IICA

Report of the Group of Six Experts

THE EVALUATION OF THE 1987-1993 MEDIUM TERM PLAN AND RECOMMENDATIONS FOR THE PREPARATION OF THE 1994-1998 MEDIUM TERM PLAN

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INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE (IICA)

INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE

I I C A

REPORT ON THE MEDIUM TERM PLAN
1987-1993

Prepared by the
Group of Six Experts

San Jose, Costa Rica
April 1993

REPORT OF THE GROUP OF SIX EXPERTS ON ITS EVALUATION OF THE MEDIUM TERM PLAN 1987-1993 AND RECOMMENDATIONS FOR THE PREPARATION OF THE PLAN FOR 1994-1997

Prepared in accordance with Resolution IICA/JIA/-Res.168 (V-0/89), adopted by the Inter-American Board of Agriculture in San Jose, Costa Rica, October 1989, and Resolution IICA/CE/Res.140-(X-0/90), adopted by the Executive Committee in August 1990.

San Jose, Costa Rica

April 1993

ACRONYMS
USED IN THIS REPORT

ADDGO	Assistant Deputy Director General for Operations
APHIS	Animal and Plant Health Inspection Service
CAP	Common Agricultural Policy
CATIE	Tropical Agriculture Research and Training Center
CEPPI	Center for Programs and Investment Projects
CIAT	International Tropical Agricultural Center
CIDIA	Inter-American Agricultural Documentation and Information Center
CIMMYT	International Maize and Wheat Improvement Center
CIP	International Potato Center
DICAI	Directorate for the Coordination of Institutional Affairs
DIPROE	Directorate for Programming and Evaluation
DIREX	Directorate of External Relations
EC	Executive Committee
ECLAC	Economic Commission for Latin America and the Caribbean
EEC	European Economic Community
EPA	Environmental Protection Agency
FAO	United Nations Food and Agriculture Organization
GATT	General Agreement on Tariffs and Trade
IABA	Inter-American Board of Agriculture
IBRD	World Bank
ICMA	Inter-American Conference of Ministers of Agriculture
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IICA	Inter-American Institute for Cooperation on Agriculture
LAC	Latin America and the Caribbean
MTP	Medium Term Plan
OAS	Organization of American States
PAHO	Pan American Health Organization
PLANLAC	Plan of Joint Action for Agricultural Reactivation in Latin America and the Caribbean
UNDP	United Nations Development Programme

TABLE OF CONTENTS

ACKNOWLEDGMENTS

The Group of Six Experts (G-6) appreciates the support and collaboration it received in the course of its work. In particular, we wish to thank the many ministers of agriculture and high-level officials or representatives of the agricultural sector -both public and private- and a number of international agencies we visited during the course of our evaluation of the 1987-1993 Medium Term Plan (MTP). All of these officials and representatives put forth very useful viewpoints and made valuable suggestions on the international and regional context of agriculture in the hemisphere, the problems encountered and the efforts being made to modernize the sector. They also made extremely valuable suggestions about the role that IICA should play over the next few years in its task of contributing to the reactivation of agricultural development in Latin America and the Caribbean.

We wish to express our appreciation to the Director General of the Inter-American Institute for Cooperation on Agriculture (IICA), as well as to the administrative and technical staff at IICA Headquarters and at its Offices in Washington and in the nine countries we visited, for their wholehearted cooperation and assistance, which greatly contributed to the success of our mission. The Group greatly appreciated the free access that it had to interview and receive opinions from key staff members, as well as the serious interest shown by all staff members in helping the G-6 produce a report that would contribute to improving IICA's ability to help the countries. In particular, the G-6 wishes to acknowledge the competent collaboration provided by the institutional team designated by the Director General, which was made up of Gonzalo Estefanell, Manuel Otero, Susana Lalli, Marielos Solís, Abigail Leaver, Olga Zeledon, Marcela Román, Barbara Rojas and many others who at all times provided the support required for the preparation of this report. We would also like to thank all those staff members who prepared the excellent background materials used by the G-6.

CHAPTER I

INTRODUCTION

1.1 Background

As a result of the changes made in the 1987-1991 MTP, whereby the Plan was extended to 1993, the Inter-American Board of Agriculture (IABA) decided, at its Fifth Regular Meeting, held in San Jose, Costa Rica in October 1989, that the Director General of IICA should submit to the Executive Committee, at its Tenth Regular Meeting in 1990, a proposal for conducting an evaluation of the MTP currently in force, and for preparing a new Plan for 1994-1998.

In August 1990, the Executive Committee of IICA considered that the MTP had been a useful tool for the operations of the Institute, but that, as is the case with any medium-term programming tool, an evaluation should be made both of the MTP itself and of the programs and projects implemented within its framework. This evaluation was to be aimed at suggesting organizational and institutional changes in IICA, bearing in mind developments on the international and regional scenes. The Executive Committee decided that a group of six outside experts (G-6) should be recruited to undertake this task. The Committee decided that the findings of this Group should serve as an input to be used by the Director General of the Institute to be elected at the regular meeting of the Inter-American Board of Agriculture to be held in Mexico City in 1993, when he draws up a draft MTP for 1994-1998.

The Executive Committee recommended to the IABA that, at its 1993 meeting, it should expressly delegate to the Executive Committee the authority to study and approve the draft MTP to be submitted by the Director General at the 1994 regular meeting, as well as any changes that might have to be made in the 1994-1995 Program Budget in order to bring it into line with the new guidelines of the Plan, once it is approved.

The Medium Term Plan (MTP) is an instrument through which the countries' demands and needs for technical cooperation are coordinated with the long-term objectives of the Institute. As such, it should be reviewed periodically and updated to ensure that it matches the organizational and institutional conditions of the Institute, in light of worldwide and regional developments.

1.2 Purpose and objective

As mentioned above, the purpose of conducting an evaluation of the MTP is to make recommendations for the future, based on the experience gained in implementing the current MTP and on recent developments in the region and throughout the world. Our findings, therefore, should be taken as a summary of the lessons learned from experience, with a view to improving IICA's action and, in particular, the activities to be carried out under the 1994-1998 MTP. In order to ensure that this goal is met, the G-6 decided that its work should be guided by the following objectives:

- To analyze the major changes that have taken place in regard to agricultural and rural issues in the member countries of the Institute.

- In light of these developments, to determine the effectiveness of IICA's actions at different levels: Program's, support centers and technical cooperation activities in the countries.

- To evaluate the methods and tools used to provide technical cooperation during 1987-1993.

- To put forward proposals for changes and adjustments in the Institute's operations, objectives and strategies, required to ensure that its action is consistent with the current situation and projections for the future.

During the preparatory stage of the 1987-1993 MTP, i.e., when the crisis of the mid-1980s began, and subsequently during the stage of actual implementation, the international situation posed tremendous challenges for IICA and its member countries. Unexpected political and economic changes took place throughout the world, and the countries embarked on a process of adjustment as a result of special situations which arose in the region. In this regard, special mention should be made of the various integration initiatives under way in the hemisphere. The Group's analysis of this situation accounted for a substantial portion of its work, in keeping with its view that the lessons to be learned from recent international and regional developments should be borne in mind in drawing up the 1994-1998 MTP.

1.3 Issues addressed by the Group

In order to make recommendations for the 1994-1998 MTP, three main sources of information were analyzed. First, the 1987-1993 MTP, as the document setting the institution's strategic guidelines for the period.

Second, IICA's operations during the timeframe of the present MTP. This included an assessment of financial resources, management style (operations), administrative structure, staff development, the Programs, and inter-institutional relations, as well as the political mandate of IICA as established in the relevant IABA resolutions (Ottawa, Madrid, PLANLAC).

Third, the international context in which the region's agriculture developed during the period. Particular emphasis was placed on an analysis of geopolitical blocs, trade liberalization, agricultural protectionism, integration, scientific and technological changes, competitiveness and the implication of these topics for IICA's technical cooperation.

The G-6 discussed at length concerns expressed by member countries and by the Administration of IICA, including the following:

General

- The alternative scenarios that are most likely to affect the performance of agriculture at the international and regional levels; in this context, and considering the dynamics of change in the world and in LAC, the role that IICA should seek to play under its new strategy of regional technical cooperation.

- As a result of the conceptual framework developed by IICA, wherein agricultural modernization is set forth as a key element of economic reactivation, including the goals of competitiveness, equity and sustainability (highlighted at the Ottawa and Madrid Conferences), the Group discussed the way in which IICA should work in these three areas of concentration over the next four years.

- A number of instruments and alternatives for overcoming limitations in IICA's operations, in light of the constantly changing international environment.

- The need to review mechanisms of coordination with other institutions working in the region, in view of the duplication of technical cooperation efforts.

Within IICA

- The different sources of external and quota resources -both current and potential- were discussed with a view to finding ways for IICA to achieve greater balance and consistency in its Program Budget.

- The following five major areas of IICA's work were examined in order to recommend adjustments and changes to be made as new situations arise and in the light of suggestions made by member countries of the Institute.

  (a) Prospective thinking
  (b) Consultant services
  (c) Horizontal technical cooperation, through direct technical cooperation networks

  (d) Preparation of investment projects and sector analysis
  (e) Administrative support

At the country level

- During its visits to the countries, the G-6 considered the large number of short-term activities that IICA carries out at the request of individual member countries. There is no question that IICA's involvement in this type of activity, while it responds to local requests and needs, diminishes IICA's ability to concentrate on, and give priority to, its basic purpose - providing technical cooperation at the country level on major and selected themes -in accordance with the guidelines set forth in the MTP. The G-6

therefore made specific recommendations for overcoming this situation.

