



INTER-AMERICAN BOARD OF AGRICULTURE - IABA

***Fourteenth Regular Meeting
26 - 27 July, 2007***

*IICA/JIA/Doc.314 (07)
Original: Spanish
26-27 July, 2007*

***Proposed Special Budget for 2008-2009 to be Financed
with Resources from the General Subfund***

La Antigua Guatemala, Guatemala

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

I. Background

At its Twenty-seventh Regular Meeting, held at IICA Headquarters on May 15-17, 2007, the Executive Committee analyzed several priority technical topics, some of which require additional funding.

At that meeting, the Director General reported on the partial recovery of quotas owed by the Member States, which pledged to continue their efforts to pay all quotas owed to the Institute.

In light of this situation, some Member States recommended that part of the quota resources from previous years be used to finance priority technical cooperation actions and strengthen the technical expertise of Institute personnel.

According to Articles 89 and 90 of the Rules of Procedure of the General Directorate, the balance of uncommitted appropriations, financed with quotas, outstanding at the end of each fiscal year shall be transferred from the General Subfund to the Working Subfund, unless the IABA approves the appropriation of a portion of the past-due quotas recovered to finance a Special Budget.

II. Proposed Special Budget for 2008-2009

The amount needed to finance the technical cooperation actions is US\$1 million, as detailed in **Table 1**.

TABLE No. 1

**Summary of the Resources of the General Subfund Allocated to the Special Budget for 2008-2009
(US\$)**

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

These resources will be executed throughout the biennium only if there is a cash surplus once all the expenses of the Regular Budget have been covered.

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

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

1.1 Justification

In October 2002, IICA launched a program aimed at strengthening relevant institutions in the Member States, with a view to enabling them to participate in the international organizations associated with sanitary and phytosanitary measures.

This program encouraged the active participation of the Member States in the WTO Committee on Sanitary and Phytosanitary Measures, strengthened institutions at the national level by linking public and private actors, and promoted the articulation of the agendas of the international standard-setting bodies and the agenda of the SPS Committee of the WTO.

The program, which will come to an end in June 2007, with the 39th meeting of the SPS Committee of the WTO, has facilitated the participation of more than 210 experts from 32 countries of the Americas, from the ministries of agriculture, trade and health.

At present, representatives of six of IICA's 34 Member States sit on a steering committee that facilitates the exchange of successful experiences.

One of the most important results of this program has been to promote a national dialogue for the analysis of the international agendas. In this regard, all of the countries of the Americas report that they now have some mechanism (formal or informal) in place to discuss or analyze topics related to the working agendas of the international organizations.

Another important result is the investment that has been made in human resources. Twenty-three of the 34 countries of the Americas now have at least one person whose primary responsibility is to follow up on the topics addressed by the SPA Committee. Further results include the increased participation of the countries of the Americas in discussions on technical norms, trade topics and technical issues of national or regional interest; improved communication with their official representatives at the WTO; and the increasing importance given to the topic by decision makers.

One of the most important efforts of the program has been directed at getting the countries to understand the need to comply with obligations related to transparency, and how this will benefit them. In this regard, the program has apparently had a positive impact because some countries which had never participated in the WTO notification process now are. In addition, the countries benefited from the training provided by the WTO in this area and were able to exchange experiences with other countries.

The Secretariat of the Committee will hold an international workshop on transparency at the 40th meeting of the WTO Committee, to be held in October 2007. It is essential that the enquiry points and notification authorities of the countries participate in this meeting.

Despite the progress made to date, more work is needed and more must be done to ensure that the countries can continue to participate actively in international forums.

In light of this situation, at the most recent meeting of the Executive Committee, the delegation from the United States of America requested that IICA continue to provide technical and financial support for the SPS Initiative for the Americas, and the topic of SPS measures in general, considering that there are still opportunities to provide support in the countries and that there are a number of parallel programs that would support this initiative, such as the IICA-SDTF project.

1.2 Priority actions

Priority action 1: To work with the Members States in applying the provisions of the Agreement on the Application of Sanitary and Phytosanitary Measures of the WTO, as well as the norms, directives and recommendations issued by the relevant international organizations (OIE, IPPC and Codex Alimentarius), or any other organization of importance for AHFS and trade.

