

IICA



NEWS

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Photo: Manchete, Brazil

Following a series of national and subregional meetings, the First Inter-American Consultation on Rural Youth will be held at IICA Headquarters from January 23-25, 1995. This meeting will provide an historic opportunity to define actions that will enable this key sector of the population to contribute to economic growth and development in the hemisphere, within the framework of a process that seeks to make sound use of natural resources.

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First Inter-American Consultation



NEWS

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The Inter-American Institute for Cooperation on Agriculture (IICA) is headquartered in San Jose, Costa Rica. It is the specialized agency for agriculture of the inter-American system. It was founded by the governments of the hemisphere in 1942 to encourage, promote and support the efforts of its Member States for agricultural development and rural well-being. It has 33 Member States and 17 Permanent Observers.

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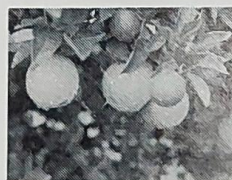
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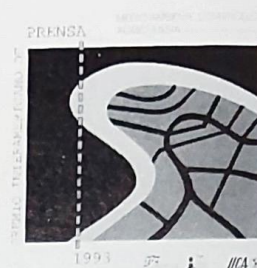
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Cover photograph courtesy of MANCHETE, Brazil



IN COSTA RICA
**INTER-AMERICAN SEMINAR
 ON RURAL YOUTH**



Photo/Jorge Rios Callender, Bolivia

The rural youth of the hemisphere have great potential for contributing to development and economic growth.

Convinced of their potential to contribute to rural development, economic growth and to making sound use of natural resources, young people from Latin America and the Caribbean, as well as representatives of public sector and civil society organizations working with rural youth, will participate in the First Inter-American Consultation on Rural Youth, to be held in Costa Rica on January 23-25, 1995.

In order to gain a better understanding of the situation of this sector of the rural population, IICA has invited governmental and private institutions as well as international technical cooperation agencies to participate in the meeting, the goal

of which is to draft a plan for inter-institutional action in support of rural youth.

The United Nations Food and Agriculture Organization (FAO), the Inter-American Development Bank (IDB), the Kellogg Foundation and the Government of Spain are co-sponsoring the event with IICA.

The Institute attaches great importance to the topic of rural youth. In its view, since rural youth represent 31% of the small-farmer population in the hemisphere, they can make a significant contribution to development and economic growth within a process that seeks to make sound use of natural resources and protect the environment.

Outlook

The political and economic changes occurring in Latin America and the Caribbean have involved, and sometimes excluded, certain social groups. Rural youths, who are among those excluded, are relatively invisible in the development process, despite their real contributions to change. Consequently, this "generation of the future" that lives in the rural areas is particularly vulnerable to change and is likely to be frustrated.

Nevertheless, the fact remains that, because they represent 33.1% of the economically active population of rural Latin America and the Caribbean, young people are potential agents of change.

CULMINATION OF EVENTS

The Inter-American Consultation Meeting will culminate a series of subregional and national preparatory meetings held in late 1994.

A subregional meeting was held for the Southern Cone in Montevideo in October, during which the Rural Youth Network (REJUR) was founded. It was attended by representatives of 24 public and private organizations from Argentina, Brazil, Chile, Paraguay and Uruguay. REJUR, which will coordinate technical cooperation actions in these five nations, will also help to strengthen and promote the interests of the rural sector.

Two subregional meetings were held in Santo Domingo, Dominican Republic in mid-November: one attended by delegates from Mexico and Central America and the other by representatives from the Caribbean. The subregional meeting for the Andean Area took place during the first week of December in Quito, Ecuador. All three subregional meetings will present proposals to be discussed at the Inter-American Consultation Meeting.

National meetings were also held, the last of which took place in Costa Rica on November 7-8. There, discussions focused on employment, access to production resources, education and training, sustainable development, organization and the gender perspective in programs targeting rural youths, among other topics.

The work of institutions addressing this topic was also analyzed and new types of cooperation were identified.

Also, according to a study by William Reuben, an IICA rural youth specialist, "the younger generation generally has a more lively interest in the conservation and management of natural resources," and can become a force in transforming institutions that perpetuate poverty, backwardness and discrimination.

Reuben also said that, as the "generation of the future," young people, with the proper education, can bring the use of new technologies and management skills to agriculture, agroindustry and rural services.

However, this potential could be undermined by the exodus of rural youth to the cities, spurred by the lack of employment opportunities at home, as well as poor access to production resources (land and credit) and to services (education and health).

In Haiti, for example, young people made up 36.41% of the urban population in 1990. By the year 2000, as a result of rural-urban migration, that figure will increase to 44.14%. In Chile, the number of young people living in cities will climb from 85.56%

to 88.33% of the total urban population during that same period. This trend is repeated in Bolivia, where the percentage will rise from 56.99% to 64.27% between now and the end of this decade. In some nations with high levels of rural unemployment, such as Dominica, Grenada and Jamaica, more than 20% of the rural population between the ages of 15 and 30 is unemployed and migration to cities and even abroad is the only alternative for thousands of rural youths.

At a disadvantage in comparison with their urban counterparts, rural youth tend to find work in the cities in a marginal labor market made up of the construction, commerce and other not very productive service sectors. Most young women migrating from the countryside go into domestic service or, in many cases, prostitution.

In search of employment, rural youth also migrate within rural areas to follow opportunities in agroindustry, tourism (in certain parts of Latin America and the Caribbean), and on plantations.



At the regional seminar in the Southern Cone, participants agreed to create a Rural Youth Network, with a view to sharing experiences and joining forces.

Situation of Agriculture in the Americas: 1992-1993

According to the report "Situation of Agriculture in the Americas: 1992-1993," published recently in Spanish by IICA, agriculture in the Americas evolves in response to national policies and the circumstances and opportunities provided by local and international markets.

The report, to be published annually henceforth, states that during the first three years of this decade, there were significant changes in the productivity, output and trade of the principal commodities of the sector.

In addition to providing a detailed look at the state of agriculture in each country, the report offers an overview of the overall performance of their economies, and a summary of policy

decisions made during the period to address trade, exchange rates, wages and employment, strategic investments and sustainable agricultural development, among others.

Questions

The two principal questions the report seeks to answer are the following: In what context does agriculture develop in the Americas?

Where have changes occurred? Regarding the first question, importance is attached to two processes that are taking place simultaneously: economic globalization and regional integration, as both have contributed to expanding the market and generating new trade flows.

The report also recognizes that the concept of an expanded agriculture has been adopted, and that the goals are now to modernize the sector and make it more competitive, strengthen its inter-sectoral linkages, reinforcing both its backward linkages (supply of inputs and machinery) and forward linkages (industry and marketing activities).

Other aspects examined were the new roles of public and private institutions, the commitment to sustainable agriculture, general economic reforms and reforms in agriculture.

Regarding where changes have taken place, the report cites: 1) trade policy, 2) exchange rate policy, 3) wage and employment policies, 4) policies for sustainable agricultural development, 5) financing and investment, 6) new legislation and institutional reforms, and 7) production, trade and prices.

Trade policy: At the subregional level, the thrust of integration efforts has been to promote greater free trade by removing barriers (eliminating or reducing tariffs, easing access to foreign exchange, reducing red tape, improving transportation and infrastructure).

Also, most foreign marketing monopolies, except in two countries, have been dismantled; few price controls continue to exist and these are generally limited to a few products; and there is a general trend of replacing import quotas and licenses with tariffs, or changing them into bands associated with variable tariffs, in markets that experience high price volatility.

The report also notes that there is widespread concern over unfair trading practices; that agricultural exports have been deregulated more rapidly than imports; and that the reaction of organized groups of producers to trade liberalization differs among countries. Between 1992-1993, rice, poultry and dairy producers were the most affected and called for trade restrictions.

Exchange rate policy: The report confirms a general trend toward liberalization of currency markets, with floating exchange rate regimes pre-



Photo/Jessica Daniel, Trinidad and Tobago

Latin American and Caribbean vegetable exports grew in the 1992-1993 farm year.



In some Latin American countries, the number of farm jobs fell as a result of migration from rural areas to the cities.

dominating. However, in the period under study, Argentina, Panama and certain Caribbean countries maintained their currencies pegged to the US dollar.

Wage and employment policies:

During the 1992-1993 farm production year, no significant changes were reported in the systems of wage determination of most countries. In general, wage rates are still determined by non-market forces; in some cases, because they fall below the market rate, minimum wages are no longer effective.

Liberalization of labor markets has been slow despite deregulation in some countries and state mediation between employers and employees in others. Antigua and Barbuda, Bolivia, Chile, Guyana, St. Kitts and Nevis and Suriname are identified in the report as countries that most successfully liberalized their labor markets.

A closely related topic is the international mobilization of the labor force, which has been addressed in the integration process, although without arriving at any specific conclusions. Nonetheless, rural workers who have been unemployed in their own countries have found work in neighboring countries. This is the case of the Paraguayans, Guatemalans and Nicaraguans

who cross over into Argentina, Mexico and Costa Rica, respectively, to work in agriculture.

During the period under study, a growing number of countries (Bolivia, Colombia, Venezuela, Paraguay, El Salvador and the countries of the eastern Caribbean) reported fewer agricultural jobs as a result of rural/urban migration, increased labor demand in other sectors (free trade zones and tourism) and the adoption of capital-intensive technologies such as agrochemicals or mechanization.

Policies for sustainable agricultural development:

At the end of the farm production year under study, most countries had no formal environmental or sustainable development policy, but the state, NGOs and private enterprises had undertaken actions to protect their natural resource base.

Most noteworthy among these were the production of organic coffee and certain vegetables for European markets, the production and use of green manure, biological control of insects with plants, the use of environmentally sound farming practices, dung beetles, and organic plant control.

