

Executive Committee

Thirtieth Regular Meeting of the Executive Committee 5-7 October 2010

IICA/CE/Doc. 559 (10) Rev 1 Original: Spanish 5-7 October 2010

REPORT OF THE INTER-AMERICAN COMMISSION FOR ORGANIC AGRICULTURE (ICOA)

Background

The Inter-American Commission for Organic Agriculture (ICOA) was established by Resolution of the Executive Committee of IICA at its Twenty-eighth Regular Meeting in 2008: IICA/CE/Res. 484 "Coordination Mechanism for the Development of Organic Agriculture in the Americas." At that Meeting, IICA was designated as the Technical Secretariat of the ICOA and was entrusted with the task of drafting its Bylaws, in conjunction with the Competent Authorities¹ of the member countries.

In 2009, the ICOA Technical Secretariat submitted the draft Bylaws to the consideration of the Executive Committee at its Twenty-ninth Regular Meeting. These were approved through Resolution IICA/CE/Res.506 and were subsequently ratified by the Inter-American Board of Agriculture at its Fifteenth Meeting, in Jamaica, through Resolution IICA/JIA/Res.455.

Organic agriculture in the Americas and the global context

Organic agriculture is a rapidly growing activity with more than 35 million hectares certified as organic worldwide and approximately 1.2 million producers distributed in 154 countries. The trade in organic products was estimated to be worth more than 50.9 billion dollars in 2008.

The region of Latin America and the Caribbean accounts for 23% of the areas certified as organic in the world (8,065,890 has.) and 18.7% of organic growers (257,938). However, sales of organic products in LAC account for less than 5% of total sales worldwide.

The main contributions of organic agriculture to the development of the agricultural sector in the countries of the Americas are associated with sustainable food production, the generation of income, and, to a large extent with improving the food security and quality of life of the producers engaged in this activity, most of whom are family-based farmers. Organic agriculture has also made undeniable contributions to the conservation of natural resources and biodiversity and to the mitigation of climate change, efforts that are an intrinsic part of this form of production.

Despite the significant progress achieved by the region's organic sector in positioning itself in the global context, much work still remains to be done to develop and strengthen the institutional framework required to promote and oversee organic agriculture.

The sale of raw materials, or of products with little value added, reflected in the LAC countries' limited share of the international market for organic products, means that the region can no longer postpone the task of designing policies and strategies to increase and improve its market share, and establishing the *ad-hoc* institutional framework required for their implementation.

At the same time, it is essential to strengthen the institutional structures of the Competent Authorities responsible for overseeing organic agriculture in the countries, and to harmonize their organic production standards and control systems with the Codex Alimentarius and with those that regulate the leading international markets. Such measures will provide guarantees and give confidence to these markets, thereby

¹ The Competent Authorities of organic agriculture are the bodies responsible for ensuring the application of, and compliance with, the technical standards on organic agriculture in the countries, and guaranteeing the organic status of their respective country's products. Their functions include registering organic producers, processors, distributors, input suppliers, inspectors and organic certification agencies, as well as auditing and keeping records of their activities.

encouraging intra-regional trade in organic products and improving the positioning of the region's products in the major international markets.

Work carried out

The First Meeting of the ICOA took place in November 2009, in San Jose, Costa Rica. During this meeting, the delegates established policy guidelines for the formulation of the ICOA's "Medium Term Plan" (2010-2015) and "Biannual Work Plan" and also elected its first Governing Board for the 2009-2010 period, composed of Brazil, Costa Rica, Mexico and Argentina.

During its first year of work, the ICOA has focused on four main structural areas that, in the view of its members, will contribute to the comprehensive development of organic agriculture:

- i. Promoting and supporting the harmonization of standards for organic agriculture in Central America and the Dominican Republic, a task that is fairly well advanced and will facilitate intra-regional trade in organic products and their positioning in international markets. The ICOA is currently working with the Andean Community of Nations (CAN) to begin a similar process in that Region.
- ii. In coordination with IICA's Hemispheric Organic Agriculture Program (HOAP), and with the aim of supporting the authorities of the Dominican Republic and the country's organic movement, the ICOA is backing a process to design a policy proposal for the development of organic agriculture in the Dominican Republic, following on from initiatives previously implemented by IICA in Nicaragua, El Salvador and Paraguay. The ICOA has also provided methodological support to Honduras, Guatemala and Chile in this aspect.
- iii. In order to promote the social inclusion of small-scale farmers and consumers in the benefits of organic agriculture, the ICOA has undertaken major efforts to create conditions that will encourage the development of local and national organic markets. In this regard, ICOA has promoted, through videoconferences and publications, different alternatives for consumer guarantee systems that countries can use to develop these types of markets.
- iv. In the area of information and knowledge management, the ICOA is using information and communications technologies (ICT) to build an Internet portal, administered by the countries themselves and operated by their respective Competent Authorities. The Portal provides an important tool for sharing and disseminating information for decision-making, as well as access to a specialized library on organic agriculture, which contains more than 43,000 bibliographic references on this subject.

Also in the field of technology, ICOA is working to harmonize procedures and develop tools to support the work of the Competent Authorities, paying special attention to the identification and implementation of "specialized software" that will facilitate a standardized approach to gathering and processing information in the different countries, and their interconnection.

