



EXECUTIVE COMMITTEE

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**THE INTER-AMERICAN PROGRAM FOR THE PROMOTION OF TRADE,
AGRIBUSINESS AND FOOD SAFETY**

PROGRESS REPORT

San Jose, Costa Rica

1. This document summarizes the progress made to date in implementing the Inter-American Program for the Promotion of Trade, Agribusiness and Food Safety, and is presented to the Special Advisory Commission on Management Issues (SACMI) for its consideration.
2. Following the recommendations of the Executive Committee, the Directorate of Trade and Agribusiness Development reviewed the original proposal and conducted interviews with representatives of government and private organizations in several countries of the Americas. As part of this process, we conducted lengthy and intensive interchanges of ideas with representatives of the governments of Canada and the United States in order to redefine the focus and scope of the program.
3. From these interviews, we concluded that:
 - a. The original proposal on the Program provided IICA with an opportunity to exert influence in a sector traditionally outside the scope of its actions.
 - b. The original proposal, even though it contained all the elements needed to promote business, was too ambitious and would have to be modified prior to its implementation, opting for a simpler program that could be increased in scope gradually.
 - c. The program should complement the services provided by export promotion agencies in the member countries, grow out of activities already under way at IICA, and not compete with the private sector.
 - d. The different private-sector groups and organizations interviewed supported the idea, believing it would contribute to trade opening, especially because of the practical nature of the services it would provide. They also felt that the Program could help reposition IICA technically.
4. With this in mind, the Directorate took a look at the activities its was carrying out, in order to identify those that should be incorporated into the program, while avoiding the duplication of efforts and using existing activities as a platform for expanding the Program. Perhaps more important has been the effort to convert the Program into an instrument for integration, attempting to ensure the practical application of the Institute's actions, with emphasis on the private sector.
5. Therefore, the Program's vision is to contribute to the integration the Institute's actions, in order to provide practical technical cooperation to the private sector, adopting a holistic view of agriculture and using trade as a vehicle for improving the standard of living of our rural populations.

6. As expected, the great disparity in terms of technical capacity, in and between countries, was confirmed. Therefore, it was decided that the Program should focus its efforts on supporting small- and medium-scale agriculture.
7. Based on this review, and taking into consideration the comments and suggestions of the SACMI and the Executive Committee, the Program has evolved and now comprises three lines of action:
 - a. Market information. At the suggestion of the representatives of Canada, which was endorsed by the representatives of the USA, we have established contact with the Marketing Organization of the Americas, which is interested in standardizing information systems related to agricultural markets, and criteria for such activities in the Hemisphere. During the week of May 20, we will be meeting in Washington to formalize our relationship, designate the Program as Technical Secretariat of this organization, and help in developing an integrated agricultural market information system for the Hemisphere. Also, we have been developing a business plan for creating a single window where information on import/export requirements can be easily accessed by IICA's partners.
 - b. Trade capacity building: Efforts will focus on the professionalization of operators of small- and medium-scale enterprises. This program is based on the experience gained in recent years during execution of the Export Platforms project, which was coordinated and promoted by IICA. This project will be expanded in three major areas:
 - i. Expansion of the Export Platform project to include IICA's English-speaking countries. To this end, permission has been obtained from FITT¹ Canada to use the English-language versions of its training module on agriculture. The expansion of the Export Platforms into the Caribbean Region will begin between 2003 and 2004.
 - ii. More efforts are being made to encourage attendance at trade fairs and events. We continue to promote attendance at SIAL-Toronto, and recently have signed, with the help of the Directorate of Strategic Partnerships and the IICA Office in Spain, a memorandum of understanding with FIAB and Alimentaria² to promote attendance at Alimentaria-Mexico. Also, we are working with the WTC-Miami to promote attendance at the Food and Beverage Show, as the event of choice for all those small- and medium-scale enterprises that complete the Export Platforms program.
 - iii. We have launched a project aimed at designing a process for evaluating/developing a computerized system for determining the export capacity of small- and medium-scale enterprises. This model will be used

¹ Forum for International Trade Training

² *FIAB*: Federation of Food and Beverage Industries. *Alimentaria*: Spanish organization that organizes trade fairs.

to develop “custom-made” professionalization programs aimed at upgrading the business skills of the people who work in these enterprises.

- c. Trade Promotion. It has been decided that the Program should focus on promoting the trade of non-traditional products in which Latin America and the Caribbean have competitive advantages. Information will be disseminated for the purpose of educating potential buyers and society in general on the use, benefits, production and producers of such products. At the present time, we are working on a project to determine the methodology that should be used to ascertain which products and countries might be interested in participating.
8. A fourth action, for inclusion in the Program, focuses on matters related to food safety and bioterrorism. Inasmuch as the United States will soon begin enforcement of the Bioterrorism Act, IICA has helped disseminate information on same in its member countries. Also, in coordination with IICA’s Directorate of Agricultural Health and Food Safety, we are developing a food safety program aimed at convincing authorities and society in general that food safety is the right of every human being, and not just a requirement for exporters. We hope to have the proposal ready by September, 2003.
9. Also, within this program, we have launched three initiatives whose implementation will depend on the existence of financial support. These initiatives will be hemispheric in scope and, therefore, will depend on the participation IICAs’ Regional Specialists and the IICA Representatives in the member countries. In brief, these initiatives are:
 - a. Integrating Regional Markets: The aim of this initiative is to provide technical cooperation and assistance for the integration of regional markets, developing state-of-the-art technologies that will favor trade, integrate quality standards and facilitate the use of common, or regionally accepted, documents, the goal being to make trade more fluid.
 - b. Responding to consumer demands. The objective of this initiative is to provide technical assistance and cooperation, recognizing that production should be based on the needs of consumers. Therefore, efforts focus on helping to improve the quality of products, packaging, logistic services and post-harvest handling of agricultural products.
 - c. Implementing trade agreements. As stated in the Doha Round, we believe that trade agreements provide the basis for facilitating trade; however, it is up to the signatory countries to make sure this happens. Therefore, we attempt to develop mechanisms that will enable countries to administer and monitor trade agreements, evaluating their impacts and translating them into concrete actions.
10. All the member countries have supported the decision to locate the office for the operation of the Program in Miami, Florida. Some of the activities currently being carried out are:

- a. The General Directorate of the Institute submitted a request to the Secretary General of the OAS, asking that the Miami office be included in the general agreement existing between the OAS and IICA. This request was granted.
- b. A request was sent to the U.S. Department of State asking for approval to include the Miami office in the general agreement with the OAS. We are awaiting a reply.
- c. The office will be located in the Blue Lagoon section of Miami, which offers advantages in terms of proximity to the airport and agricultural authorities.
- d. Initially, the office will have a staff of four: two international and two local professionals. The two international professionals are already employed by the Institute, meaning that increases in salaries will be minimal. One of the two local professionals is an administrative assistant whose role is to provide the Director of Trade and Agribusiness Development with support in matters related to the Miami office. The second local professional must be a person with experience in the field of Food Safety. The search for this individual will begin as soon as the office opens, with an eye to his/her being on the job by August 2003. Also, a third professional, with experience in market promotion, may be hired. This person will be hired to replace a professional currently working in the Directorate of Trade and Agribusiness Development, who will be leaving for health reasons. Therefore, a substantial increase in salaries is not foreseen.