- In view of the new situations that have arisen as a result of far-reaching transformations in the political, economic and technological scenes, the Group discussed and made recommendations on the Institute's relations, at the country level, with the public and private sectors.

1.4 Terms of Reference of the Group of 6 Experts

In compliance with the Executive Committee's Resolution N°. 140, the G-6 was convened with the purpose of presenting recommendations and guidelines for the preparation of the 1994-1998 Medium Term Plan, based on the results of the evaluation of the 1987-1993 MTP. The specific terms of reference are set forth in Appendices 2 and 3.

1.5 Composition of the Group of Experts

The Group of Experts was made up of the following persons (Appendix 4):

- Carlos Gustavo Cano (Colombia)
- Dough Daniels (Canada)
- Lincoln Myers (Trinidad and Tobago)
- John A. Pino (United States of America)
- Roberto Vazquez Platero (Uruguay)
- Roberto Villeda Toledo (Honduras)

1.6 Methodology

To carry out the task set forth in the terms of reference, the work of the Group was divided into three stages. First, the G-6 convened in San Jose, Costa Rica, in late November 1992 for a briefing with the Director General and to finalize organizational arrangements and procedures for the evaluation. The briefing covered, among other topics, expected outputs, an overview of the Institute and other relevant information. At this time, the Group selected Dr. Roberto Vazquez Platero as the Coordinator of the Group, responsible for ensuring the smooth operation of the Group and for the final version of the document. He was also responsible for presenting the main findings at the Thirteenth Regular Meeting of the Executive Committee.

The second stage was a visit to selected countries and international organizations of the United Nations and the Inter- American systems, for which the Group was divided into three teams. The third stage was devoted to sorting

information and preparing the first draft of the report. The schedule was as follows:

November 30 - December 2	First meeting in San Jose: organization of the Group; briefing with Director General.
March 8-16	Organization of work and interviews with Dr. Martin Piñeiro, Director General of IICA; Reed Hertford, Deputy Director General; Directors of the Programs on Agricultural Policy Analysis and Planning, Technology Generation and Transfer, Organization and Management for Rural Development, Trade and Integration, and Agricultural Health. The Group also interviewed the Directors of Programming and Evaluation (DIPROE), External Relations (DIREX), the Center for Programs and Investment Projects (CEPPI), the Inter-American Agricultural Documentation and Information Center (CIDIA), Human Resources, and Finance; the Legal Advisor, the Internal Auditor and the Directors of Area Operations. The group was formally presented by the Director General to all staff in a meeting convened for that purpose, where the objectives of the G-6's work were explained.
March 17 - April 3	The G-6 split into three working groups and visited 9 countries in the four areas covered by IICA. They also interviewed representatives of several international agencies based in New York and Washington, as well as United States and Canadian government officials concerned with the activities of IICA. The groups, and countries visited, were as follows: <u>Caribbean Area:</u> Trinidad and Tobago, Guyana and St. Lucia Doug Daniels and Lincoln Myers <u>Andean and Central Areas:</u> Colombia, El Salvador and Mexico Carlos Cano and Roberto Villeda <u>Southern Area:</u> Uruguay, Bolivia and Brazil John Pino and Roberto Vazquez Platero <u>New York:</u> UNDP, FAO

Washington:

IBRD, IDB, IFPRI, USDA, OAS, UNEP

April 18-
April 30 — The G-6 continued its work at IICA Headquarters, compiling and analyzing all the information gathered, and drafting its final report, which was submitted to the Director General in accordance with the established terms of reference.

The Group of Six Experts, in close collaboration with IICA's management, gathered a large amount of information relating to the organization of the Institute and to the execution of the 1987-1993 MTP, including the following: reports on IICA's work at the country level, statistical data, reports and documents on the actions and achievements of the five Programs and the various support centers at Headquarters, reports on hemisphere-wide and multinational projects, reports on PLANLAC, follow-up on the Madrid Conference, and annual reports. This information was gathered as background material for the Group's discussions (see Appendix 5).

In the countries visited, the G-6 interviewed officials of the public sector and representatives of the private sector, the IICA Representatives and the international and national technical staff at each Office. In most countries, the ministers of agriculture or their deputies were interviewed.

1.7 Structure of the Report

The Group's report includes the following sections: acknowledgements, six chapters and appendices.

Chapter I presents a summary of the scope and the background of the Group's work.

Chapter II contains an analysis of the 1987-1993 Medium Term Plan, identifying its role as an instrument used by the Institute to provide assistance for agricultural development in the countries. This Chapter provides the historical framework of how IICA prepared and executed these activities, the introduction of PLANLAC orientations into them and the Program adjustments required for their implementation. A comment on the previous G-6's recommendations is also included, as they provided the basis for the 1987-1993 Medium Term Plan.

Chapter III contains an evaluation of the implementation of the MTP during the period 1987-1993, and highlights some of the main issues considered in the course of the evaluation. This chapter attempts to respond to the need of the G-6 to make an assessment of the implementation of the Medium Term Plan (MTP). It is not an evaluation of the program's impact, but rather an analysis of the relevance of the MTP guidelines to the existing conditions in the countries and the region and an examination of the effectiveness of the structure and instruments adopted in the implementation of the MTP. The observations made in the chapter reflect the insights gained from a review of background documents,

discussions with IICA staff at Headquarters and in the IICA Offices in the countries, and with country officials in the public and private sectors. The chapter lays the basis for the recommendations put forward in later chapters.

Chapter IV examines the most recent geopolitical and economic developments in the world, such as the trend toward the formation of trading blocs, the so-called "third agricultural revolution" and the new profile of agricultural policies. Finally, this chapter examines the implications of this new context for IICA's technical cooperation.

Chapter V contains a summary of the Group's main recommendations related to the preparation of the 1994-1998 MTP. Chapter VI addresses other matters not specifically related to the MTP, which the G-6 felt should be considered by the member countries.

CHAPTER II

ANALYSIS OF THE 1987-1993 MEDIUM TERM PLAN

2.1 Role and components of the MTP in IICA's activities

The Medium Term Plan is the instrument used by the member countries of IICA, sitting as its governing board -the Inter-American Board of Agriculture (IABA)-, to set forth its medium-term objectives, the strategy for achieving them (including technical programs) and to define how the Institute should be organized for implementing the Plan. The Medium Term Plan is an institutional planning instrument that:

> "...seeks to merge the needs and demands for technical cooperation arising from the economic, social and political context of the countries during this decade, with the permanent goals of the Institute, as established in the Convention, which are to stimulate, promote and support the efforts of the Member States to achieve agricultural development and rural well-being".[1]

IICA carries out its activities in accordance with a programming system which involves two types of planning, to wit:

- prospective or strategic planning, the objective of which is to define Institute strategy for the medium term; and

- short-term planning, the objective of which is to put into operation long-term strategies.

The Medium Term Plan, as an instrument for defining strategies and as a general framework of action for the Institute, is drawn up to reflect the results of a broad analysis of agriculture in Latin America and the Caribbean, as well as a general assessment of the principal worldwide trends impacting on agriculture. It also defines objectives and general strategic guidelines for the period under consideration and identifies areas of concentration and the instruments to be used in executing them.

The Plan elaborates on how the Institute should be organized for implementing these objectives and strategies, describing the characteristics of the programs, support units and management structure, as well as the functions of the Offices in the countries and their role in the overall structure of the Institute.

Finally, the MTP offers some general comments on funding, including the role of external resources.

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[1] Inter-American Institute for Cooperation on Agriculture, Medium Term Plan 1987-1993, IICA, Official Documents Series No. 49, San Jose, Costa Rica, 1990.

2.2 Organization for implementation

In order to implement the MTP, the Institute was organized along the administrative lines described below, taking three key principles into account:

- To concentrate efforts and upgrade the quality of technical activities;
- To ensure that technical considerations are taken into account when formulating institutional policy; and
- To promote decentralized decision making and implementation of activities.

Administratively, the Institute is organized as follows:

- Office of the Director General
- Office of the Assistant Deputy Director General for Operations (ADDGO)
- Management support units
- Technical cooperation units
- Technical support units

The Office of the Director General is the Institute's highest management level, and includes the Office of the Deputy Director General, the Advisors to the Director General and the Internal Auditor.

The ADDGO is responsible for directing and monitoring the activities undertaken by IICA's Offices in the countries (with the exception of Canada and the United States), through the Area Directorates[2]. Through it, particular attention is paid to the follow-up of subregional strategies.

The management support units are the Directorate of External Relations (DIREX), the Directorate of Human Resources, the Directorate of Programming and Evaluation (DIPROE), the Directorate of Finance, and the Directorate for the Coordination of Institutional Affairs (DICAI).

IICA's technical cooperation units consist of five Programs, namely, Program I: Agricultural Policy Analysis and Planning; Program II: Technology Generation and Transfer; Program III: Organization and Management for Rural Development; Program IV: Trade and Integration; and Program V: Agricultural Health, which carry out activities in the areas of concentration identified in the MTP currently in force. Additionally, there is the Center for Programs and Investment Projects (CEPPI), which provides support to sectoral programs and to the development of investment projects.

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[2] Central Area: Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama.
Caribbean Area: Antigua and Barbuda, Barbados, Belize, Dominica, Guyana, Grenada, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago.
Andean Area: Bolivia, Colombia, Ecuador, Peru, Venezuela.
Southern Area: Argentina, Brazil, Chile, Paraguay, Uruguay.

IICA has two technical support units: the Inter-American Agricultural Documentation and Information Center (CIDIA) and the Informatics Service Unit.