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The institutional structures of the public and private sectors associated with the negotiation and administration of SPS measures have been strengthened, and their personnel trained	1.1 At least one regional workshop on the negotiation and administration of SPS measures and the international agreements that regulate them, held jointly with regional or international organizations such as FAO, the WTO and the relevant international organizations
	1.2 National committees and agendas on SPS measures supported and operating in the member countries
2. The active participation of the member countries in international forums (SPS Committee of WTO, Codex Alimentarius, OIE, IPPC) has been promoted.	2.1 Program to promote active participation of member countries in international forums developed and implemented
	2.2 Delegates from member countries have participated in at least one meeting of the international forums
	2.3 The countries of the Americas have attended the 40th meeting of the SPS Committee of the WTO to participate in the international workshop on transparency and other activities.
3. The countries have received support in developing the capabilities they need to implement the provisions of the international agreements on SPS measures	3.1 At least one training workshop has been held per region on understanding and implementing SPS measures and the international agreements that regulate them. Examples: Equivalency, risk analysis, harmonization, and assessment of regulations

1.3. Budget for 2008-2009

Major Object of Expenditure	US\$
3: Training and Events	173.000
4: Official Travel	21.000
8: Service Contracts	6.000
Total	200,000

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

2.1. Justification

IICA has been implementing IABA Resolution No. 411 “Horizontal cooperation in the area of agricultural insurance and guarantee funds” since it was approved in September 2005 in Guayaquil, Ecuador.

To do so, an *ad hoc* group was set up, which, to date, has produced the following results: (i) formulation of the business plan for technical cooperation in the area of agricultural insurance (March 2006); (ii) support in organizing and holding a seminar for the Central Region “Agricultural Insurance and Risk Management: International Trends and Experiences” (February, 2007); (iii) the signing of an agreement with the Inter-American Federation of Insurance Underwriters (FIDES) (February 2007); (iv) progress in negotiating an agreement with the State Agricultural Insurance Institute (ENESA) of Spain; and (v) the design of a proposal on and negotiations related to funding for a hemispheric observatory on agricultural insurance.

The initiatives described above and others that are under way have been carried out without receiving additional budgetary resources. Consequently, we need resources from the special budget if we are to build on the work carried out to date: (i) replicating successful experiences (such as the seminar held in the Central Region); and (ii) consolidating those activities under way and undertaking new ones, from a better negotiating position.

2.2. Priority Actions

Priority action 1: Exchange of experiences in agricultural insurance and risk management: international trends and experiences

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Member States have created forums for the exchange information and experiences that can contribute to improving the competitiveness of agriculture and identifying innovative mechanisms for managing risks in agriculture	1.1 Three international seminars held in the Andean, Caribbean and Central Regions, with insurers, producers and specialists
	1.2 A publication with papers from seminars and pertinent documentation has been prepared and distributed

Priority Action 2: Strengthening of agricultural insurance markets

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Member States have established strategic partnerships with public and private financial institutions and financial organizations, to coordinate and pool efforts aimed at the development and strengthening of agricultural insurance markets	1.1 A document containing a proposal for a project on micro-insurance
	1.2 Strategic partnership established with IDB to promote the project
	1.3 Two pilot experiences under way in member countries of IICA and IDB
	1.4 At least 2 legal instruments signed with host countries of pilot experiences

Priority action 3: Exchange of information on agricultural insurance

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Member States have up-to-date information on mechanisms and legislation related to agricultural insurance.	1.1 A document with information on mechanisms and legislation related to agricultural insurance had been prepared and distributed.
	1.2 An institutional strategy to support the Member States in exchanging information has been designed and implemented.

2.3. Budget for 2008-2009

Major Object of Expenditure	US\$
3: Training and Events	30.000
4: Official Travel	33.000
5: Publications and Materials and Inputs	4.000
7: General Services	3.000
8: Service Contracts	30.000
Total	100,000

3. SUPPORT FOR HORIZONTAL COOPERATION AMONG THE MEMBER STATES

3.1 Justification

Horizontal cooperation is a type of technical cooperation which supports and complements the direct technical cooperation provided by IICA. In implementing horizontal cooperation, the Institute has tools to meet the demands of the Member States and to contribute to the exchange of experiences and specialized technical resources among the countries in priority areas. This fact was recognized in the assessment of IICA's technical capabilities presented and discussed by the members of the Executive Committee.