In addition, actions were taken in relation to forestry conservation and management, water use, soil con-

servation, and agricultural and agroecological zoning. Also, efforts have been made to regulate trade and the use of agrochemicals, in order to protect the environment and avoid losing markets.

The report also shows that although there was growth in the output of organic products - because of their high market prices - certain problems still exist. These include high perishability, packaging, transportation and storage, their unattractive appearance and irregular supply.

Financing and investments:

The report establishes that the special treatment given to agriculture in financial matters, such as portfolio ceilings and preferential rates, are disappearing. Quite the contrary, interest rates for agriculture in many countries are moving closer or are equal to those of other sectors. Although small-scale farmers continue to receive differentiated treatment in some countries, in others this privilege is disappearing.

Small farmers' access to credit has been impaired or seriously limited by a greater demand for collateral and other loan criteria by banks. The report also confirmed the resurgence or establishment of alternative financing mechanisms: issuance of shares, auctioning off of debt on foreign markets, credit

cards, issuance of bonds, as well as authorization for loans in foreign currencies and joint ventures.

The study revealed that diminished state bank operations were somewhat compensated by the establishment of second-tier banks, and that interest rates were higher than annual inflation rates.

Output, trade and prices:

Between 1992 and 1993, the output of grains, sugar cane and coffee fell by 14%, 1.1% and 5.9%, respectively. Products that expanded included roots and tubers, vegetables and milk, for which output increased by 0.7%, 2.5% and 0.5%, respectively.

Another finding was that the Latin American and Caribbean (LAC) countries accounted for almost the entire coffee production and nearly 94% of the sugar cane output of the hemisphere, but only 25.7% of grains, for which the United States of America was the principal producer. Regarding vegetables and roots and tubers, LAC's share was

60.1% and 32.7%, respectively. The value of agricultural exports for LAC, Canada and the United States of America grew by 6.6% in 1992. Agricultural exports from LAC grew by 1.9% while those of the United States and Canada rose by an average of 9.1%.

Food exports -excluding fish- from LAC climbed by 6.9% between 1992 and 1993, despite reductions in exports of coffee (19.2%), bananas (1.1%) and dairy products and eggs (23.5%). Exported commodities that experienced growth were grains and grain by-products (30%), fruits and vegetables (6.7%), sugar and honey (3.5%) and tobacco (13.9%).

The value of food exports -excluding fish- from the United States and Canada rose by 12%. The commodities that contributed most to this trend were grains and grain by-products, dairy products and eggs, fruits and vegetables and vegetable oils.

Agricultural commodities imported by the countries of the hemisphere grew by 9.9% between 1991 and

1992, due to a 19.8% and 6% rise, respectively, in the value of imports by LAC and by the United States and Canada combined.

In the Countries

Below is an overview of the performance of agriculture in several countries during the period under study.

Canada: The agricultural sector generated approximately 3% of the GDP, employing about 3% of the work force. Agricultural output, measured in international dollars, showed consecutive declines between 1991 and 1993 from 126 to 122 and then to 121. Foreign trade grew in 1992. Relative growth in exports was 5.6%, while imports grew by 3.6%. The value of agricultural exports, which in 1991 stood at 9.6 billion dollars, grew by 13.6% in 1992. Agricultural imports, on the other hand, grew by 3.3%, climbing from 7.3 to 7.5 billion dollars.

United States of America: While GDP grew by 4.8% in 1992, agri-



Photo/Marta Eunice Calveta, Brasil

Sustainable development made headway with successful experiences in forestry and water-use management.

cultural output fell by 0.1%. In recent years, agriculture accounted for 2% of total output. In the area of trade policy, the single most important development was the final approval of the free trade agreement with Mexico and Canada. Also of importance was the reduction of import quotas for meat and sugar. Overall exports grew by 6.4%, and agricultural exports by 8.1%. Overall imports grew by 7.5%, and agricultural imports by 6.7%.

Mexico: The 1992-1993 period was characterized by a reaffirmation of trade liberalization, pursuit of greater production efficiency and competitiveness, and, consequently, approval of NAFTA. Nominal growth of the agricultural GDP (measured in current dollars at the official exchange rate) was 27.5% in 1992. Agricultural exports fell by 11% while imports rose by 34%.

Dominican Republic: The agricultural sector operated within a macroeconomic framework characterized by a stable and controlled exchange rate, low rate of inflation, a relative shortage of resources and high interest rates. Trade policy gave special treatment to the sector, which was exempted from paying taxes on imports of intermediate goods. The sector generated 18% of GDP and employed 23.1% of the work force. International prices for the main export commodities - coffee, sugar, cocoa - had an impact on the agroexport sector.

Colombia: The GDP rose from 43.2 to 47.7 billion dollars between 1991-1992, with agriculture contributing 16.1%. Agricultural exports rose by 9.3%, thanks to the dynamic performance of nontraditional products, which more than made up for the 2.22 to 2.14 billion dollar decline in the value of traditional exports.

Chile: Agriculture's contribution to GDP declined from 7.6% in 1991 to 7.1% in 1992.

Agricultural exports (agriculture, fruits, livestock and fishing) fell sharply from 24.6% to barely 0.6%, while total exports grew by almost 12%.

Argentina: Agricultural output maintained its value added at US\$13.6 billion from 1991 to 1992. As to the area under cultivation for the 1992-1993 period, mention should be made of, among others, sorghum, with 735,000 hectares; cotton, with 520,000 hectares; sugar cane, with 289,000 hectares. In fruit crops, most of the area was planted to grapes, which increased to 165,000 hectares. Argentina's overall average herd for the period under study was 53 million head of cattle, 22.4 million sheep, 4.8 million goats, 3.3 million hogs, 2 million horses, 172,000 mules and 90,000 donkeys. The poultry population was 58 million.

Traditional agricultural exports rose 1.7%, while nontraditional exports from this sector rose by 3.5%. The principal agricultural export commodities are wheat, soybeans and corn, and 1992 exports for those crops were valued at US\$715.8 million, US\$654.6 million and US\$626.6 million, respectively.

Brazil: For the fifth consecutive year, the economy was marked by recession. The GNP dropped only 0.9% thanks to 5.8% growth in the agricultural sector. Inflation exceeded 25% a month during this period. From July 1992 to July 1993, the overall CPI grew 1,878.9%, while the food CPI rose 1,935.6%. Nonetheless, in spite of the economic recession and adverse climatic conditions in the northeast, agricultural output rose as a result of a bumper grain harvest for the 1992-1993 period, which totalled 68.7 million tons and is considered the second largest harvest in history (after the 1988-89 harvest of 71.5 million tons); it exceeded the 1991-92 harvest by more than 0.4%.



Photo: Miguel Angel Morales, Argentina

Between 1992 and 1993, sugar cane output fell by 1.1%.

Staple Grains Production Devastated by Drought

US\$160.3 million losses in corn, sorghum, unhulled rice and beans

El Salvador reports greatest losses

Some 817,000 metric tons (MT) of staple grains will be lost

Fear of higher prices and hoarding

According to the findings of a regional study prepared at the request of the Presidents of the Central American isthmus and made public in October of this year, a prolonged drought in Central America since last January has caused losses of US\$160 million to the first harvest of staple grains during the 1994-95 farm year.

The document, entitled "Report on the Effect of the Drought on the Production of Staple Grains in Central America," states that some 817,000 metric tons (MT) of corn, beans, sorghum and unhulled rice will be lost in Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica.

Prepared by the Secretariat of the Central American Council on Agriculture (CAC), which operates at IICA Headquarters, the report identifies El Salvador as the country with the most serious losses (US\$48.3 million), followed by Guatemala (US\$44.4 million), Nicaragua (US\$33.3 million), Honduras (US\$32.5 million), and Costa Rica (US\$1.8 million).

Preliminary estimates based on information provided by the ministries of agriculture of those countries reveal that physical losses will stand at 651,000 MT for corn, 83,000 MT for sorghum, 46,000 MT

Central America: Estimate of Losses in the Production of Staple Grains, due to Drought -First Harvest of the 1994/1995 Farm Year- (MT x 000)

Country	Corn	Beans	Sorghum	Unhulled rice
Guatemala	187.9	13.1	11.1	2.4
El Salvador	217.2	1.7	36.3	10.3
Honduras	139.2	6.7	20.7	11.1
Nicaragua	105.5	15.3	14.6	15.8
Costa Rica	1.2	0.2	n.p.	6.6
TOTAL	651.0	37.0	82.7	46.2

n.p. Cost Rica does not produce sorghum on a commercial scale.

Source: Secretariat of the Central American Council on Agriculture (CAC), from information provided by the ministries of agriculture of Central America.

for unhulled rice and 37,000 MT for beans.

Consequences

Five possible consequences of the drought on the prices and domestic

marketing of staple grains have been identified:

1. higher prices;
2. hoarding of products at different stages of the marketing chain;
3. reductions in marketable output and in reserves for on-farm consumption;
4. lower incomes and fewer sources of employment for small farmers; and
5. the need for countries to purchase on external markets before shortages occur and prices skyrocket.

To overcome this problem, the following joint actions have been recommended:

- * To coordinate the purchases needed to supplement domestic supply through joint trade operations, and to negotiate funding for these purchases

with agencies such as the Central American Bank for Economic Integration (CABEI).

- * To combine forces in seeking international aid with which to alleviate the situation of the small farmers and other inhabi-

tants of the most severely affected areas.

- * To recommend that droughts be included within the Central American Plan to Reduce Disasters, which is coordinated by the Center for the Prevention of Natural Disasters in Central America.
- * To strengthen climatological information systems to equip them to forecast such phenomena.
- * To define more precisely the supply and use of grains needed during each month of the drought-prone period.
- * To strengthen policies governing the supply of grains, promoting the establishment of reserves which can be maintained in physical or monetary terms, depending on the degree of risk of shortages and the security offered by the pertinent international markets.