2.3 Implementation of the 1987-1993 Medium Term Plan

The objectives and strategies of the 1987-1993 Medium Term Plan are framed by the permanent objectives of the Institute:

> "To encourage, promote and support the efforts of the Member States to achieve their agricultural development and rural well-being."

Also influencing these objectives were the recommendations set forth in the document "General Policies of IICA" and, later, when the MTP was extended, the contents and objectives of the PLANLAC.[3] Accordingly, the Institute's action has sought to:

> "Propel the development of the agricultural sector as the major source of economic growth with equity, both as a supplier of foodstuffs for domestic consumption and as the major source of foreign exchange..."
>
> "Intensify modernization and increase production efficiency in the agricultural sector, while conserving natural resources and the environment...", as well as
>
> "Pursue regional integration..."

To attain these objectives, and given the funds available to IICA, it became the Institute's strategy to concentrate efforts and resources in the five program areas identified earlier.

Mechanisms were sought for coordinating the actions and operations of the five Programs in order to provide better and more efficient technical cooperation to the member countries. After the PLANLAC was approved in October 1989, and once the necessary adjustments were made to the technical and support units, hemisphere-wide and multinational actions became some of the most important parts of the Institute's overall strategy.

The instruments of action of this strategy included research and studies, training, technical cooperation, administrative services, technical-scientific brokerage and the dissemination of information.

Given the new objectives and strategies, it became necessary to make changes in the make up of the staff and to reorganize the teams of professionals to reflect the new areas of concentration. In order to enable the Institute to respond more effectively to changing circumstances, it was decided to reduce the

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[3] The Plan of Joint Action for Agricultural Reactivation in Latin America and the Caribbean (PLANLAC) was prepared in compliance with Recommendation No. 10 of the Ninth Inter-American Conference of Ministers of Agriculture (ICMA), held in Ottawa, Canada, in 1987, and approved by the Fifth IABA in October 1989 (See Appendix 4).

number of professionals holding permanent positions, and to increase the number of short-term contracts for work on specific projects. Staff training and development was another area highlighted in the proposed strategy, as was the use of a more objective system to evaluate and promote personnel.

With regard to administration and finances, it was recommended that the Institute continue to decentralize its accounting operations and develop flexible, computerized accounting systems that could take into consideration the specific demands of the different funding sources.

As to external relations, IICA was to strengthen ties with other international technical and financial cooperation organizations, fortify the Institute's image, and improve coordination with agricultural and rural development funding agencies.

2.4 Implementation of Ottawa and PLANLAC resolutions

The Ninth Inter-American Conference of Ministers of Agriculture was held in Ottawa, Canada, from August 21 to September 2, 1987. The discussions of the meeting focused on analyzing the situation in the region and the uncertainties and difficulties being faced by Latin America and the Caribbean in the mid-1980s, also known as the "lost decade."

The results of the discussions were summarized in the Ottawa Declaration, which expressed the principal concerns of the ministers of agriculture of the region at that time, and identified the areas where action was most urgently needed if agriculture was to play a leading role in the economic and social development of the countries of the area. As stated by the Ministers:

> "... The analysis of these topics, to which we have devoted a large part of our deliberations, represents without doubt, a significant step toward our taking those actions which will enable our countries to resume the path to growth and overcome poverty, malnutrition...."

The priority topics identified in the Conference may be summarized as follows:

- The need to modernize agriculture
- The importance of combatting poverty
- The role of women in agriculture
- The need for change in the types of financing provided by international organizations
- Adjustments in sectoral policies
- The promotion of integration as a means of ensuring competitiveness
- The need for change in external conditions, especially with regard to trade in goods and services

Recommendation No. X of the Inter-American Conference of Ministers of Agriculture, recommends that the IABA charge IICA with *"...developing... a strategic plan of joint action in support of agricultural reactivation and economic development in Latin America and the Caribbean..."*

The result was the Plan of Joint Action for Agricultural Reactivation in Latin America and the Caribbean (PLANLAC), which is a dynamic conceptual framework consisting of hemisphere-wide and multinational projects of shared responsibility. In other words, this plan is one in which not only IICA, but also other technical and financial cooperation agencies, and especially the countries, share responsibilities (see Appendix 6).

The approval of the PLANLAC by the Fifth Regular Meeting of the IABA, in 1989, marked an important moment in IICA's evolution. It provided an opportunity for conducting a systematic analysis of the situation in the region, and for formulating an overall strategy which set the parameters for defining the roles to be played by the different institutions.

In addition to the Ottawa Declaration, which gave rise to PLANLAC, there later was the Madrid Declaration of 1991, which mandated IICA to incorporate the concepts of competitiveness, sustainability and equity, as they relate to agricultural development in the region. The Madrid Declaration will be addressed fully in Chapter 4.

2.5 Review of previous G-6 recommendations

The Medium Term Plan being analyzed in this document is based on, among other sources, the recommendations made by the Group of Experts[4] that studied the previous MTP. The aim of that exercise was to help the new administration define operating and conceptual guidelines.

That Group made 30 recommendations covering a broad range of institutional activities. In general terms, there was a high degree of compliance with the recommendations concerning administrative, conceptual and operational issues (see Appendix 7).

Of particular importance was a recommendation on the Institute's Programs, which brought about significant changes in the Institute's areas of technical concentration, and the way in which the Programs were organized to fulfill their obligations.

As concerns administrative/operational issues, emphasis was placed on bringing the Area Directorates to Headquarters to facilitate dialogue at the highest level; emphasis was also placed on the need to decentralize the decision-making process and the management of funds allocated to the different operating units, including the Offices.

The recommendations also placed special attention on the profiles of technical personnel to be hired, including age (suggesting that younger professionals be hired) and gender (seeking a greater balance between the number of men and women).

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[4] Made up of John Pino, John Spence, Domingo Marte, Gerald Ouellette, Juan Jose Salazar de la Cruz and Emilio Madrid Cerda

CHAPTER III

ASSESSMENT OF IICA OPERATIONS IN 1987-1993

3.1 Introduction

IICA is a large and complex international organization. Given the limited time available for reviewing the 1987-1993 MTP, the G-6 was unable to undertake a full evaluation of IICA operations. Nevertheless, in the series of discussions with IICA staff and with the many individuals and groups in the 11 countries visited, the G-6 was able to detect clear and positive changes in the operational programs; changes which reflect the intentions of the present Medium Term Plan. There appeared to be a sense of greater confidence in the professional expertise of the Institute and awareness of its programs.

The G-6 was impressed by the knowledge and command which the staff exhibited of their respective areas and the problems of the region. The fact that many of those interviewed expressed the view that IICA should be doing more in their respective countries is a positive sign that IICA is seen as a relevant and useful agency. The Institute's management has moved courageously in a number of areas to respond to the challenging environment in which it operates. Noteworthy examples are the reduction in the number of programs from ten to five; reduction in the number of international staff from 238 to 136; and the introduction of the PLANLAC.

The objective of this chapter is to examine IICA's present operations, in an attempt to identify those areas that will require change in the future. The need to bring about change is justified as much by reasons inherent to IICA as by factors having to do with the changing international scene in which IICA operates. For this reason, the tone of the analysis is relatively critical when it refers to areas in which there is a perceived need for change. Nevertheless, it should be borne in mind that our viewpoint is somewhat like a "photograph" of IICA today, and that it is not possible in each case to conduct a true evaluation of how IICA has evolved during the period under review.

For this reason, it would not be fitting if we did not begin, before turning our attention to the problems we have encountered, by stating emphatically that IICA has undergone a very profound and very positive transformation during the term of the present administration. In 1993, the Institute is in a far better position to meet the challenges of the future than it was in 1987. The G-6 is unanimous in its desire to acknowledge that the present senior technical staff, under the leadership of the present Director General, has made very significant strides during these years. Nonetheless, there are still many things that must be done on the long road to building a better IICA for the countries of Latin America and the Caribbean. With that basic objective in mind we have undertaken our mission.

The G-6 recognized that it undertook this assignment at a time of fairly widespread dissatisfaction with the role and performance of many international organizations. The dissatisfaction is fueled by a perception that there is a lack of cooperation, a duplication of activities, excessive costs and

bureaucracies, and a politicized agenda in many of these organizations. Even the need to continue some of these organizations is being questioned. Perhaps this perception has contributed to another serious problem, which is the declining level of real resources for such organizations. In addition, the environment, in which IICA and other international organizations in this region operate, has undergone a more profound change in the last decade than at any time since IICA was established. Hence, the assessment of the G-6 cannot be based on whether IICA has adequately performed routine functions. The challenges confronting IICA are much more demanding now and we have approached this review accordingly. Our concerns and suggestions for modification are therefore more extensive than they would be in more tranquil times.

The G-6 will spell out its findings in more detail in the rest of this Chapter but it may be useful to begin by giving some overall sense of our assessment. In general we found that IICA has some strong areas of competence and performance but that this was somewhat uneven. We have been impressed by some of the staff and written documents which show evidence of understanding and responding to new opportunities. We have seen some examples of successful programs by IICA, although the Institute itself does not appear to be one which lays much stress on assessing and publicizing the results of its own experience. Although the Institution has moved in the right direction in the last years, in the future it should emphasize the need to become a learning organization.

The G-6 also noted the varying levels of endorsements of IICA's work and the frequency with which the idea arose that IICA does not have a sufficient strategy of differentiation to more pointedly deliver its technical cooperation. In this regard, there is a perception that IICA needs to be more responsive to the national interest and its programs, more specifically tailored to the different needs of its members countries as expressed by the different levels of resource endowment, including that of technical capabilities. The G-6 also took cognizance of the impression, which was shared by both IICA's national counterparts and country staff, that the regional and hemispheric programs were not always serving the national interest and that these programs' relation to the country specific programs should be substantially improved.