Furthermore, we consider that these successful experiences can be promoted and that the information can be standardized through modern instruments, including the use of ICTs to transform IICA into a center for information and for disseminating and promoting successful experiences in the countries.

With this style of cooperation, we hope to contribute seed resources which will be used as counterpart funds for financing new initiatives in the area of horizontal technical cooperation.

Through horizontal technical cooperation initiatives, we will collaborate directly with the countries in mobilizing the capabilities of the specialized technical resources they possess. Also, with this type of cooperation, IICA strengthens the cooperation it provides to the countries, with more efficient instruments, and builds upon the successful experiences of the institutions of the countries, making them available to third countries.

The horizontal cooperation actions will be carried out with public and private institutions in the agricultural sector, as well as the national technical cooperation agencies that include this type in their cooperation activities with the rest of the countries of the Americas.

3.2 Priority Actions

Priority Action 1: Improvement and standardization of the use of technologies and modern systems to promote and exchange information and experiences in horizontal technical cooperation

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Member States are in a position to engage in horizontal technical cooperation and to seek contributions for sharing knowledge among countries	1.1 A hemispheric catalogue of successful experiences carried out by the countries in priority areas has been prepared
	1.2 A data base and systems have been designed for registering successful experiences, by country
	1.3 The mechanism for promoting horizontal cooperation in priority topics has been designed and implemented.
	1.4 At least 5 Horizontal Technical Cooperation Nodes are in operation, in the leading countries in the different strategic areas of the Institute.

3.3 Budget for 2008-2009

Major Object of Expenditure	US\$
3: Training and Events	80.000
4: Official Travel	60.000
5: Publications and Materials and Inputs	20.000
7: General Services	20.000
8: Service Contracts	20.000
Total	200.000

4. EXECUTION OF THE IICA STRATEGY FOR THE PROMOTION OF AGRITOURISM LINKAGES

4.1 Justification

The development of productive and fully integrated linkages between the Agriculture and Tourism systems in the Caribbean Region offers significant potential for repositioning and broad-based growth in Agriculture, as well as opportunities for channeling the region's diversity and building-in genuine competitiveness and sustainability in the Tourism product. Since 2002, the IICA Office in Barbados has been the focal point for the Institute's actions in Agritourism, through the work of the Agritourism Linkages (ATL) Centre.

Sustaining Agriculture-Tourism linkages requires an integrated planning and development approach which dictates urgent regional dialogue and action. In recognition of this, IICA has prepared a CARIBBEAN Strategy and Action Plan for Agritourism in order to take our Pilot initiative to a new and more sustainable level, which will consolidate IICA's position as a leader in this area, and bring new investment into agriculture.

Within this context, and based on market demand studies conducted in 2006, IICA has identified four major growth areas, and five Regional Priority Actions for Agritourism Development over the 2007- 2010 Medium Term Plan.

4.2 Priority actions

Priority action 1: Consolidation of Regional Policy and Institutional Framework for Agritourism

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. Agritourism development supported and its promotion institutionalized at national and regional levels	1.1. Partnerships with public and private sector tourism partners consolidated through the establishment of a Joint Ministerial Forum and documents presented
	1.2. Multi-stakeholder advisory/steering linkage committees established in each of 14 countries in the Caribbean region

Priority action 2: Consolidation of Food Production and Distribution Networks

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. Best practice models for partnerships between farmers and hotels replicated at regional level and a knowledge community for trade and agribusiness development established	1.1 Three (3) Farm to Table (or Adopt A Farm) Projects implemented in Bahamas, Dom. Rep, and Barbados
	1.2 At least two national tourism demand studies conducted with a view to the development of at least 1 horizontal cooperation project for sourcing and supply across an identified group of countries
	1.3 The Agritourism website, with buyer-seller network, launched and operational

Priority action 3: New Enterprise Development Support

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Region have new investment opportunities in Agritourism identified and supported	1.1 At least 2 new proposals for investment in Agritourism in the rural sector identified in each of 14 countries
	1.2 One Regional Investment Promotion Forum hosted to elicit funding support for new projects

Priority action 4: Human Resource Development

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. Created a cadre of new agro-entrepreneurs for Agritourism	1.1. At least 2 training courses conducted in each of 14 Caribbean countries in areas of GAPs, HACCP, and standards and certification, including e-learning and training exchanges