COUNTRY-BY-COUNTRY ANALYSIS

El Salvador: The eastern part of the country is the most severely affected. Estimated losses total some US\$48.3 million, which is 30% of the total for Central America.

Regarding projected total output for the first harvest of the 1994-95 farm year, relative losses amount to 34% for corn, 23% for sorghum, 15% for rice and 20% for beans. In response, the government issued an emergency decree which calls for extraordinary measures including grain importation, the extension of loans to three years, and employment programs for farmers who lost their harvests.



Photo/Carmelo Alfonso Jiménez Castro, Colombia

Corn was most affected by the drought.

Guatemala: The most severe losses were reported in the southern, eastern, southeastern and southwestern parts of the country, with the greatest impact being felt in the border areas with Mexico and El Salvador, and along the Pacific coast. Economic losses, estimated at US\$44.4 million, are the second highest in the region.

Physical losses as compared to the expected output for the first harvest of the 1994-1995 farm year stand at between 11.3% and 13.8% for sorghum, beans and corn. Some measures adopted to address the situation include more flexible conditions for recovery of loans, incentives for the importation, marketing and production of grains in accordance with new economic policies, and the consolidation of projects executed by the ministry of agriculture in order to capture rain water, among others.

Nicaragua: The drought affected the Pacific region, especially the departments of Chinandega, Esteli, Leon, Matagalapa and Madriz. As in the rest of the countries, corn was most severely affected, with losses totalling US\$16.4 million, followed by beans, where losses were more than

US\$12 million. Total losses exceed US\$33.3 million.

The drought caused a 65% reduction in the expected output of sorghum for the first harvest, 56% in beans, 41% in corn and 31% in rice. Several measures have been taken to alleviate the impact of the drought: the granting of in-kind credit (agricultural inputs such as seeds, insecticides and fertilizer) at the Central Bank's discount rate; the promotion of sesame and white sorghum as alternative crops in dry zones; the exchange of work for food, including rice, beans, sugar and coffee; and requests to the international community for support.

Honduras: The southern, central, eastern and western parts of the country were most severely affected. Of the total of US\$32.5 million in losses, 70% was attributed to corn: approximately one third of the projected output of corn, beans and sorghum for the first harvest of the 1994-95 farm year was lost. About 13% of the rice crop was lost.

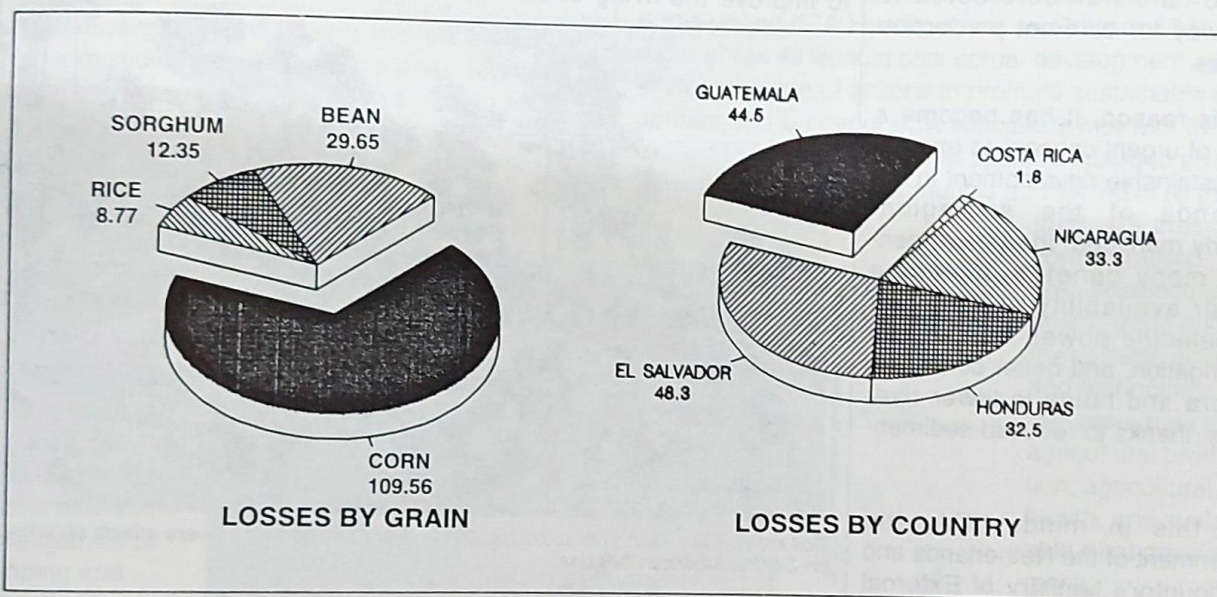
The problem is being addressed on three key fronts. Foreign trade: the

private sector received authorization to import 500,000 quintals of corn. Credit: 28 million lempiras, which the governments trusts will be forthcoming from private banks, will be made available to farmers for late planting. Technical assistance: the Secretariat of Natural Resources will provide technical support to farmers in agricultural zones of great potential.

Steps taken to help affected farmers include credit at a rate of 23.5% (8.5 points lower than the market price). New agricultural development projects include the drilling of community wells, incentives for production such as credit and access to market information and technology. Research will be conducted on production systems suited to conditions in affected areas, for example, on drought-resistant grasses and crops

One possible consequence of the drought is higher grain prices.

Economic losses caused by the drought -in millions of dollars-



Source: Secretariat of the Central American Council on Agriculture, from information provided by the ministries of agriculture.

Also, irrigation systems and the marketing of agricultural inputs will be improved.

Costa Rica: The drought has been felt most severely in the Chorotega Region, primarily along with border with Nicaragua. The value of crops lost is estimated at US\$1.8 million, the lowest in the region. The relatively most affected crop is corn, with a loss of 6.2%, followed by beans (5.5%), and rice (3.7%). No losses were reported for sorghum as that crop is not produced commercially.

or local management systems that diminish the impact of drought. The third stage of an irrigation project financed by the Inter-American Development Bank (IDB) will consolidate the Arenal-Tempisque project. Between August 1994 and July 1995, yellow corn (260,000 MT) and white corn (21,000 MT) will be imported; due primarily, however, to a shortfall in domestic production.

International aid will be sought for alleviating the situation of the small farmers most seriously hit by the drought.

STRATEGIC ALLIANCES

CENTRAL AMERICA

Sustainable Hillside Farming Promoted

In Central America more than 60% of the land used for agricultural and livestock activities is located in mountainous areas, where more than 50% of the forests of the isthmus are also located. In the 1980s alone, however, 64% of hillside land was deforested to make way for different production activities.

For this reason, it has become a matter of urgent concern to encourage sustainable development in the highlands of the subregion. Properly managed, they could generate many benefits, including greater availability of water for hydroelectric power, human use and irrigation, and better conditions for flora and fauna in lower river basins, thanks to reduced sedimentation.

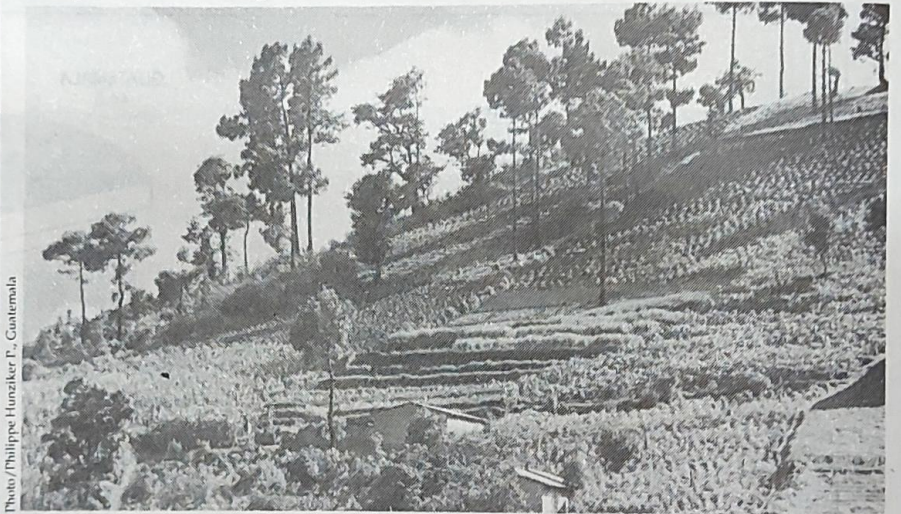
With this in mind, IICA, the Government of the Netherlands and that country's Ministry of External Cooperation launched in September an institutional development project that will foster sustainable agricultural production on Central American hillsides.

The three-year initiative will promote the development of policies and institutional frameworks, and the human resources working with them, for fostering the application of sustainable production systems.

Project activities -the total cost of which is US\$1,621,000- include regional seminars, national workshops, training activities, technical assistance and a pilot project to establish agroecological zones in river basins.

Immediate project beneficiaries will be persons working with public sector entities, nongovernmental organizations (NGOs), local governments and farmers' organizations.

In the longer term, the project aims to improve the living conditions of



Photo/Philippe Hunziker E., Guatemala

Soil erosion and excessive sedimentation in rivers are the most severe effects of deforestation on Central American hillsides.

poor small farmers who work the hillsides and the inhabitants of lower river basins, through improved water and soil management and the use of sound production systems.

Activities

In this project, IICA will work with the International Center for Tropical Agriculture (CIAT), the Tropical Agriculture Research and Training Center (CATIE) and the International Food Policy Research Institute (IFPRI), all of which are members of the Inter-institutional Working Group. The goal of these joint efforts is to build a multisectoral consensus on

the causes of and solutions for erosion on hillsides in Central America.

Another goal is to establish a team of policymakers, technicians, and farmers who have received training, who will work together through interinstitutional cooperation in bringing about sustainable agricultural production on hillsides.

