us to determine the kind of institution that we want in the future.

I would like to thank all of the Representatives, the Observer Representatives, the Representative from Chile for his comments, and all the support staff who have worked so efficiently and to such a high standard. I must thank everyone - those who went to the airport to meet you, officials, the Technical Secretary for the enthusiasm



with which he does his work, and the Directorate of Planning, Programming, Projects and Technical Audit (DIPRAT) and its entire team, who will now be turning to the next stage of the scenarios of the draft budgets.

My thanks to all the IICA units, to our new Deputy Director, to the Chairman of the Meeting, in short, many thanks to all of you. I hope that this has been an interesting experience for the officials from the Agricultural College of the Humid Tropic Region (EARTH). Finally, I must also thank God, Who has been with us over the last three days.

Please fill out the evaluation form, as your observations are vital for this process of reform and institutional development, so that IICA can continue to improve and achieve a standard of excellence.

Many thanks.

**ADDRESS BY MR. OSCAR CAMPOS, CHAIRMAN OF THE  
FIFTEENTH REGULAR MEETING OF THE EXECUTIVE COMMITTEE,  
AT THE CLOSING SESSION**

Today sees the end of three days of in-depth discussion and analysis of the core issues affecting the agricultural development of our countries, in the context of the new economic order and bearing in mind the advantages that it offers and the constraints it imposes.

The possibility of further development hinges on the integration of our economies so as to make more efficient use of resources, something that is especially important in the case of the agricultural sector, bearing in mind that the economies of most of the less-developed countries are based on agriculture.

As a result, all the countries are engaged in a process of restructuring their economies and reducing public expenditure, redefining policies and implementing concrete actions.

Much of the discussion during this meeting has centered on IICA's institutional sustainability. This is undoubtedly a matter of concern to all the participants in view of the key role that the Institute is called upon to play in supporting the agricultural sector of the countries of Latin America and the Caribbean.

We accept the need for economic adjustments, but without undermining agriculture, which is one of the few means of support open to the great mass of small farmers, and to a large extent makes the democratic processes possible.

In the past, resources were channeled into confrontations which only hurt humankind. Fortunately, they are gradually becoming a thing of the past. During these conflicts, the great powers invested huge amounts of

resources in weapons and armies which today should be transformed into generous assistance to reduce the levels of poverty and promote the development to which all the less-developed countries aspire, thus eradicating the economic and social backwardness that they suffer from today.

I should like to acknowledge the great sense of responsibility and commitment of all the delegates who participated actively in the debate, which was frank and direct.

I hope that between now and the meeting of the Inter-American Board of Agriculture (IABA) we will be able to study the issues involved in greater depth in order to move forward with the process of modernization, transformation and consolidation of the new role that IICA is called upon to play in support of the actions being implemented at the national, regional and hemispheric levels, aimed at the development of the agricultural sector in an integrated context.

I wish to thank the Director General for the progress that has been made with the implementation of the Medium Term Plan, and the Secretariat and all the IICA support staff for their sterling efforts. Thanks to you, the success of this meeting of the Executive Committee was never in doubt.

We hope that you have enjoyed your stay in Costa Rica and will be taking home with you happy memories of our country. At the IABA, we shall have the pleasure of receiving you with open arms and with great hopes of finding solid, efficient mechanisms to revitalize the agriculture of our hemisphere.

Many thanks.



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Apartado 55 — 2200 Coronado, Costa Rica

**This publication was printed at the IICA Print Shop  
in July 1995, with a press run of 300 copies.**





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