Although IICA reduced the number of its Programs, the subsequent decline in real resources means that IICA has still too many activities within these programs to be adequately funded. The range of IICA activities still remains very wide for an organization of its size. Its structure and management style, which may have served very well in the earlier years of this administration in consolidating and tightening control over its many programs, is now becoming more of an obstacle to the kind of collaborative activities needed, both between programs and between the Headquarters staff and the Offices in the countries.

Declining real quota resources and the political difficulties of shutting down any of the Offices in the countries have forced the administration to search out and rely on external contracts to generate additional funds.

The pressures on staff, operating with budgetary restrictions, and the limitations of working in separate programs with limited communication between different parts of the organization, have reduced the ability of staff to think strategically in what is a very dynamic and complex new environment. The need

to continually upgrade staff as the total numbers are reduced is made more urgent by the growing quality of many of IICA's national counterparts, particularly in the larger countries. In spite of the efforts made by the present administration, a special effort should be made to build stronger links with other organizations which would complement or supplement its work.

The G-6 makes these critical general comments in view of the growing expectations that IICA's clients in the future will be placing on the Institute, and the need to think boldly in preparing its new strategic plan. We will spell out in more detail these specific comments in the rest of this Chapter.

3.2 The 1987-1993 Medium Term Plan

The G-6 began its work by assessing the Medium Term Plan. The Mission paid particular attention to the adequacy of the MTP as a reflection of IICA's strategy as well as its role as a medium-term operational plan. It also reviewed the PLANLAC documents as these are also designed to indicate the input of IICA into this program of agricultural reactivation being promoted in Latin America and the Caribbean. Having to use different documents to review the operations of IICA creates some difficulty in getting a concise source of information on the overall scope and functions of IICA. Many of the gaps that existed in the MTP appear to be addressed in the PLANLAC strategy. But it is not always clear how much the PLANLAC strategy reflects and modifies the IICA strategy laid out in the MTP. This point was also frequently made in the countries by national counterparts and IICA's staff as well.

While each organization has some idiosyncracies in the process it uses to develop a strategic plan, there are some common elements that should be in evidence. It may be useful to briefly reiterate these elements before commenting on the MTP. Such exercises begin with a given. In this case, the new mandate was established in the 1980 Convention and in subsequent resolutions passed by the Inter-American Board of Agriculture (IABA). The mandate by itself, however, does not translate directly into an action plan. A process of analysis is necessary to determine what elements of the mandate should be addressed in any given period. This requires a review of the external environment, both the needs of different beneficiaries and clients in the member countries and an assessment of the ways in which these needs are to be addressed. As an international agency, IICA normally has to work through intermediaries or clients to reach its ultimate beneficiaries. An important question to be asked, therefore, is: who are the intended beneficiaries and through which client institutions and actors will IICA work to reach these intended beneficiaries?

Some of these needs cannot be addressed by IICA because it lacks the resources or mandate to address them. In some cases, there are other agencies that can be a more effective instrument of change. Thus there must also be a review of other competing or complementing agencies working in the same areas as IICA. In which areas does IICA have a comparative advantage? Like most organizations, IICA will have to select a niche from among the areas of comparative advantage in which it works because it lacks the resources to work in a large number of subject areas and must concentrate its efforts in those selected areas.

There is a statement of mission and an indication of three primary objectives: growth with equity, sustainable production efficiency, and regional integration promoting competitiveness. Some but not all of the program descriptions indicate areas where these objectives will be centered.

This leads to a definition of what IICA can achieve and the development of a mission statement which provides a clear vision of the Institute: on what goals it aims to focus and what difference this will make over the medium term. Then an action or medium term plan can be developed which lays out how IICA will organize itself to accomplish these goals. Objectives can be set and targets established on what the organization will aim to accomplish over the medium term. These targets will permit IICA to monitor and measure its performance over time and take corrective action in areas where it is not achieving its objectives.

In looking at the MTP, one finds most of these elements are addressed to some extent although there is sometimes very little detail or a sense of how the process has led to the choices made by IICA. The external environment is extensively analyzed and areas of need identified.

The G-6 recognizes that IICA necessarily had difficulties in pursuing its strategy during the timeframe of the MTP due to the rapidly changing "agricultural" environment, in which the agricultural sector was increasingly seen as part of the total economic system in member countries. The ministries of agriculture, IICA's focal point in the countries, also underwent a dramatic change in their mandate and resources. PLANLAC may have been a necessary response for addressing some of these changes in the environment but, as previously mentioned, this created difficulty in accommodating the two approaches in the MTP and the PLANLAC.

Not clearly addressed are the different clients and beneficiaries with whom IICA can prudently and effectively work. Given that the region and economic conditions vary so widely, there is a range of different actors with whom IICA can work. The analysis of the situation in LAC indicates that modernization of the agricultural sector means a greater role for the private sector, but the emphasis seems to be primarily on continuing to work with the public sector. Reference is made to the need to target women in particular as beneficiaries, but it would be helpful to see a greater specification of which sectors in the agri-food business chain will benefit from different IICA activities.

Finally, we note that the MTP makes no attempt to set targets in terms of what achievements or impact IICA will aim for over the planning period. This makes it difficult to assess whether IICA is achieving as much as it is possible in each of its program areas.

3.3 Financial Resources

During the last five years, there have been two significant developments with respect to IICA's finances. One has to do with the purchasing power of the quota resources of the Institute; the other has to do with external financing. Over this period, IICA has been affected by a significant decline in the real purchasing power of its quota resources, as the real value of revenues from the quotas paid by the member countries have not kept pace with the Institute's real

operating costs. G-6 has estimated that this loss of purchasing power of quota resources has been in the order of 30 to 40 percent for the five-year period.

At the same time, as a consequence of a very effective effort by the present administration, there has been a significant increase in the amount of external resources received during the same five-year period, to the extent that such resources have more than doubled. In 1992, the resources available to IICA amounted to around US$25 million from quotas and US$32 million from external sources. However, in analyzing the impact of the financial situation on the Institute's performance, it must be noted that there is a substantial difference between the two categories of income. While IICA itself decides on how quota resources are to be used, following the normal budgetary procedures, external resources are provided by the countries or by other institutions, for a predetermined purpose. They may only be used for those expenditures that have been agreed upon with the outside donor. Thus, it cannot be assumed that one kind of resource can be used to substitute the other without entailing specific consequences for IICA.

Indeed, the loss of purchasing power of the quota budget has brought about a reduction in IICA's operating capacity; this is reflected especially in the cutbacks in international staff financed with such resources, which dropped from 238 in 1984 to 136 in 1992. The financial stress has also made it necessary to restrict fixed investments; moreover, operating expenditures could not be increased as would have been desirable. This, along with the reduction in the number of international staff, has inevitably brought about a significant reduction in the Institute's ability to provide services to the countries.

At present, and in view of the need to finance IICA Offices in 27 countries, in addition to Headquarters, the US$25 million quota budget is barely sufficient to maintain IICA's basic infrastructure, and to provide a limited amount of direct technical cooperation support to the countries.

It would appear, however, that the Member States have not reduced the number of fields and programs in which they expect the Institute to work, in order to offset what are effectively budget cuts. On the contrary, it seems that over time, they have added new areas of action to IICA's program, without providing a corresponding increase in funding.

In view of the above, it has become especially important to attract external resources, since through them the Institute can carry out activities and have some impact in the countries. In the process, however, IICA has become an agency that is highly dependent on external funding.

The G-6 feels that it is important to point out that if the current trend persists, the Institute will continue reducing its basic structure to the point that it will be left with only a minimum foundation, losing its capacity to operate without external resources. This will cause IICA to lose its autonomy and identity, since it will gradually have to reduce its role in order to carry out activities that are of interest to outside donors. The Institute would become nothing more than an executing agency carrying out the will of its donors. This would also generate added instability resulting from the Institute's increasing dependency on resources that are not provided on a regular and

permanent basis, but which instead are provided for specific projects, on a year-by-year basis.

3.4 The Institute's Management Style

While the re-structuring of IICA after the last review addressed many of the perceived problems of dispersed programs and authority, there are still problems to be dealt with. The organization appears to be structured on a rigid basis, with less communication between programs than would be desirable. Given this situation, individual staff's possibility of interactive working is reduced and more time than what could be otherwise needed in a flatter, less hierarchical organization is consumed by the work of different committees. Steps have been taken recently to increase the level of decentralization. This trend should be encouraged.

In the view of the G-6, IICA seems to rely more on a top-down planning process than is desirable, in the definition of multinational and hemispheric projects. One illustration of the effect of this approach is the degree of isolation felt by the Offices in the countries, which feel they have not enough input into or knowledge of the regional and hemispheric programs and only an imperfect sense of the overall thrust of IICA strategy. There is insufficient opportunity for country staff to visit Headquarters as well as for country staff to visit each other. An alternative for the planning of regional programs would be to allow the regional staff opportunities to meet periodically to review key problems in each of their countries. Problems which are common to many of these countries and which appear to be most amenable to corrective action can then be addressed by specific regional initiatives. This is a different approach to that followed by IICA and it has the advantage of increasing the sense of ownership by country staff.

This issue of management style is particularly important in an institute like IICA which is basically a knowledge organization. Other types of organization that deal with a standardized product can function well with a command structure but IICA faces such a fast-changing environment and a variety of clients and needs that it needs to harness the input and knowledge of all its staff in open and frank discussions. The present management process does not seem to encourage interaction between individuals across programs and countries.