According to an IICA study, much of Central American livestock and agricultural activity takes place on hillsides. More specifically, 61% are devoted to livestock activity, 31% to

annual crops and 7% to permanent crops.

These percentages vary by country and crop; for example, 80% of agricultural lands in El Salvador and 53% in Honduras are on hillsides.

According to an IICA study, much of Central American livestock and agricultural activity takes place on hillsides.

ACTION IN THE COUNTRIES

THIRD INTERNATIONAL CONFERENCE

Ecological Economics Soon to be Applied

Approximately 1300 environmentists and economists met in San Jose, Costa Rica from October 24-28 to discuss the steps that must be taken to apply a model for sustainable and equitable economic growth.

During the Third International Conference on Ecological Economics, the experts moved forward in defining a multidisciplinary approach that integrates the social and natural sciences, with a view to setting a course toward better quality of life for all human beings.

The activity, organized by the International Society for Ecological Economics (ISEE) and the National University of Costa Rica (UNA), provided a forum for discussions between representatives of developing and industrialized nations and between the public and private sectors.

During the discussions, the participants questioned traditional economic models that are based on an unequal distribution of resources and do not take into account the concepts of equity and sustainability.

They also called attention to the need to respect the values of all cultural groups and nations in efforts undertaken to stem environmental degradation. In this regard, Robert Constanza, President of the ISEE, stated that those involved in ecological economics have only begun to discuss at length solu-

tions to the problems of sustainability. The participants added that theory must be combined with practice, and that efforts must not be limited to the discussion of ideas.

As part of Conference activities, which included trips to national parks and several institutions, a group of participants visited IICA Headquarters on October 28 to learn more about its work in conceptual development and the implementation of actions to promote sustainable development. A number of IICA specialists met with them to explain the multidimensional approach used to ensure that sustainable development is addressed in all the

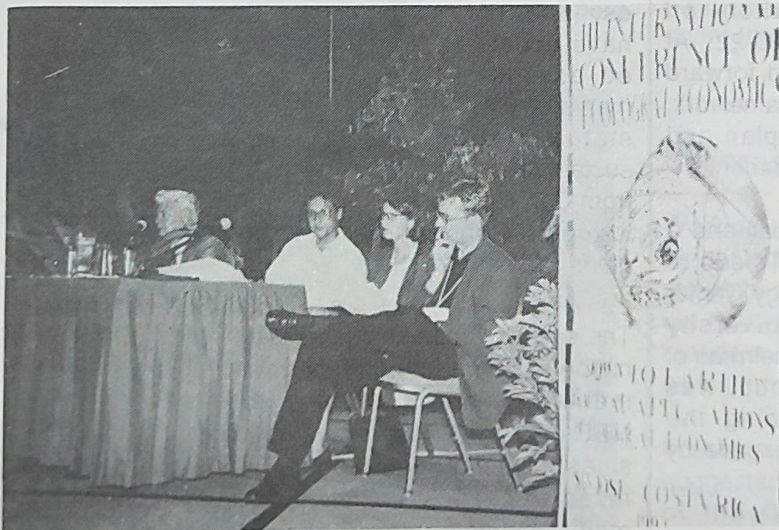
Institute's areas of concentration. These are: socioeconomic policy, trade and investment; science and technology, natural resources and agricultural production; agricultural health, and sustainable rural development.

They also described the Institute's work in training, communications and education to promote a model of agricultural development that pursues equity, competitive-

ness and sustainability.

A human responsibility

During the closing ceremony of the Conference, the President of Costa Rica, Jose Maria Figueres, underscored the key role people play in promoting sustainability. He stated that "the responsibility for sustainable development falls on the shoulders, not of things, but of human beings."



Photo/Daniela Jimenez, IICA

Rodolfo Quiros (left) of IICA, moderated one of the sessions of the Conference in which the topic "Trade and Environment" was addressed.

Inter-American Group Gathers Momentum

The Inter-American Group for the Sustainable Development of Agriculture and Natural Resources, created by the Earth Council and IICA in 1993, is working to consolidate itself as a region-wide forum for the discussion, analysis, design and implementation of initiatives.

The Group is made up of representatives serving in a personal capacity from Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Mexico, Panama and the United States of America, who met at the headquarters of the Inter-American Institute for Cooperation on Agriculture from October 20-22. At that meeting, they moved forward in defining a conceptual framework, establishing their work plan and drawing up their base document.

In reviewing almost a year and a half of activities, Victor Toledo, a researcher with the Ecology Center at the Autonomous University (UNAM) of Mexico and Chairman of the Inter-American Group, was enthusiastic in describing the important progress being made by the group.

He explained that so far, priority had been given to defining a comprehensive concept of sustainable development which encompassed three elements: environment, economics and social equity. "We want our definition to be simple, precise and based on sound criteria," he said.

In his opinion, the meeting in Costa Rica - which was the third since the Group had been founded - was very fruitful. The work plan is almost fin-

ished, 80% of the base document is ready and it will be completed by year's end.

The work plan has two components. The first is a program to document successful experiences with sustainable production processes, and to have updated assessments of the status of sustainability from Canada

to Argentina, broken down by subregions and countries.

The second component is a dissemination program that targets governments, ministries of agriculture, NGOs, farmer organizations, universities, scientific and technological research centers, communications media, schools and colleges, and the public at large.

With regard to the base document, Toledo explained that it will contain the philosophy and principles promoted by the Group. The first chapter of the document will define the concept, the second will briefly describe sustainability in the Americas, the third will analyze causes and problems, and the final chapter will recommend actions to be taken.

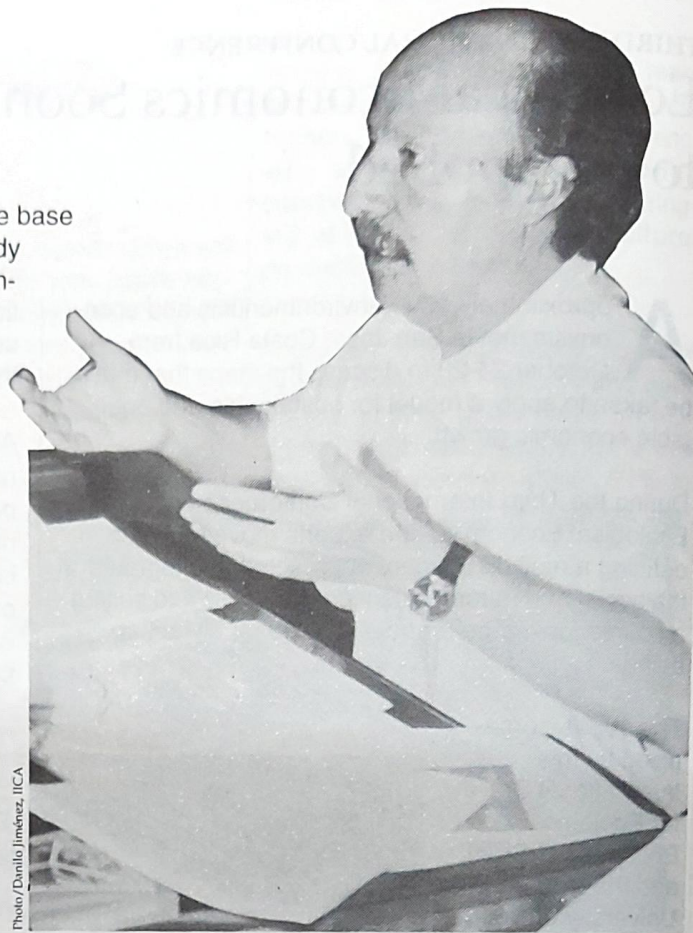


Photo: Danilo Jiménez, IICA

Victor Toledo, Chairman of the Inter-American Group for the Sustainable Development of Agriculture.

Eduardo Trigo, from Argentina, explained that the Group's philosophy is based on a current view of sustainable agriculture, its problems, the potential contribution of organizations such as IICA, the Earth Council and the countries themselves. He added that the Group wants to translate into concrete actions the agreements of the June 1992 United Nations Conference on Environment and Development (UNCED).

In his opinion, local and regional thinking and action must be combined to regenerate the initial enthusiasm in evidence in Rio de Janeiro on environmental issues, because, since then, a "coldness" has occurred.

Inter-American Dialogue Opens on Sustainable Development

On October 10-11, representatives of 25 nations of the hemisphere participated in the First Regional Meeting of National Sustainable Development Councils (CNDS), which was held at IICA Headquarters. The meeting provided an opportunity to begin an inter-American dialogue on the topic of sustainable development and to identify regional priorities and areas for cooperation.

Sponsored by the Earth Council, the United Nations Development Programme (UNDP), the United Nations Environmental Programme (UNEP), the United Nations Department for the Coordination of Policies and Sustainable Development (DCPDS), IICA and

The President of Costa Rica, Jose Maria Figueres, stated that the region must consolidate a style of sustainable development that combines social investment -health, housing, employment- with the maintenance of macroeconomic balances, the sound use of natural resources and environmental protection.

His opinion was shared by the Director General of IICA, Carlos E. Aquino Gonzalez, who added that, in the case of agriculture, the objectives of sustainability will be achieved to the extent that technological innovation, participation and agreement on efforts to define policies, educate and raise awareness are successful.

Conference on Environment and Development (UNCED, Rio de Janeiro, 1992), are currently in operation in Bolivia, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, the United States of America and Uruguay.

Councils are also being established in Belize, Brazil, Chile, Cuba, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and Venezuela. In Antigua and Barbuda, Argentina, Jamaica, Paraguay, Peru and Trinidad and Tobago, offices have been set up to carry out the mandate of Rio.

Composed of government ministers, members of nongovernmental organizations (NGOs), indigenous organizations, women's groups, unions and private sector representatives, the CNDS may advise national authorities, but are not under their control.