Priority action 5: Research and Development

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. New Agritourism products and services identified.	1.1 One study conducted in at least 7 countries to identify potential products for research and development
	1.2 One regional workshop held to share results of studies and to launch Biotechnology initiative

4.3 Proposed Budget Allocation per year by MOE, 2008-2009

Major Object of Expenditure	US\$
3: Training and Events	50,000
4: Official Travel	20,000
8: Service Contracts	30,000
Total	100,000

5. FORUM FOR LEADERS IN AGRICULTURE

5.1 Justification

Understanding the opportunities and challenges for agriculture and rural life in today's world, and events that are taking place in this area, is of fundamental importance to the success of leaders in the agricultural sectors of each country in our Hemisphere.

Leaders in the 21st century must possess qualities that are both similar to and different from those of the past. Values and principles such as integrity, courage, vision and determination are character traits that are still valid today. However, today's leaders must also be capable of dealing with uncertainty, complexity and a globalized economy. The role of the leader is changing: the old command and control model that prevailed in the 20th century is being replaced with that of motivator, facilitator, team leader, trainer, strategist and guide.

The IICA Leadership Forum was created as a space for strategic dialogue aimed at achieving a deeper understanding of the processes under way which impact upon agriculture and rural development in the hemisphere. This will enable the leaders of agriculture to better understand the new roles, at the national and international levels, of the ministers of agriculture. As a result, the leaders will be able to:

- Inspire others toward a new vision of agriculture and rural life at the national level, in the context of a globalized world.
- Align and modernize the institutions of the agricultural sector in response to the new challenges.
- Consider the different future scenarios for agricultural, production and trade policy.
- Share knowledge (lessons learned) with other sector institutions, both national and international.

The forum also provides an opportunity for dialogue with IICA, which will facilitate the development of a national agenda for agriculture that will more accurately reflect the priorities of the country.

5.2 Priority Actions

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

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. New ministers of agriculture, senior executives of the agricultural sector of the Americas and young leaders have learned of the latest approaches to the vision, state and outlook for agriculture and rural life in the Americas	1.1 At least 8 ministers of agriculture recently appointed in the Member States, 20 senior executives of the agricultural sector and 34 young leaders from the hemisphere have participated in workshops on: <ul style="list-style-type: none"> • The global challenges and opportunities for agriculture and rural life in the 21st century. • The role of agriculture and agribusinesses in economic development. • IICA and its role in agricultural and rural development in the hemisphere • The role of the Minister of Agriculture as a member of the IABA. • The role of the Minister of Agriculture as a member of the Ministerial process within the framework of the Summit of the Americas process. • The dimensions of leadership in agriculture in the 21st century. • The bases for establishing a new agenda for cooperation between IICA and its Member States.

5.3 Budget for 2008-2009

Major Object of Expenditure	US\$
3: Training and Events	110,000
4: Official Travel	50,000
5: Publications, Materials and Inputs	20,000
7: General Services	20,000
Total	200,000

6. ONGOING PROFESSIONAL DEVELOPMENT PROGRAM

6.1 Justification

The Institute is a knowledge-based organization and, as such, its human resources are its key asset. Given the constant and growing demand for the expertise of the Institute on the part of the Member States, and the fast pace of change in agriculture, it is critical to invest in the development of its personnel. The proposed educational fund will serve as a catalyst for

updating and improving the technical and leadership capabilities of our professional staff, through short-term professional development activities and sabbatical leaves.

The goal of the program is to provide development opportunities to the professional personnel of the Institute, in order to upgrade and/or update their knowledge and capabilities in their areas of competence, and in the area of leadership and management.

6.2 Priority Actions

Priority Action 1: Seminars, technical workshops, professional development courses and sabbaticals

EXPECTED RESULTS	PERFORMANCE INDICATORS
1. The Institute's professional personnel are better prepared to tackle the changes taking place in agriculture and rural life and in the demands of the Member States	1.1 At least 20 professionals have participated in seminars and technical workshops on priority topics for the Institute
	1.2 At least 10 staff members have participated in professional development courses in order to update, and acquire new, capabilities and knowledge, especially in the areas of leadership and management
	1.3 At least 5 staff members have been granted one-year sabbaticals in universities or centers of international prestige, to engage in professional development or research activities.

6.3 Budget for 2008-2009

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