3.5 The Administrative Structure

The administrative structure itself now appears to be in need of adjustment to promote this change in style. As the financial and human resources of IICA have been reduced over time, it appears that the management structure is now too top heavy and there are too many levels of management and separate centers of authority in the operational structure of the Institute. This infrastructure has not only a direct financial cost; there is also lost effectiveness. The larger the infrastructure and the more separate lines of authority, the greater the time spent in committees and other forms of coordination. This issue was raised by senior IICA staff as a constraint on their effectiveness. This issue has been addressed by many other organizations in the recent past with the result being a decision to cut down the number of layers of management and create a flatter

organizational structure. Additionally, the growth in new communication technologies has reduced the need for as many middle managers. Measures taken recently by the administration in this direction, like the consolidation of DICAI, should be encouraged in the future. A latter section in this chapter deals with the issue of communication.

Regional Directors: In view of the frequency with which it was mentioned, it would appear that serious thought needs to be given to achieving greater cohesiveness and a stronger working relationship between the country/regional activities and the decision units at Headquarters. The most frequent comment heard by the G-6 concerns the role and function of the Operations unit and the Directors of Area Operations. Country program staff feel isolated and have little direct input into the decision making process at Headquarters. The present administrative structure is seen by some staff members as being more cumbersome than necessary.

Area Directors have little participation in the design of regional and hemispheric projects, as well as in the technical aspects of national projects. They serve basically as an administrative link between countries and Headquarters, but do not seem to act as an efficient link between the country offices and the Programs at Headquarters. A thorough evaluation of the activities performed by the Area Directors unit should be made during the preparation of the next MTP, with a view to exploring new and more efficient ways of using the financial resources that are presently allocated to the Office of the Assistant Deputy Director General for Operations. The recommendation in Chapter V address this issue.

Offices in the Countries: Another fundamental issue encountered during the review was the question of whether IICA Offices in nearly all countries can be justified. This question has two dimensions which, in a sense, are mutually exclusive. From the purely mechanical point of view of delivering services and providing consultation services, etc., it would appear that Offices in all countries could not be justified. However, the political view of the respective country officials is that the interests of the country can best be served by the presence of an IICA Representative in the country who maintains a close contact and understanding of the local situation. Maintaining a local presence is also viewed by some as a means of ensuring that the country receives its relative share of IICA resources. While these political arguments may have validity, it must be recognized that maintaining this structure is costly and absorbs a relatively high proportion of IICA resources.

Some alternatives should be explored to see if the interests of the member countries could be met in a less costly manner. For example, would regional services be acceptable if a study could show that this would free up more money which would be firmly committed to program activities in the countries concerned? Or would members countries be willing to absorb the cost of the local offices and support staff as is done in some other international agencies? We will comment on this issue again in Chapter V.

Information/Communication: The G-6 recognizes that within the period under review, IICA has made considerable advances in this area. In the last six years the old mainframe was replaced and the Institution's stock of PCs grew from 6 to

280 units. However, it should be stressed that the area of new communications technology is an area in which far greater economy and efficiency can be achieved. Weaknesses in communication are to some extent due to the outmoded forms of communication being used in IICA. The Institute has not fully taken on board the rapid advances in electronic communication that have begun to blur the traditional barriers that have hindered communication and participation of geographically dispersed units of organizations. There also appear to be significant advantages in terms of cost savings and better monitoring and control of activities outside of the head office. Financial transactions can be input into the originating center and transferred immediately into central records. There are some start-up costs and a commensurate need to provide training for staff but few organizations have decided that the costs do not outweigh the benefits. An advantage of developing this capability is that it would allow greater decentralization of decision-making to the Offices in the countries without losing the center's ability to monitor and quickly correct any inappropriate actions.

Publications and Dissemination: IICA publications are one of the primary tools used by the organization to disseminate the results of its work. While more information is likely to be disseminated electronically in the future, publications are likely to remain an important vehicle. There are some excellent IICA publications and there is evidence of high demand for several publications, including by organizations which are prepared to pay for them. The requirement for the publications group to be self-financing is an appealing feature which few other organizations have succeeded in introducing.

Less attention appears to have been paid to a dissemination strategy, which is becoming more important as IICA's clients increase. We have already mentioned the need for IICA to provide a succinct, widely circulated document that will give a clear picture of what IICA's missions and role are since there is some confusion about the Institute's functions and objectives. We would also suggest that IICA assess whether there are some gaps in information which could be addressed with state-of-the-art publications. Publications can be costly but should not be cut back because of financial pressures until a judgement has been made that the pay-off in this area is less than from other activities.

Evaluation: The MTP assigned responsibility for evaluations to DIPROE which has commissioned evaluations of the five programs and 12 of the 27 offices in the last five years. This level of formal assessment appears to be too limited because, at this rate, a country office would only be assessed once every 15 years.

The issue that concerned the G-6, however, is not the number of formal evaluations but whether IICA pays enough attention to drawing lessons from its own experience. In this issue, part of the difficulty in the Institute's carrying out a more critical assessment of its performance is the fact that the MTP does not specify targets that IICA should achieve. As an international organization, IICA does not directly control all the variables that make for successful program implementation and some of its objectives concern issues that are difficult to measure. However, some of these difficulties can be overcome partly by working with the national counterparts in setting common objectives and targets. The G-6 believes that critical assessment of the experience of IICA's

programs and other agencies and sharing these results can make an important contribution. In some cases, stripe reviews of issues that cut across programs and projects like training, access to information and the effectiveness of multidisciplinary approaches can provide important insights.

3.6 Staff Development

As indicated in the introduction to this chapter, the G-6 has been impressed with the quality of many of IICA's staff. It should be stressed however, that the issue of ensuring that the Institute has the best staff available needs to be given continued emphasis. In light of the increasing quality of national staff in the member countries and our assessment that IICA's role as an international agency requires it to work at the frontiers of knowledge, IICA must continually upgrade overall staff quality. Much of its success in persuading both national counterparts and other international agencies to work with and accept a convening role for IICA will depend on having staff of the highest international quality.

This means that IICA must look at the issue of salary levels which appear to be uncompetitive with other international organizations. It must also provide opportunities for staff to upgrade their capabilities to maintain their knowledge up to date. One particular training issue that we would highlight is the importance of giving priority to language training, given the essentially multilingual nature of IICA member countries.

Staff must be given the opportunity to interact with the best centers of expertise, wherever they may be, in order to ensure that they have access to state-of-the-art knowledge and can make this available to their country counterparts. Opportunities to bring in senior researchers and managers on secondment, as well as exchanges between senior staff in different institutions, should be pursued. We support the policy of employing young professionals under limited contracts. This procedure assures institutional vigor and the introduction of the newest technology and information.

One of the most distressing features of many international organizations has been the tendency to cut back operating funds as resources decline rather than adjusting staff and programs to the resources available. The result is that highly capable and expensive staff are grossly under-utilized and demoralized. This possibility should be avoided by IICA.

The G-6 anticipates that the number of IICA staff will be further reduced and innovative means will have to be explored to draw on external resources through better cooperation with other organizations. One possibility to which IICA management should be open is a program to allow a select number of junior personnel from member countries to work at IICA for a fixed term under the guidance of senior IICA staff. The countries which supply such young professionals for career development at IICA could be expected to cover some of the costs of such assignments. This would be a way not only of adding some in-house research capacity but also of upgrading links and the capabilities of national personnel.

Innovation: An innovative style requires a number of elements. One is to maintain sufficient discretionary funds in the organization's budget to allow new and experimental activities to be quickly funded. In a rapidly changing environment the need for such funds becomes more important. The institution's budget should reflect this concept and ensure that adequate funding exists for creative and innovative projects.

Staff Mobility: Among the total IICA professional quota-funded staff of some 136, there is a considerable range of expertise in different disciplines. In spite of this, not all specialties are represented or are found in sufficient depth either in the country programs or at IICA Headquarters. This is especially apparent in the country offices which do not have the range of talent needed to carry out their programs. Although specific provisions allow all staff to use up to 20% of their time in other countries, it was found that there are limitations to accessing staff expertise from one location to another. It was also found that there is little staff movement across programs. Furthermore, there is limited participation of the regular staff in the activities of CEPPI. Even when staff expertise exists, consultants may be recruited to respond to requests in much the same way that a private consulting firm does. Although there may be good reasons justifying the scarce mobility, further efforts should be made in the future to make staff available for short term assignments away from their regular bases when requested both from within and outside the organization.

3.7 Programs

In preparation for the G-6 review of the 1987-93 MTP, IICA staff prepared a detailed description of the organization and of the Programs, as well as an analysis of the implementation of Program activities. The detailed document provided considerable information which, when taken as a whole, provides invaluable insights into the institution's goals, achievements, relationships and projections. While is not the intention of the G-6 report to comment extensively on the details of each Program's operation, some general observations are made regarding the effectiveness of the IICA Program, the methods and instruments utilized during the period under review and the general relevance of the Programs in the context of the then existing social, economic and political context.

There can be little doubt that the IICA Programs conformed to the guidelines developed from the recommendations of the previous G-6 which gave rise to the MTP under review. Of the 30 recommendations covering many program and institutional aspects, a high level of conformity was achieved notably regarding program areas, decentralization, staff number, gender and age. Program implementation also suggests close conformity with the MTP and this was confirmed during visits to the countries.

Program leadership exhibited a high degree of awareness of the social, economic and political environment of the times and the rapidly changing parameters affecting development. This awareness was reflected in the adjustments made in each of the Programs relative to clients and counterparts, scope of activities, the use of various institutional instruments, and the shifts among Program content between Programs (for example, between Program I and Program IV).