The President of Costa Rica, Jose Maria Figueres (center), stated that sustainable development should combine the sound use of natural resources with social investment and effective management of the economy.

the Government of Costa Rica, the meeting constituted an historic opportunity for government and civil society to jointly analyze the operation of the Councils as participatory mechanisms for decision making.

On the march

The Councils, which are responsible at the national level for implementing and monitoring the agreements reached at the United Nations

Consensus and Agreement

Working in groups, the participants presented recommendations for: a) strengthening the CNDS, b) executing actions to comply with the Rio mandate, and c) tapping the CNDS as instruments for cooperation.

With regards to the first area, it was suggested that the scope of action of the CNDS be expanded to include training, dissemination and information. In this regard, emphasis was placed on the need to produce national reports and to keep channels open with the United Nations Sustainable Development Commission for the exchange of information.

Pan American Association of Commodity Exchanges Created



Action on the Buenos Aires Grain Exchange

During a ceremony held recently in Argentina to commemorate the 140th anniversary of the Buenos Aires Grain Exchange, representatives of 16 countries signed the charter of the Pan American Association of Commodity Exchanges.

The aim of this association is to promote economic growth and freedom of trade and business, in accordance with the social and political conditions of each country. It brings together nine exchanges currently in operation (Buenos Aires, Rosario, Sao Paulo, Brasilia, Guayaquil, Colombia, Chicago, Minneapolis and Costa Rica); two which have been legally established but have not begun operations (El Salvador and Nicaragua); and five that are still being organized (Peru, Bolivia, Venezuela, Dominican Republic and Honduras).

With a view to fostering economic integration in the hemisphere, the

association will encourage cooperation among its members and will work to ensure that the exchanges operate as autonomous and self-regulating entities, the goals being to increase operating efficiency and to integrate commodity markets.

They will also share information periodically on pertinent national legislation and the operation and performance of markets so as to foster closer ties among the exchanges, with a view to creating the conditions necessary to improve and expand trade among countries.

According to Luis Lizarazo, IICA agricultural marketing specialist, "The idea is to develop a trade information system where inter-exchange transactions can be made, like in the case of Ecuador and Colombia."

The First Round of Inter-Exchange Transactions, organized by the National Agricultural Exchange of Colombia, will be held in Cartagena de Indias, Colombia in August 1995, and will mark the formal initiation of the association's activities.

What is an exchange?

An agricultural exchange is a corporation, usually non-profit, established by persons and institutions of the agricultural sector to provide marketing services. It provides information on prices, markets, harvests and costs, as well as a place for members to meet. It also issues regulations for organizing the operations of the market and for making it more transparent, imposes quality standards, sets the volume of contracts and provides an impartial forum for resolving disputes between contracting parties.

Since 1990, IICA has been promoting the establishment of agricultural commodity exchanges in the region. Working in conjunction with the countries, the Institute is trying to fill the institutional void left by the state-run institutions responsible for marketing staple products, which were eliminated through public-sector reforms.

Lizarazo explained, "We took the successful experience of the exchanges operating in Ecuador and Colombia and applied it in other countries; first, in Costa Rica in September 1992, then in El Salvador and Nicaragua, and more recently in Peru, Venezuela, Bolivia and the Dominican Republic."

Headquarters

The headquarters of the association will rotate among the member countries, and will be located in the country hosting the hemispheric meeting. At present, the headquarters is Argentina, which assumed the presidency and will also be responsible for running the permanent secretariat. The Colombia and Chicago exchanges were appointed as vice presidents, and Costa Rica, El Salvador and Nicaragua are the members-at-large.

Countries Request Support with Trade Policies

A high-level meeting entitled "GATT 94 and Its Implications for the Agricultural Agenda of the Americas" was held at IICA

Headquarters from September 15-16. During the event, participants requested IICA, SELA, ECLAC and FAO to coordinate actions and support the countries of Latin America and the Caribbean in addressing issues related to agricultural trade policy.

They suggested that this interinstitutional coordination target the following specific areas:

- Follow up on trade policies, compliance with international agreements, identification of opportunities, and adaptation of technical, legal and institutional aspects of the countries' policies to the new rules;
- Support for implementing what has already been agreed to, and generation of new options for improving integration, cooperation and fair competition within the hemisphere;
- Processing and dissemination of information; channeling of horizontal cooperation; promotion of interaction between public and private sectors; and more efficient use of resources available for interinstitutional cooperation.

During the meeting, which was convened by the Permanent Secretariat of the Latin American Economic System (SELA) and IICA, a technical

cooperation agenda was drafted for guiding the action of the aforementioned organizations in support of the agricultural reform being undertaken in the countries in response to the new regulations governing multilateral and regional agri-food trade.

Caution

Participants were cautious in recognizing that the Uruguay Round of the GATT is not a panacea for the ills affecting free agricultural trade since, quite to the contrary, it only offers modest opportunities for market access. Nevertheless, they indicated that it is an "important first step forward" in bringing world agricultural trade under more effective discipline.

They pointed out that the creation of the World Trade Organization (WTO) strengthens the institutional framework and underscores the importance of regional integration. The WTO, created by the Uruguay Round of the GATT, will begin its operations on January 1, 1995, and its areas of competence will include the trade of goods and services, intellectual property, the settlement of trade disputes, and the review of the trade policies of the member countries.

Meeting discussions focused on three topics: the nature and scope of GATT '94 agreements on related agricultural issues and their implications for agricultural policy reform in the member countries; implications of GATT '94 agreements for other regional and subregional preferential trade agreements; and the organization and operation of a system to follow up on compliance with the agricultural agreements.

With regard to the second topic, it was stated that the outcome of the Uruguay Round will speed up the integration process by establishing standardized norms and making greater market access the principal task to be addressed by the countries of the region.

According to the participants, the current trend toward globalization means that integration should strengthen trade among the countries of the region, as well as these countries' trade on international markets, and facilitate the identification of problems and opportunities, including foreign trade barriers.



Meeting participants stated that the Uruguay Round of GATT is an "important first step forward" in bringing world agricultural trade under more effective disciplines.

MEXICO

Successful Fruit Fly Eradication Campaign

Two years after it was launched, the National Fruit Fly Eradication Campaign reported an annual US\$175 million decline in the damage caused by fruit flies to economically important crops in Mexico, valued at some US\$700 million per year.

In operation since 1992, this initiative is coordinated by the Directorate of Plant Health of Mexico's Secretariat of Agriculture and Hydraulic Resources (SARH). It combines the efforts of 23 state governments that signed an agreement to fund activities to eradicate this pest.

The National Campaign, whose objective is to eradicate fruit fly species that have an important economic impact, has also helped overcome quarantine restrictions imposed by buyer nations.

Inasmuch as it only uses environmentally sound methods to eradicate this pest, international agencies such as IICA, the International Regional Organization for Agricultural Health (OIRSA) and the United Nations Food and Agriculture Organization (FAO) consider it a model that should be copied in other countries.

The eradication strategy follows a sequence of activities to detect and combat the pest and to control, suppress and eliminate infestation. To this end, more than 30,000 traps were set, approximately 390 tons of damaged fruit were destroyed, and some 210 hectares of orchards were fumigated with an insecticide-bait.

At the same time, a plant was built to produce sterile fruit flies and parasitoids, which places Mexico at the vanguard in these efforts. With support from the United States



Citrus exports will rise as a result of the National Fruit Fly Eradication Campaign.

Department of Agriculture, which supplied the necessary biological material, Mexico will be able to produce 300 million sterile flies and 50 million parasitoids in 1994.

The fruit-fly sterilization plant is the cornerstone of efforts to eradicate fruit flies on 85 million hectares in northern Mexico, and the springboard for massive releases of sterile flies.

In order to provide the training necessary to carry out the campaign, 362 technicians and professionals

participated in 1993 in 36 courses on integrated pest management and seven workshops on quarantine treatment.

Results obtained to date indicate that fruit flies have been eradicated on 6.2 million hectares in Baja California, making it possible to export citrus fruit from the Sonora free zone to the United States of America. At the same time, mango exports grew by 43%.

Export limitations

Mexico has some 1.3 million hectares planted in fruit trees, and an annual harvest of over 10 million tons, which are affected by fruit flies of the genus *Anastrepha*.

These flies attack citrus, mangos, guavas, peaches, pears and other fruits of temperate and tropical climates. Mexico has more than 30 economically important fruits and some 60 produced on a smaller scale for local consumption.

The 12-year campaign is expected to slash crop losses by US\$175 million annually. Moreover, quarantine and plant health services will be strengthened and the possibility of producing and exporting fruits and vegetables will be improved.

BRAZIL, PARAGUAY AND URUGUAY

Study Confirms Importance of Women Food Producers

In the last of a series of studies conducted on this topic since 1992, with financial support from the Inter-American Development Bank (IDB), IICA reassessed the contribution of women food producers to the rural economically active population (EAP) in the Southern Cone.

Under a broader research project entitled "Agricultural Policy vis-a-vis Women Food Producers," similar studies were first conducted in Central America, then in the Andean and Caribbean subregions. The final study was made in the Southern Cone, specifically in Brazil, Paraguay and Uruguay.

As in the other cases, this last study analyzed demographic, socioeconomic, geographic and cultural factors that revealed how the contribution of this segment of the rural population is underestimated and under-recorded.

In Paraguay and Uruguay, for example, government figures showed that women make up 11% and 16% of the rural labor force, respectively. However, re-estimates made by IICA reveal that the figures in these two countries are actually 30% and 25%.

The study indicates that the sharp bias against showing the true contributions of women food producers in the subregion results from the use of traditional classifications of economic activities, in which domestic chores are not considered a part of production.

With this perspective, the EAP of Brazil and Uruguay is "overwhelmingly male," especially in the agricultural sector, where the participation rate for men is 80% and that of women only 35%.

According to the study, "on small production units, where a good part of a family's food comes from the parcel itself, women's activities represent a true in-kind income for the family group."