In addition to the actions undertaken in the four priority areas mentioned, ICOA has encouraged horizontal cooperation between countries through electronic forums and newsletters; direct technical assistance services, such as those provided to the Caribbean countries in the review of their proposal for regional standards for organic production; and on-site training courses such as those organized in Argentina with the participation of the Competent Authorities of Chile, Bolivia, and Ecuador.

In order to support the implementation of its work agenda and enhance it, ICOA has signed a cooperation agreement with INTERECO, a non-profit association that operates the public certification system for ecological

agriculture in the Autonomous Communities of Spain. It has also prepared three project profiles on various topics on its agenda, which IICA will submit to international donors for consideration.

Today the ICOA is recognized as the regional referent for organic agriculture in the Americas and, as such, has been invited to participate in international events, both in Europe and in LAC countries. It is also an active partner in major international initiatives such as the Global Organic Market Access Project led by UNCTAD, FAO and IFOAM.

In September of this year, in response to an invitation from the government of Mexico, the ICOA held its Second Regular Meeting in Mexico City. The meeting was attended by the Competent Authorities responsible for regulating and overseeing organic agriculture in 15 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Honduras, Guatemala, Mexico, Panama, Paraguay, and Peru.

Representatives of the United States and Canada participated as observers, and Jamaica attended in representation of the Caribbean. It should be noted that the representative of Canada informed the Assembly that his country was taking the steps required to become a regular member of the ICOA by the next Assembly. The representative of the Caribbean reported to the Assembly on progress in that region in efforts to develop organic production and the necessary institutional framework and, in particular, on an initiative under way in the Caribbean to develop regional standards for organic agriculture.

At the meeting, the processes being carried out by the ICOA were evaluated and the contributions it has made to the development of organic agriculture in the Americas, and especially to the promotion of trade in organic products, were acknowledged as important achievements. These include: i) the regional harmonization of standards and the strengthening of the national control systems as a mechanism for guaranteeing the development of markets, ii) the efforts made to promote the development of local and national markets; iii) the support given to the countries in the formulation of policies, and iv) the establishment, in the countries, of mechanisms for centralizing and disseminating information needed for decision making.

The decision was made to continue the consolidation of all these processes, which are strategic for the development of the sector. It was recommended that the ICOA agenda call for more efforts to develop local and national markets for organic products, while searching for product guarantee mechanisms that are less expensive than those currently in use, which could include public and/or semi-public certification, to the extent that they have the approval of governments. Another agreement reached was to set up a training and education committee to upgrade the skills of the personnel of the institutions responsible for control, and to create task forces in areas of interest to the countries where there are gaps in the application of relevant international regulations, such as the definition of the inputs that may be used in organic agriculture and the formulation of proposed regulations for the wine making, cosmetics and textiles industries and aquaculture.

An outstanding development was the agreement reached among the member countries of the Andean Community of Nations (CAN) to move forward in harmonizing standards for organic production in the region, based partially on the progress made by Central America and the Dominican Republic in harmonizing their standards. The relevant proposal will be presented to the CAN authorities in October. In addition, the countries of the South (Argentina, Brazil, Paraguay and Chile) agreed to meet in November to consider the possibility of launching a similar harmonization process, and to invite Uruguay to join them. It is expected that, once all the harmonized regional proposals (Central America-Dominican Republic, CAN and countries of the South) have been prepared, it will be easier to move toward a single proposal that will boost trade in organic products at the national, regional and international levels, which must be complemented with the strengthening of the corresponding institutional framework in order to guarantee the effectiveness of the control systems.

Lastly, at the meeting, Paraguay was elected as the site of the Third Meeting of ICOA, to be held in second half of 2011, where the topics of discussion will include, among others, an assessment of the conditions that exist in the countries to move toward harmonized regional standards. The decision was made to invite a representative of the Caribbean to the meeting, while they conclude the process of formulating and approving their regional standards and creating their Competent Authorities, which will enable them to joint ICOA formally

The ICOA Board of Directors elected for the 2010-2011 period comprises representatives of Argentina, Costa Rica, Mexico and Paraguay.

Support requirements

The LAC countries require the support of their national authorities to create an institutional framework for organic agriculture that will foster a more accelerated and integrated development of this sector, and also offer guarantees to trading partners on the organic status of the region's products, thereby facilitating and expanding their trade.

In this context, the support of the countries' national authorities is required to:

- Support and strengthen the participation of the Competent Authorities in meetings of the ICOA, in order to strengthen and consolidate it as a regional institutional body that adds value to the work of the countries.
- ii. Strengthen the institutional structures of the authorities responsible for overseeing organic agriculture in the countries, promote the training of their technicians and provide them with the necessary tools to carry out their tasks.
- iii. As part of the countries' public policies, design specific policies and work agendas for the development of organic agriculture and appoint ad-hoc bodies responsible for promoting and developing this activity.
- iv. Harmonize the standards governing organic production in the ICOA member countries, in order to create better conditions for the international trade in organic products.

This Report is hereby submitted to the Thirtieth Regular Meeting of the Executive Committee of IICA, in compliance with article 3, sub-paragraph m, of the Bylaws of the ICOA.