While each of the Programs recognizes that the primary IICA client relationship is with the ministries of agriculture and affiliated agencies, all programs have expanded these relationships to other entities in the public and private sectors. The earlier clear cut and limited counterpart relationship is no longer adequate to address the broad range of development issues. Not all of the Programs have successfully established these new relationships. However a result of these widening relationships is a greater complexity and diffusion of resources, a condition which IICA needs to address and define if it is to maintain a sharp focus in its Programs.

Each of the Programs, at the national and regional level, make extensive use of conferences, meetings and seminars. While this is an important instrument for debate, diffusion and priority setting, our impression, and that of others interviewed, is that there is an excessive number of meetings, and not clear evidence of change or impact resulting from them. One frequent observation made to the G-6 was that too much time and effort goes into studies and analyses resulting in reports that are seldom implemented. More direct effort was suggested in testing and developing solutions, systems and models applicable to problem resolution.

We noted considerable variation in the use of training as an instrument in development. The programs incorporate a large number of short-term "training" exercises. Some of these are mainly sensitization exercises and perhaps more stringent criteria could be applied in organizing training sessions. On the other hand, IICA seems to have limited resources to support leadership training for the new generation of professionals needed in several of the IICA Program areas. While it is recognized that national and international funding for advanced training is limited, it is felt that as a policy, IICA should stress and stimulate support for specialized training especially in the areas of trade, markets and marketing and related legislation, biotechnology, resource management and rural development (especially for the training of more women in specialized areas related to gender issues). Most of the countries have limited expertise in these areas.

There is a strong sense that all of the Programs have made a substantial shift in emphasis from national to regional and hemispheric programs. This issue is discussed under a number of headings. The question is not a matter of either or; both types of activities are necessary and desirable. What is at issue is the how the respective activities are organically structured in the institution, how they are supported and how they are implemented within the organic structure of IICA. The G-6 departs from the premise that IICA must adhere to its mandate to assist the countries of the region in their agricultural development. At the same time, IICA has been mandated to assist in the process of integration and in implementing regional programs aimed at competitiveness, sustainability and equity. Maintaining the proper balance as well as identity among these Program thrusts is crucial to maintaining the continued support of IICA by its member countries as well as to attracting support for the innovative and new thrusts which IICA is called upon to undertake.

The resources of Program IV, for example, are applied almost exclusively to multinational and hemispheric programs (p.16 Program Notes G-6) and, following a Program evaluation in 1989, Program V has shifted almost all of its effort to

regional hemispheric issues. To some extent, the other Programs have done the same. There has been a decline from a high of 144 national projects in 1989 to 74 in 1991 and 83 in 1992, while multinational projects increased from 15 in 1987 to 32 in 1992 (IICA Program Notes to G-6). The Central Area has the largest number (16) and all Programs, except Program I, have multinational projects. We sensed some degree of dispersion, both in national and in regional projects, perhaps reflecting the influence of externally funded projects, many of which, while they add to Program budgets, can lead to diffusion and dispersion. Short-term demands from governments at the country level add a great deal to this dispersion. Therefore, both IICA's management as well as government officials should make a special effort to develop long-term programs in line with the Institute's overall strategy. The Programs with the largest amount of external funding are Programs II and III, each having been assigned approximately $50,000,000 over the 1987-1992 period. Quota funds assigned to the Programs appear to have remained relatively constant, proportionately, over the same period.

The G-6 feels strongly that the basic programs which give the institution its identity, i.e., the country programs, must be at the core of the operation. However, individual Offices in the countries will not be able to develop strong country programs without the backstopping assistance of the strategic thinking provided by the Programs and special units located at Headquarters.

Having said that, the G-6 also recognizes that the needs of the countries vary considerably and that whatever the basic programs, they cannot be applied equally across all countries. IICA then needs to strengthen its strategy to provide different forms of assistance to the different countries. Secondly, it is felt that IICA should aggressively continue to develop strategies and methodologies for implementing the programs on regional integration, marketing and competitiveness. Thirdly, since we feel that there does not exist today in the countries a satisfactory understanding and approach to the issues related to sustainability and equity, IICA should develop, in cooperation with other institutions, conceptual, strategic and operational methodologies related to these issues.

This strategic concept also provides the basis for the definition of another operational concept relating to short- versus long-term programs, goals and objectives. Generally, the assistance provided directly to countries is immediate, short-term and specific: these are short-term activities. Those related to regional integration, regional collaboration such as in genetic resource conservation, disease control, rationalizing trade barriers, etc., may be classified as medium term. Finally, while not appearing to become a "think tank," IICA must further develop its internal capacity to anticipate the new problems that the nations of the hemisphere will face in the next decade and beyond. This long-term thinking capacity is viewed by the G-6 as being important for IICA's survival.

We also sense that more efforts are needed to develop a cohesive approach among the several IICA Programs in relation to national programs. Each of the Programs and support units tends to function independently with its own agenda and according to funding opportunities. Attention is especially drawn to Program III and the statements of CEPPI in which the issues of equity and rural

resource conservation are to be fully addressed, there is a need for greater integration with the projects of the other Programs. Methodologies must be developed for promoting greater integration into the market economies, for the development and delivery of appropriate technology, for development of small agroindustry, and for resource rehabilitation and development. Considerable investment will be required to achieve these goals. The task of achieving substantial change in poor rural communities will tax the imagination and resources of IICA and other institutions engaged in this effort. The rural poor of LAC, conservatively estimated at 70,000,000, is increasing, while the gap in the quality of life between rural and urban populations is becoming wider. This requires recognition of the need for training large numbers of persons at professional, subprofessional and community levels to work on this task.

3.8 PLANLAC

The ministers of agriculture, at their Fifth Regular Meeting held in October of 1989, approved the proposal for the revitalization of agriculture in Latin America and the Caribbean, called PLANLAC. This bold initiative was intended to highlight the role of agriculture in economic development in the region, substantially stimulate and transform agriculture in the region, and more fully integrate market forces. It was also viewed as a method for attracting additional extra-quota financial resources for the Programs under the leadership of IICA. While the leadership responsibility was clearly given to IICA, the PLANLAC was viewed as one in which the participant countries played a vital and significant role in internalizing the actions of the programs. The national offices of IICA were expected to assume an active role, not only in publicizing the Plan but also in the strategies of execution and generation of resources.

The conceptual basis of the program, which is defined in a number of documents, superimposes on the traditional national program strategy a new dimension focusing on regional issues and regional integration, the benefits of which are expected to impact directly on the respective countries. The execution of the Plan, relying largely on Headquarters staff for its direction, required some modification in the usual management channels and procedures, which have as yet to be fully understood and adopted by the country staffs. The PLANLAC required considerable coordination among institutions in the region and it was expected that this would lead to stronger political support for agricultural reactivation efforts. Internally, it was also expected that the various institutional entities would jointly prepare the plans and projects for the multinational projects.

It would appear that more time is needed for the PLANLAC to evolve before a full assessment can be made of the strategy. Implementation of the Plan, or any plan of this dimension, is bound to be fraught with adjustment difficulties and PLANLAC is no exception. At the moment it seems not to have had an integrated impact on the implementation of the MTP and the country-focused efforts (discussed elsewhere). It will take some time and effort to integrate the PLANLAC with the regular activities of IICA before there can be a better appreciation of the relationship and value to country objectives. The G-6 is supportive of PLANLAC's concepts and has been informed about some of the activities; however

we are concerned with the possible distortions in emphasis between regional and country programs resulting from the demands of externally funded projects.

3.9 Inter-institutional Relations

From our own observations and discussions with representatives of other international organizations, it is evident that, although important efforts have been made to build and strengthen ties with these organizations, relations with some of them need to be improved, particularly at the technical staff level. In some cases, the staff with whom IICA interacts are not fully informed about IICA. Some have somewhat negative attitudes toward IICA, which appear to be the result of poor public relations, perceived inadequate performance or simply personality differences. These can and should be corrected.

It is vital to IICA that its relationship with organizations such as the IDB, IBRD, FAO, UNDP, UNEP, USDA, Agriculture Canada and others represent more than merely one with a potential financing source. There is also ample evidence to suggest that inadequate use is made of the enormous pool of talent available at universities and other institutions of the hemisphere. This cannot be blamed entirely on a lack of funds, although funding is a major constraint. More important is to recognize the role these institutions can play and the opportunity to exercise that role. We believe this issue needs to be given very special attention because the talents available in other organizations and the opportunities to share activities among agencies represents one of the most significant resources that IICA can tap to multiply its own effectiveness.

The G-6 notes that one of the functions of IICA is "to establish and maintain relations of cooperation and coordination with the Organization of American States and with other agencies or programs, and with government and nongovernmental entities that pursue similar objectives."

In view of the increasing limitations of funding and staff resources, it is necessary to reexamine exactly what is meant by "maintaining relations" and how inter-institutional cooperation can become a vital and integral part of program operations in view of the fact that the problems associate with agricultural development have become increasingly complex and require a wider range of expertise. Technical assistance related to agriculture and rural development has evolved far beyond the introduction of modern agricultural technology. Success in providing effective assistance to nations today is dependent upon the expertise available for strategic planning and the ability of such expertise to function in a multi-disciplinary and integrative way. It is unlikely that any single institution will have the kind and number of specialists needed to address all of the complex issues that make up today's development processes. This is certainly the case for IICA, which has recognized this problem. However, new demands for expert consultants as well as changing economic and technical advances will place additional demands on the limited professional capacity of the Institute. Therefore, IICA will need to seek ways to expand the technical resource capacity of its own staff.

These are compelling reasons for greater reliance on inter-institutional cooperation and collaboration to provide broader and more effective service to the nations of the region.