The situation is different in Paraguay, where official figures on the makeup of the rural EAP show that there is greater equity between the genders, with the participation rate for women being 82%.

Small family farms, where most women food producers work, are a microcosm that clearly reflect the problems these women face in getting access to technology and credit.

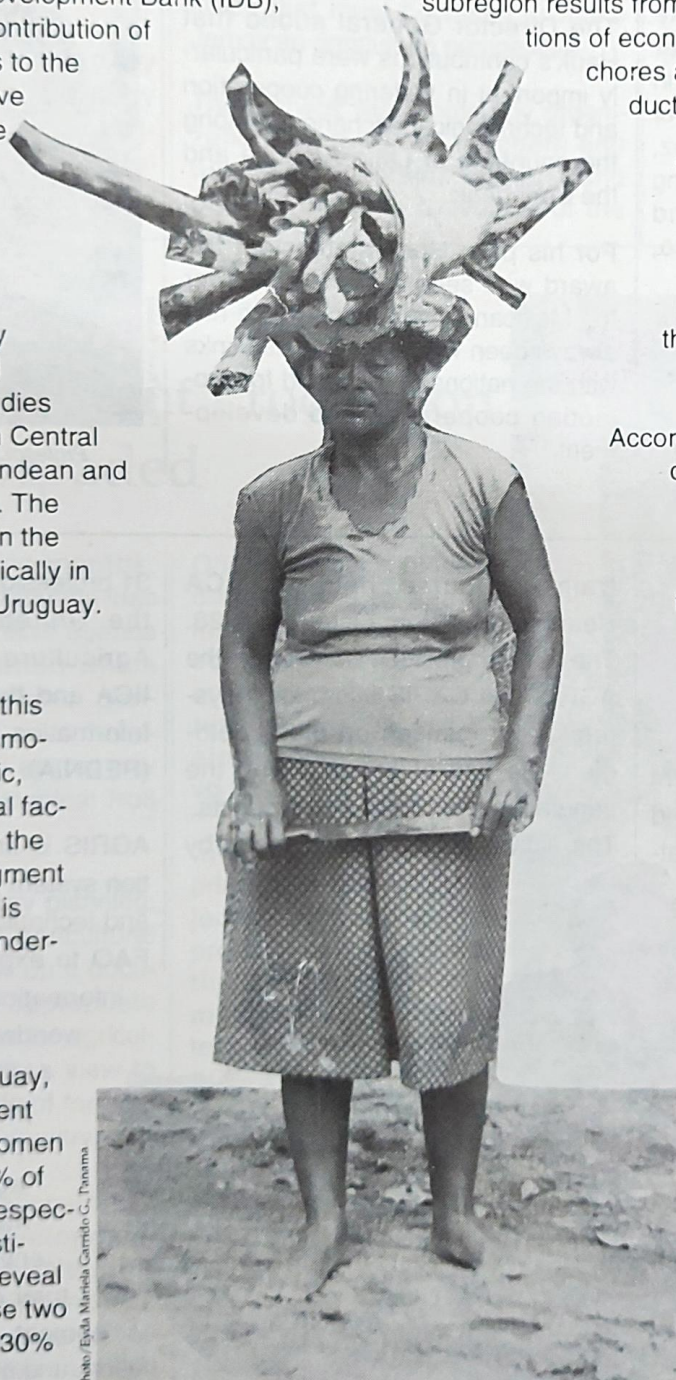


Photo: Eydá Mariela Garrido G., Panamá

The true contributions of women food producers in the Southern Cone are ignored.

MEXICO

IICA Honors Outgoing Secretary of Agriculture

During the Sixth Regular Meeting of Council of Ministers of the Tropical Agriculture Research and Training Center (CATIE), held on October 18-19 in Mexico City, the Director General of IICA, Carlos E. Aquino Gonzalez, presented an award to the outgoing Secretary of Agriculture and Hydraulic Resources of Mexico, Carlos Hank Gonzalez.

On behalf of IICA, Aquino thanked Hank for his continued and steadfast support of the Institute's programs and projects to promote sus-

tainable agricultural development and rural well-being.

The Director General added that Hank's contributions were particularly important in fostering cooperation and technological exchanges among the countries of Latin America and the Caribbean.

For his part, Hank stated that the award was seen "as a stimulus for the Mexican Government, which has always been willing to establish links with the nations of the world for promoting cooperation and development."



Photo/Rocio Escobar

Profesor Carlos Hank González.

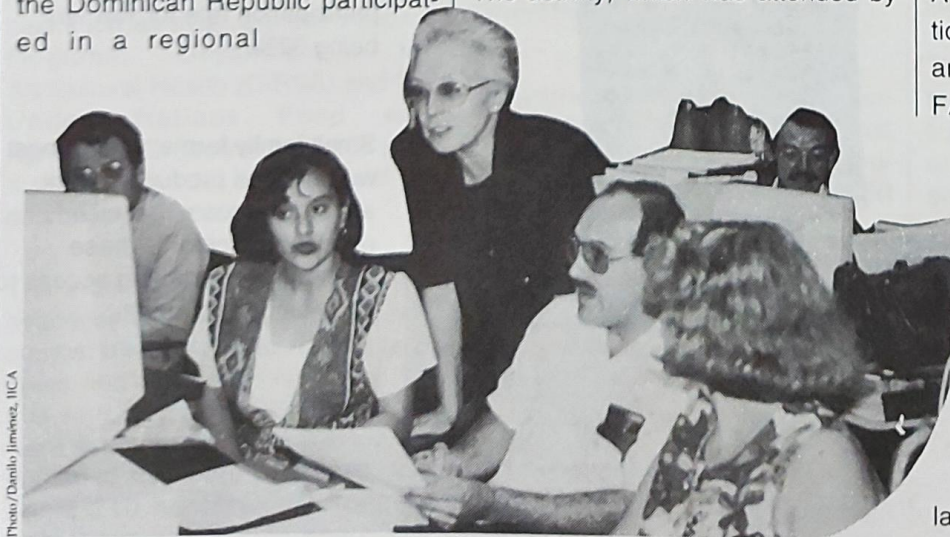
Training for Agricultural Librarians

Agricultural librarians from Mexico, Central America and the Dominican Republic participated in a regional

training course held at IICA Headquarters from October 24-28. The course provided training on the AGRIS and CARIS information systems, and focused on methodologies, the use of services and the generation of bibliographic products. The activity, which was attended by

31 professionals, was sponsored by the United Nations Food and Agriculture Organization (FAO), IICA and the National Agricultural Information Network of Costa Rica (REDNIA).

AGRIS is an international information system on agricultural sciences and technology that was created by FAO to expedite the exchange of information and the identification worldwide of literature on the sector: plant and animal production and protection, post-harvest technology, agricultural engineering, natural resources and environment, food, agricultural economics, rural development, human nutrition, legislation, and others.



Photo/Daniela Jimenez, IICA

Participants learned more about the AGRIS-CARIS systems.

JAMAICA National Meeting of Farmers

For the first time in the history of Jamaica, some 2,500 farmers participated recently in the "Forum of Farmers," held at the National Arena in Kingston.

At the meeting, organized by Jamaican Agricultural Society (JAS), participants analyzed policies on tariffs to protect agricultural production, within the context of

negotiations with international lending institutions.

Aware of the importance of agriculture in the region, experts such as the President of the JAS, Ivan Tomlinson; the Executive Director of the JAS, George Thompson, as well as representatives of IICA and the United Nations Food and Agriculture Organization (FAO), discussed the steps that must be taken to make Jamaican agriculture competitive.

The farmers, represented by organizations of livestock ranchers and tuber and vegetable farmers, and officials from the University of the

West Indies, presented recommendations to Jamaica's Minister of Agriculture, Seymour Mullings, for addressing sectoral priorities.

The importance of agricultural production in Jamaica can be seen in the fact that, according to official figures, agriculture contributed 7.4% of the gross domestic product (GDP) in 1993 and employs 27% of the economically active population (EAP).

GUYANA

Animal and Plant Production System Upgraded

Over the past few months, IICA's Office in Guyana has been following an intensive agenda of technical cooperation which included participatory project planning, strengthening of rural development and support for animal production systems and tropical fruit cultivation.

As concerns participatory planning, IICA and the National Agricultural Research Institute drew up a document for a system of appropriate and sustainable support for agricultural development, with a view to better serving the needs of farmers in different parts of the country.

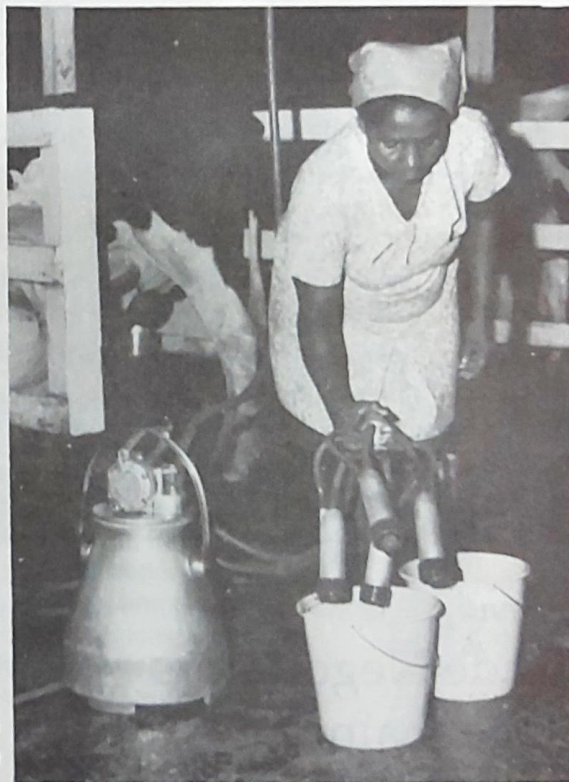
In addition, the International Fund for Agricultural Development (IFAD), the United Nations' Children's Fund (UNICEF) and IICA formulated eight agricultural development project profiles that will benefit nine native American communities.