This suggests that IICA, together with other organizations operating in the region, should identify areas of action in which collaboration may be desirable and possible. IICA generally has recognized the need for cooperative arrangements with a wide range of public and private institutions. However, in the future these cooperative arrangements will need to become more prominent in IICA operational methodologies, particularly with academic and research institutions working in the region, including Canadian and U.S. institutions. IICA might consider taking the initiative to begin to structure such inter-institutional collaboration. While general inter-institutional memoranda of understanding, such as those signed with U.S. Universities, are useful, they have little meaning unless they lead to effective collaboration. Inter-institutional relationships might fall under the following categories:

1. Specific Task Cooperative Arrangement - relating to a study, a project or program with a defined objective and duration in which IICA and the cooperating institution combine talents to carry out the task.

2. Agreements for Accessing Institutional Professional Staff - IICA should consider long-term arrangements with institutions throughout the world, but especially in the hemisphere, to provide access to a range of professional talent to strengthen and broaden its own professional capacity.

3. Administrative Cooperative Agreements - Such arrangements are needed to provide greater efficiency in project design and management, to recognize general areas of competence and increase operational efficiency. These may be of a defined duration.

4. Collaborative Arrangements - to provide a cohesive strategy and continuity among internal/external agencies operating within a specific country.

IICA may consider developing policy guidelines for cooperative arrangements. A few effective agreements are better than many which have little or no purpose. Agreements should have clearly defined objectives subject to evaluation of impact. We will be presenting recommendations in Chapter V on how IICA could pursue this collaboration.

3.10 A Dynamic Organization

We have provided an overall assessment of IICA performance in the introduction to this Chapter. The specific comments that followed indicate that while IICA management has achieved a great deal over the planning cycle presently under reviewed, there are a number of issues which need to be addressed in the next MTP.

However, the rapidly changing interests and needs of the member countries have increased the demands on IICA to respond effectively. IICA's next strategic plan will have to be imaginatively designed if it is to fulfill its promise as the primary external agent of support for development of agricultural economies in the region. We will review the external context in the next chapter.

CHAPTER IV

THE EXTERNAL CONTEXT OF LATIN AMERICAN AND CARIBBEAN AGRICULTURE

4.1 Main Developments: The Implications for Agriculture

4.1.1 Geopolitical blocs and liberalization of trade

The 1990s began with far-reaching changes in the economic geography of the world and it is still impossible to foresee what the final outcome of global reorganization will be. Indeed, the breakdown of the Soviet Union and the end of the cold war between the two traditional world powers has given way to a multipolar structure of political power and a number of nationalistic conflicts, especially in Eastern Europe. Consequently, the prospects for a globalization of international relations do not appear favorable. In addition, bilateralism tends to prevail over multilateralism as a formula for understanding among governments, as evidenced by the virtual failure of the Uruguay Round under GATT, the consolidation of the European Community as a closed economic unit vis à vis other markets, the measures taken by several highly developed countries in retaliation against their trading partners and the widespread application of antidumping measures to combat alleged disloyal trading practices.

At present, despite the fact that most countries in the world have expressed a desire to liberalize world trade in order to achieve equity in the distribution of wealth and ensure the well-being of the whole population, there is every indication that, on the threshold of the twenty-first century, we are headed towards an aggravation of the economic confrontation between the European Community -probably including its neighbors in the East-, Japan and the United States. Such a confrontation can only have negative consequences for the poorer countries, including those of Latin America and the Caribbean.[1]

More than six years have gone by since the so-called Uruguay Round began in Punta del Este, under the framework of the General Agreement on Tariffs and Trade (GATT). These talks were aimed, basically, at finding ways to eliminate the main subsidies that the more prosperous economies pay to their farmers. The original deadline -forty-eight months- expired without this goal having been reached, and the talks have now continued -under an extended deadline- for nearly three years; the institution is still considering various formulas in an effort to avoid failure.

In the meantime, the major industrialized countries are still subsidizing their farmers.[2] In addition, as far as other sectors are concerned, there has

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[1] THUROW, L. Head to Head: The Coming Economic Battle Among Japan, Europe and America. Morrow, New York 1992.

[2] For example, the budget for the Common Agricultural Policy (CAP) was increased, for 1993, by 15.5% to US$444,000,000.

been a proliferation of "under-the-table" agreements on administered trade in automobiles, machine tools, electronic semiconductors, word processors and many other industrial items. Considerable use is made of import quotas, plant-health regulations, tariff surtaxes and countervailing duties under the guise of so-called "procedural protection".

Even the most articulate defenders of GATT, such as Jagdish Bhagwati, admit that administered trade is becoming more and more common, and that other strategic non-agricultural activities, such as the high-technology industries, probably will not be left to the free play of market forces.[3]

No solution has yet been found to such specific issues as the European Community's discrimination against banana imports from countries that are not signatories to the Lomé Treaty, or its dispute with the United States over the production of and trade in oilseeds and wheat, which are heavily subsidized on both sides.

4.1.2 The European Stronghold

Despite the problems that have arisen with regard to monetary and political unification, the integration of the European Community became a reality. Thus, the economy of this region -with 360 million high-income people- is now the largest in the world.

The high tariff and non-tariff barriers imposed by the EC have closed European doors to many agricultural products of LAC countries. The European countries argue for free trade, but exclusively within their borders. Willy de Clerc, former EC Commissioner for Foreign Relations, is on record as seeing no reason why the benefits of Europe's internal liberalization should be unilaterally extended to third countries.

By the same token, individual member countries are allowed ample discretionary power in applying policies that work against the transparency that is supposed to prevail in the operation of the markets. Indeed, there are any number of mutual concessions relating to safeguard clauses. It is a common practice for the countries to enter into bilateral treaties providing for special treatment, quotas, flexible tariff systems, minimum prices, and antidumping legislation. These are the forms of protectionism most often used now by the industrialized countries.[4] Any third country that wishes to export to these countries has to deal with a wide range of obstacles, especially in regard to textiles, agricultural products, automobiles and electronic equipment.

Likewise, over the medium term, it is most likely that Brussels will continue to fix prices for agricultural products, instead of leaving them up to

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[3] BHAGWATI, J. The World Trading System at Risk. Princeton University Press, 1991.

[4] FINGER, J.M. Dumping and Antidumping: The Rhetoric and the Reality of Protection in Industrial Countries. The World Bank, Research Observer, Vol. 7 Number 2, July 1992.

the market. As a result of changes made in the Common Agricultural Policy (CAP), the so-called family farm will not be abandoned, as it is considered essential to maintain social cohesiveness in the country and to preserve the landscape and the environment. And the concept of self-reliance in food security will continue to prevail, despite its increasing cost.

Finally, the expansion of the geographical area of the Community seems to be imminent. Austria, Turkey, Cyprus, Malta, Sweden, Finland and Norway have already applied for admission as new members. Hungary, and the Chec and Slovak republics, which belong to the so-called Vysegrad group, have expressed their desire to become associate members. No one should be surprised, at least during the rest of the twentieth century, if the second priority of the European bloc - after itself- becomes Eastern Europe; in southeastern Asia, led by Japan, the Far East will take priority.

4.1.3 Regional integration and the Enterprise for the Americas Initiative

North America will probably take a similar route, as evidenced by the free-trade treaty between Canada, the United States and Mexico, which could well be the first step towards making the proposed Enterprise for the Americas Initiative a reality. President Clinton recently endorsed the NAFTA and proposed its extension to Chile and other Latin American nations.

In this context, integration is now essential from both the geopolitical and the economic standpoints. This is true even if, as some analysts argue, integration is really a form of "neo-protectionism" -the segmentation of markets and the restriction of free trade, on the part of blocs of countries, in order to achieve some degree of self-reliance-, and might be considered contrary to the spirit of the multilateral rules on globalization of the economy which are advocated by GATT.

Nevertheless, the more optimistic analysts argue that dividing the world into three regions -Europe, America and Eastern Asia- within which more than half of the world's trade is carried out, might be a better way to liberalize trade than conducting multilateral negotiations among more than one hundred member countries. Obviously, this would only work if the creation of markets has a greater impact than the so-called "diversion effect".

However integration implemented solely and exclusively by developing countries is not likely to produce higher indicators of well-being. In order to achieve that objective, it would be necessary to guarantee access to the largest and wealthiest markets by means of treaties with industrialized nations, such as the United States and Canada -in the case of Latin America and the Caribbean-, particularly if it is borne in mind that the creation of all kinds of non-tariff obstacles to international trade has increased throughout the world.

The Enterprise for the Americas Initiative was not proposed for the sole purpose of effecting changes in the Latin American and Caribbean countries that might not otherwise take place. The changes with regard to liberalization and integration have advanced with amazing speed. Indeed, the extent to which tariffs have been reduced is surprising. The move towards privatization - especially in those areas where government had previously assigned much too

strong a role to the production of goods and services, as in Chile, Mexico, Argentina and Bolivia- has substantially changed the composition of the real sector of the economy. And the consolidation of free-trade zones, such as MERCOSUR, the Andean Group, the Group of Three, CARICOM and the Central American Common Market, is already under way. Unfortunately, these schemes still do not enjoy an adequate degree of international reciprocity, which is essential if the model is to produce positive results in terms of equity and advantages for the region.

Nevertheless, agreements such as the so-called Andean Trade Preference Initiative certainly represent progress in this regard, as they provide for granting several countries of the subregion treatment similar to that guaranteed under the Caribbean Basin Initiative, with exceptions applied to certain categories of goods.