One of the goals of these initiatives is to enable inhabitants of selected communities to make appropriate use of forest resources. Work will be also done with rural youths.

In addition, one of the principal results of a project to upgrade animal production systems was the establishment of a model dairy farm with technical assistance from IICA and the Caribbean Agricultural Research and Development Institute (CARDI).

To this end, help was provided by the Volunteers in Overseas Cooperative Assistance (VOCA), with which IICA recently signed a cooperation agreement to examine meat and dairy production systems. A request was also made for support

in a study on marketing problems faced by livestock ranchers in coastal areas.



One of the activities developed by the IICA Office in Guyana is the establishment of a model farm to identify the factors involved in efficient milk production.

Photo/Hermana Doreys, Trinidad and Tobago

Ecuador Builds an Agricultural and Agroindustrial Development Area

Eccuador plans to turn the territory surrounding the lower basin of the Guayas River, southeast of Guayaquil, into one of the most dynamic agricultural and agroindustrial development areas in the country.

The area covers 2 million hectares of excellent soils on plains and rolling hills, abundant water resources - which must be controlled to avoid flooding- and important economic activity in its cities and towns.

With support from the Commission on Studies for Development in the Guayas Basin (CEDEGE) -created in the 1970s and responsible for identifying opportunities, conducting studies and executing projects- Ecuador has made solid progress in attaining its objectives of development and economic growth in that area.

One of CEDEGE's latest initiatives is a flood control project to be implemented in the lower basin of the Guayas River, located on the left bank of that river. The main objective of the project, which will build flood control works and irrigation and drainage systems, is to prepare the area for intensive agricultural and agroindustrial development.

The project area measures some 171,000 hectares and is divided by the highway to Machala; several rivers run through it, the largest being the Bulubulu and El Milagro. Both rivers cause severe flooding during the first six months of each year, bringing about heavy economic damage and the loss of human lives.

The project will be funded with a US\$59 million World Bank loan, a US\$7 million grant from the government of Holland, and US\$24 million in national counterpart funds. The Dutch grant will be used to support the production activities of some 4,000 small farmers associated with an agricultural development plan.

The project will also focus on managing and treating the El Churute ecological reserve. In order to address these two elements of the project -agricultural and environmental management- CEDEGE signed a technical cooperation and administrative support agreement with the Inter-American Institute for Cooperation on Agriculture (IICA). Under the initiative, efforts will be made to further promote agricultural development and rural agroindustry, reconcile interests between producers and the environment, and modernize agricultural activities.

Photo: Francis Maldonado, Ecuador

BOLIVIA

Trade Negotiators to be Trained

IIICA's Technical Cooperation Agency in Bolivia and the Ministry of External Relations of this Andean country recently signed a cooperation agreement to upgrade the analytical capabilities of the public and private sectors in dealing with trade policies and international negotiations.

The document, signed in La Paz by the Secretary of International Relations, Jaime Aparicio Otero, and the IICA Representative in Bolivia, Benjamin Jara, also calls for the exchange of studies and information on trade and international negotiations that affect the agricultural sector.

IICA will also sponsor national and international workshops to train technical personnel from the public and private sectors on issues related to trade policies and international negotiations.

CHILE First World Congress of Agronomists



More than 600 agronomists participated in the First World Congress of Agronomists, held in September in Santiago, Chile.

During the meeting, which was inaugurated by the President of that nation, Eduardo Frei, participants analyzed the competitiveness of the

agricultural sector, biodiversity and natural resource conservation, among other topics. Organized to commemorate the fiftieth anniversary of the founding of Chile's College of Agricultural Engineers, the meeting brought together prominent figures in the agricultural sciences, such as the recipient of the 1970 Nobel Peace Prize, Norman

The Director General of IICA, Carlos E. Aquino Gonzalez (left), stated that sustainable agriculture will contribute to economic, social and political development.

Borlaug, a proponent of the "right of all human beings to satisfy their need for food."

The meeting was also attended by representatives of international agencies working to develop the agricultural sector, including the Director General of IICA, Carlos E. Aquino Gonzalez; his counterpart from the International Service for National Agricultural Research (ISNAR), Christian Bonte-Friedheim, and the Director-General of the United Nations Food and Agriculture Organization (FAO), Jacques Diouf.

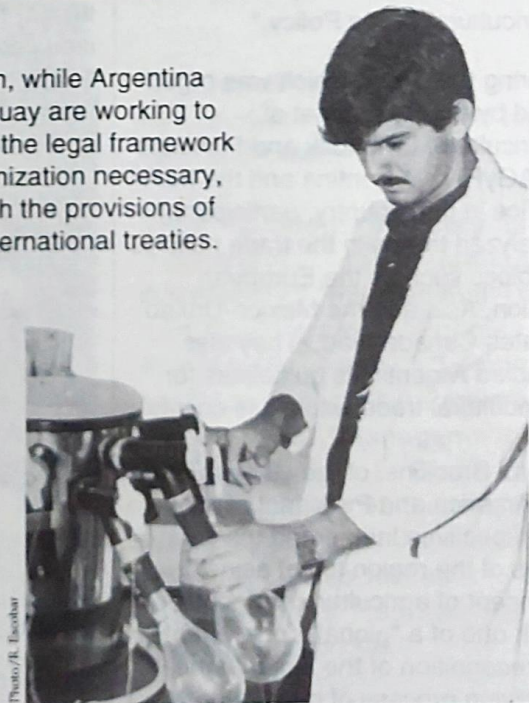
During his address, Aquino spoke to his colleagues about the need to "promote an agriculture that is highly profitable and linked to overall development, in order to make it an even greater source of economic, social and political development."

National Workshops Held on Plant Breeder Rights

Last September, Argentina, Colombia, Mexico and Uruguay held national workshops on plant breeder rights (PBR) as a part of the activities of a project executed by IICA in collaboration with the University of Amsterdam, with funding from the Government of The Netherlands and Canada's International Development Research Centre (IDRC).

Specialists and representatives of the seed industry, members of regulatory agencies, delegates from universities, producers and representatives of non-governmental organizations working with small farmers participated in the meetings, which reflected the region's growing interest in this subject. Specifically, Mexico and Colombia are introducing PBR into their

legislation, while Argentina and Uruguay are working to establish the legal framework and organization necessary, in line with the provisions of recent international treaties.



Photo/J. Escobar

Agribusiness Meeting in Miami

As this edition of IICA News goes to press, the Miami Conference on Agribusiness in the Americas, the first of its kind, is in its final stages of preparation. The Conference will bring together entrepreneurs, political leaders and ministers of agriculture from the hemisphere.

Co-sponsored by IICA and AG Americas, the agribusiness affiliate of Caribbean/Latin American Action (C/LAA), the Conference will take place on December 14-15, immediately after the Summit of the Americas which has been convened by U.S. President Bill Clinton.

The key topics to be addressed in this dialogue between the public and private sectors include: the United States/Mexico/Canada free trade agreement and its impact on trade in the hemisphere; the impact of new European policies on the Americas; economic cooperation in the hemisphere; telecommunications at the service of agriculture; and leading trends in agri-food trade.

In addition to examining new mechanisms for public-private cooperation for facing today's challenges, participants in the Miami conference will discuss the possibility of creating a hemispheric network of agribusinesses.

This possibility is of particular importance because the Americas constitute a rapidly growing market of 700 million people, in which trade barriers are coming down and telecommunications and transportation infrastructure are modernizing rapidly.

ARGENTINA

Framework for Agricultural Trade Policy Analyzed

Buenos Aires, Argentina was the site of a recent meeting in which representatives of the public and private sectors and invited international guests analyzed the "International Framework for Agricultural Trade Policy."

During the event, which was organized by the Secretariat of Agriculture, Livestock and Fisheries (SAGyP) of Argentina and the IICA Office in that country, participants analyzed trends in the trade policies of blocs such as the European Union, Asia and the Mexico-United States-Canada triad. They also studied Argentina's guidelines for agricultural trade within this context.

Carol Brookins, of the United States of America and President of World Perspectives Inc., urged the countries of the region to set aside the concept of agriculture and replace it with one of a "global food system," in recognition of the fact that the dizzying process of change occur-

ring worldwide affects both food producers and food industries.

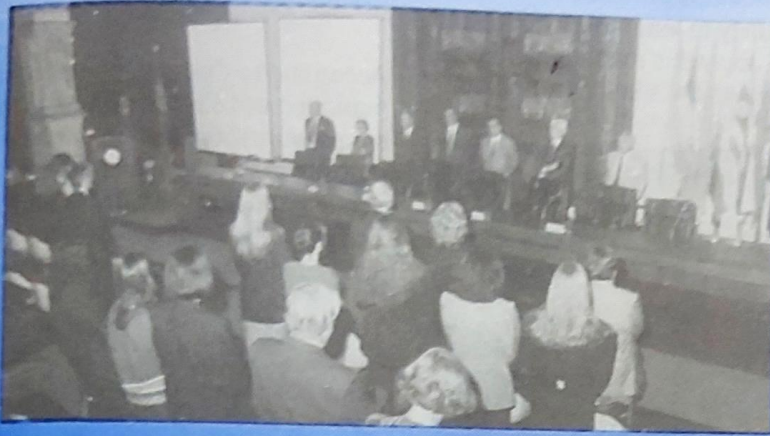
As she explained, the "globalization of the economy is a fact," and cited three factors that have contributed to this: a) the liberalization of centralized economies brought down walls

that were keeping a great part of the world from participating in a market economy; b) technological change brought about a new revolution; and c) the agreement of the Uruguay Round of the GATT (General Agreement on Tariffs and Trade) and free trade negotiations worldwide open the doors for economic integration.



The Secretary of Agriculture of Argentina, Felipe Sola (center), inaugurates the seminar. With him are David Vasquez, President of the Buenos Aires Grain Exchange (left) and Gonzalo Estefanell, IICA Representative.

Latin American Meeting on Food Technology



IICA participated in the Eighth Latin American and Caribbean Seminar on Food Science and Technology, which was held in Montevideo, Uruguay from October 16-21, and attended by more than 50 production and processing specialists from the hemisphere. During the event, which was organized by the Uruguayan Society of Food Science and Technology (SUC-TAL) and sponsored by FAO and IICA, IICA specialists spoke on the role of agroindustry in food production.

HEADQUARTERS

Lectures Given on Biodiversity

From October to December, IICA Headquarters was the site of a series of lectures by specialists speaking on "Policies for the Management and Conservation of Biodiversity," which was organized by the Tropical Agriculture Research and Training Center (CATIE), the Earth Council and IICA.

The activity was launched on October 7 with a lecture entitled "Biodiversity as an Instrument for the Development of Tropical America" by Dr. Gerardo Budowski,



Photo: Danielle Jimenez, IICA

Budowski stated that the biodiversity of Latin America and the Caribbean represents a tremendous source of wealth for that region.

an international authority on the environment. A total of ten topics were addressed.

They included: "Policies as an Instrument for Managing Biodiversity," "International Trade and Biodiversity," "Policies for Funding Biodiversity," "Legislation on Biodiversity," "The Problems of Biodiversity," "Management and Conservation of Biodiversity Following the Rio '92 Summit," "The Impact of Structural Adjustment on Natural Resources" and "International Regulations on Endangered Species."

PARTICIPATORY MANAGEMENT

Training Activities Continue

As part of activities designed to upgrade the skills of international professional, local professional and general services personnel at Headquarters, IICA's Specialized Training Service offered several

workshops on participatory management during the last quarter of the year. Under the leadership of Alvaro Cedeño, who holds a master's degree in business administration, the workshops provided an excellent opportunity to learn more about and how to apply this management philosophy, which is being promoted by

exchange of ideas, consensus building, recognition of strengths and weaknesses, and the design and execution of proposals for achieving excellence.

According to Cedeño, participatory management cannot be limited to a single workshop. It is an ongoing process in which participants must acquire specific skills and attitudes, including a willingness to change and a desire to improve.

The workshops were dynamic events. Working in groups, participants discussed topics such as "alternatives for improving the level of creativity within the Institute," "identification of obstacles that hinder the organizational process" and "ways to expedite the implementation of participatory management at IICA."



Held between September and November, the workshops brought together international professional, local professional and general services personnel who work at Headquarters.

workshops on participatory management during the last quarter of the

IICA's administration. The philosophy promotes participation, the

COSTA RICA

Enrique Blair, In Memoriam

Enrique Blair, an agricultural engineer from Colombia who served as the Minister of Agriculture of that nation and was a personnel emeritus of IICA, passed away in Costa Rica on September 21.

Having joined the Institute in January 1952, Blair subsequently showed an indomitable spirit and natural ability to meet the many professional challenges he faced throughout his 32-year career at this specialized agency of the inter-American system.

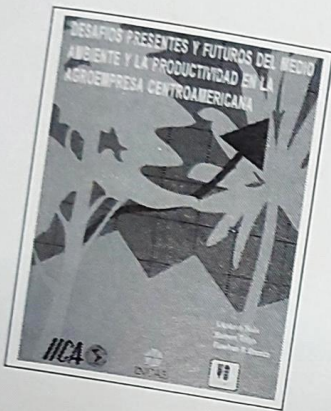
He began his career at IICA as an agricultural extension expert, gradually expanding the scope of his pro-

fessional activities to include Regional Director for the Andean Zone, Director of the Inter-American Program for Rural Development and Agrarian Reform, Director of Institutional Relations, and IICA Representative in the United States of America and Canada.

He also served as Assistant Deputy Director General for External Coordination and Assistant Deputy Director General for Planning, a position he held until 1984 when he left the Institute. One year later, the Inter-American Board of Agriculture (IABA) granted him the title of Personnel Emeritus of IICA.

DESAFIOS PRESENTES Y FUTUROS DEL MEDIO AMBIENTE Y LA PRODUCTIVIDAD EN LA AGROEMPRESA CENTROAMERICANA.

GUSTAVO SAIN, ROBERT TRIPP, ESTEBAN BRENES



The challenge of boosting agricultural productivity without harming the natural resource base is the focus of this book, which was co-sponsored by IICA, the International Maize and Wheat Improvement Center (CIMMYT) and the Central American Institute for Business Administration (INCAE).

In the book, specialists from the three organizations contribute much to the discussion of how best to share, among the different social groups, the costs and benefits of natural resource conservation.

The book, published only in Spanish, recommends that an interinstitutional strategy be formulated for designing and executing effective policies to increase agricultural productivity while conserving natural resources.

In the first chapter, G. Sain and R. Tripp examine the vicious cycle of poverty and environmental degradation. Later on, David Kaimowitz,

an environmental specialist at IICA, discusses the impact of macroeconomic policies on decisions at the farm level and on land- and input-use patterns.

Other topics addressed in the book include the impact of land-use planning on resource conservation, types of agricultural technologies that promote natural resource conservation, and the private sector's responsibility in solving environmental problems.

INTER-AMERICAN PRESS AWARD: ENVIRONMENT, DEVELOPMENT AND AGRICULTURE WITHIN THE FRAMEWORK OF AGENDA 21



This book presents the winning articles of the second annual Inter-American Press Award competition, convened by IICA in 1993, the theme of which was Environment, Development and Agriculture within the Framework of Agenda 21.

It also presents 15 other articles which received the recommendation of the international panel of judges, based on the content of the article, the importance of the topic addressed and the writing style.

The contest was co-sponsored by IICA, the International Fund for

Agricultural Development (IFAD) and the German Agency for Technical Cooperation (GTZ). Awards were granted to the authors of three articles in each of two categories: daily newspapers and international new agencies, and weekly newspapers and magazines.

A total of 22 journalists from the hemisphere participated in the contest, the purpose of which was to encourage the written press to analyze and reflect on sustainable development and on the close relationship between agriculture and the environment.

CAMBIO ESTRUCTURAL Y REFORMAS INSTITUCIONALES EN LA AGRICULTURA DE AMERICA LATINA Y EL CARIBE.

JUAN MANUEL VILLASUSO



The processes of structural change under way in the countries of Latin America and the Caribbean are the focus of this book, which summarizes the results of research conducted jointly by IICA and the Swedish Agency for Research Cooperation with Developing Countries (SAREC).

IICA IN THE NEWS

Argentina, Bolivia and the Dominican Republic



The written press and international news agencies reported on the Fourteenth Regular Meeting of IICA's Executive Committee, held from September 12-14 of this year, in which the 1994-1998 Medium Term Plan, a hemispheric strategy for sustainable agricultural development, was approved.

The 1994 Executive Committee, made up of Belize, Brazil, Canada, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guyana, Haiti, Mexico and St. Kitts and Nevis, endorsed the strategy that will orient the actions of the Institute during the next four year, within the context of hemispheric integration and as a contribution to human development in rural areas.

Also attending the meeting were delegations from 13 other IICA Member States and representatives of nine permanent observers and nine international agencies.

The members of the Executive Committee studied internal financial

and administrative matters and heard experts speak on relations between the public and private sectors, the competitiveness of nations, and the funding of agricultural research.

During the meeting, the Government of Costa Rica offered to serve as the site of the Eleventh Inter-American Conference of Ministers of Agriculture (ICMA) and the Eighth Regular Meeting of the Inter-American Board of Agriculture (IABA), both of which will take place in October 1995.

Argentina (**Ambito Financiero, Cronicas Economicas**), Bolivia (**La Razon**), Brazil (**Zero Hora**), Costa Rica (**La Nacion, La Republica, Revista Actualidad Economica, Inter Press Service, Associated Press, Notimex, Boletin del CATIE, The Tico Times**), Chile (**El Mercurio**).

Costa Rica, Panama



Several Central American newspapers reported on an extended drought that has caused losses of US\$160

million to the first harvest of staple grains of the 1994 farm year.

The information was drawn from a report prepared by the Secretariat of the Central American

Council on Agriculture (CAC), which operates out of IICA Headquarters.

Costa Rica (**La Nacion, La Republica, Notimex**), Panama (**El Panama America**).

UPCOMING ACTIVITIES

Inter-American Consultation on Rural Youth. San Jose, Costa Rica, January 23-25, 1995.

The principal objectives of the First Inter-American Consultation on Rural Youth, scheduled to take place at IICA Headquarters from January 23-25, 1995, are to learn more about the situation of rural youths in Latin America and the Caribbean, and to encourage the design and formulation of policies that will actively involve young people in development.

Representatives of public sector and civil society organizations working with this segment of the population and interested in tapping their potential for rural development and economic growth and for making sound use of natural resources have been invited to participate.

Meeting participants will work together to draw up a plan for inter-institutional action in support of rural youth. Prior to the consultation meeting in Costa Rica, national and subregional meetings were held to analyze the situation of rural youth. The resulting proposals will serve as inputs for the strategy being promoted by IICA, which addresses subregions individually.

Meeting of the Advisory Council for Agricultural Cooperation in the Southern Cone. Montevideo, Uruguay, February 22-24, 1995.

The ministers of agriculture of Argentina, Brazil, Chile, Paraguay and Uruguay will meet from February 22-24, 1995, as the Advisory Council for Agricultural Cooperation to discuss topics associated with regional integration, especially as it affects the agricultural sector.

During the meeting, the ministers will discuss an agricultural health agreement regulating the trade of livestock and livestock by-products. They will also study a proposal for creating an association of fruit and vegetable business operators in the subregion.