For all these reasons, even though it is still at the preliminary stage of concepts and intentions, and no concrete definitions have been drawn up, the Enterprise for the Americas Initiative represents an opportunity, and Latin America and the Caribbean should respond by providing the substance it is still lacking. Thus, an overall framework agreement may be designed in order to provide a common purpose and methodology for negotiations conducted by groups of countries, instead of each group going its own way.

4.1.4 Non-tariff barriers to agriculture

In contemporary international trade, there has been a trend towards the elimination of tariffs, except in the case of certain products (such as cereals, oilseeds, dairy products and sugar), which are considered to be of great strategic value in terms of food security, and thus are heavily protected in the wealthy countries.

Mere tariff reductions, however, will not produce a sufficiently positive impact in the case of new exports (such as fruits, vegetables and fishery products) in the production of which Latin America and the Caribbean enjoy a genuine advantage and for which the demand is high in the wealthy countries. In the case of the United States, for example, one of the greatest obstacles -even more serious than import duties- is the prohibition against imports of many plant species, on the grounds that they have different types of pests and diseases, including fruitflies. In the case of Germany, some of the most formidable obstacles are the packaging regulations given for environmental reasons, with only recyclable or biodegradable materials being allowed. This, of course, is in addition to the increasingly strict regulations on tolerance for chemical waste, physical condition and appearance.

Thus, the elimination of tariffs and/or the creation of integration agreements are clearly not enough, since it is much more difficult to overcome the new technical barriers than those that consist strictly of tariffs. Moreover, it is essential (a) to create quality controls and certification services throughout the entire food chain, from the planting stage to sales; (b) to conduct far-reaching campaigns to offer training and plant-health controls; (c) to provide facilities for container transport from collection centers to national and foreign ports; and (d) to improve the transport infrastructure, the

deficiencies of which provide the most valid explanation for the physical isolation of the region.

This is both a long-term and a medium-term project that will require the joint efforts of the governments, international cooperation agencies and private enterprise, contrary to the widespread belief that virtually everything will automatically be taken care of by the free play of market signals. Unless this task is given the priority it deserves, there can be no question of discussing diversification, reconversion, modernization and international competitiveness of the agricultural sector.

4.1.5 The third agricultural revolution

As a result of the incredible pace at which modern science has advanced, the theory that land, capital and labor are the only factors of production and that natural resources are the key to international competitiveness is no longer valid. Instead, another era is beginning, i.e., the era of knowledge, and henceforth, the management and application of knowledge will be the real lever whereby power is exercised.

The productivity revolution -which followed the industrial revolution- has been succeeded by the information revolution, in which professional training and technological know-how and familiarity with the market are becoming the most important tools of economic, social and political control.

In this line of thought, there are substantial differences between the so-called green revolution, the already passé stage of technological development, and the new revolution in biotechnology. The green revolution was predominantly led and financed by governments, and valuable contributions were made by international non-profit organizations such as the International Tropical Agriculture Center (CIAT), the International Maize and Wheat Improvement Center (CIMMYT) and the International Potato Center (CIP) in Latin America. Biotechnology, on the other hand, has been promoted and financed mainly by transnational corporations working for profit. In the former case, scientific knowledge remained within the public domain, and interested parties had relatively free access to information; in the latter case, scientific progress has begun to depend more and more on the private sphere, and its transfer is subject to patenting of findings and discoveries, high royalties and direct negotiations between users and research centers.

Additionally, the mere availability of conventional natural resources - land, water, climate- no longer plays the major role it used to in determining contemporary comparative advantages. By contrast, the biotechnology revolution allows for such natural resources to be available more as a result of human decision making than of fortuitous or accidental circumstances of geography or the environment.

Furthermore, while the sphere of application of the green revolution was mainly concentrated on the cereals that are most important in the world's foodbasket, such as maize, rice and wheat, the biotechnology revolution covers a broader range of activities, including agriculture, stock-raising and the areas of chemistry related to genetic development.

It would seem from the above that the benefits of the third agricultural revolution are directed more towards the more advanced countries, so that there is a widening of the gap between rich and poor countries, in knowledge as well as in growth. This is just the opposite of the scenario with the green revolution which, in one way or another, contributed towards raising the productivity of land in the underdeveloped nations, through a more intensive use of machinery, fertilizers, improved seeds and other modern agrochemicals.

One might think, therefore, that the agricultural protectionism of the more prosperous communities will probably continue unabated until the new technological era is consolidated and it displaces the role of natural resources in determining the competitive potential of agriculture, as usually conceived in the developing countries.

Present circumstances are radically different from the past. From now on, the basic tools of research -formerly geared towards overcoming limitations relating to land, water and climate- will be focused more on developing non-leguminous plants that can fix nitrogen directly from air to soil, on hydroponics, on new embryo transplant techniques and on livestock breeding from the standpoint of proteins and nutrition, on *in-vitro* fertilization, on recombination of protoplast genes, on developing clones of mammals, cells and high-yield plants, and on genetic and bacterial engineering. And, towards the end of the century, the focus will be on enzyme and microbe engineering to improve the properties of foods, on developing new precocious growth species that will be resistant to drought, cold, water salinity, environmental humidity, pests and conventional diseases, and on substantially improving photosynthesis.

Since the market signals that will be used to establish research priorities are going to be coming from the more developed economies, it is reasonable to expect that the investments to be made by transnationals that are leaders in the biotechnology revolution would be oriented towards products having a high income-elasticity of demand, such as sophisticated fruits and vegetables, organic foods and sweeteners, to the detriment of traditional species that are more important in societies that have not yet met their minimum nutritional requirements.

In view of the above, the region needs a long-term strategy that will take into account the following variables:

- Policies pertaining to negotiations, contracts and association with transnational enterprises engaged in biotechnology research. This will call for a revision of the traditional concept of sovereignty; the rational use of biodiversity in joint research projects; the adoption of patent and copyright systems that promote and protect national and foreign private investment in science and technology; and the development of a methodology for adequately interpreting and addressing the latent demands of the poorest segments of present and future populations, who are not in a position to express their preferences through conventional market mechanisms.

- Policies relating to the training of human resources in the best universities and research centers, as well as policies to attract and effectively link the countries to higher education and

postgraduate programs in the most distinguished university centers in the field of science and technology applied to agriculture.

- Investment policies relating to the selection and "purchase of talent and human knowledge" through the hiring of scientists of the highest caliber for programs of applied research and transfer of technology geared directly and immediately to the production apparatus of the countries. This strategic objective, which should be given the highest priority, calls for governments to offer incentives to benefit the production sectors that wish to adopt technological innovations.

- In keeping with the principle that "the structure should follow the strategy", the above considerations should provide the fundamental guidelines for modernization, restructuring and reconversion of national agricultural research systems. To do otherwise could well be tantamount to simply wiping out the future.

4.1.6 The new profile of agricultural policy

Few areas of the world are moving ahead as intensely and as quickly as Latin America and the Caribbean in the process of structural adjustment of their economies. This entails liberalizing the capital markets, substantially reducing tariffs, whittling away state intervention in agricultural markets, and eliminating import quotas, support prices, export incentives and rural credit subsidies. In fact, the sectoral policy tools that were traditionally applied by the ministries of agriculture have virtually disappeared, without having been replaced by others.

In addition, the changes in macroeconomic policies and the process of opening up and internationalizing the production apparatus have not in themselves achieved the results that seemed to be possible in theory, as the anti-rural bias and the serious shortcomings affecting rural activities have not yet disappeared.

As far as the exchange situation is concerned, the massive influx of dollars has created pressure to revalue local currencies. This has had a negative impact on agriculture, as imports have been given preference over domestic production and exports, as evidenced by the deterioration of the balance of trade in most countries of the region. As far as public expenditure is concerned, it still does not seem to have been sufficiently reoriented towards the primary sector and those segments of the rural population that are most in need of state action.

Furthermore, while there has been a drastic reduction in the area planted in traditional crops, production of the new crops taking their place has not grown to the same extent, so that the so-called agricultural reconversion is not working satisfactorily either.

For all the above reasons, it is safe to say that it is not yet time to stop applying a strong agricultural sector policy, just as it is not wise to stop applying hot pads while a person still has a backache. We do need a policy, and one that reflects a new approach, but it must be geared towards enabling

producers to properly interpret and take advantage of the new market opportunities that are opening up.

In this regard, the ministries of agriculture must, as a matter of priority and urgency, establish stronger ties with monetary, fiscal and foreign trade authorities. They need to strengthen their capacity for analyzing the impact of macroeconomic policies on the sector; to increase their knowledge about trends and distortion in the international markets; to increase their capacity for negotiation in regard to integration processes; to improve plant and animal health controls; and to interact much more with the private sector in areas such as research, technology transfer, quarantine management, land improvement, information on external markets, production and marketing.

Special attention should be paid to the vulnerability of the poorest communities in the relatively most underdeveloped countries, where the economic adjustment process has produced the highest social costs in terms of equity, rural unemployment and capital deterioration in the countryside. The fact is that it would not be wise to deal with this issue without making regional differentiations, as the effects of these changes have not been equally distributed in all nations.

4.2 The Institute's mandate in the light of changing circumstances: The Madrid Conference

The central theme of the Tenth Inter-American Conference of Ministers of Agriculture (ICMA), held in Madrid in September 1991, was "Latin American and Caribbean Agriculture and the International Context of the Nineties: Strategies for the Close of the Century."[5]

At this meeting, the ministers of agriculture of the region identified the most important goals for the sector as follows: modernization with due regard for competitiveness, social equity and food for the population, liberalization of agricultural trade and sustainability of growth in terms of the conservation of natural resources and the environment. However, it is necessary to advance much more in ordering priorities around competitiveness, equity and sustainability criteria, as the political importance of each could vary from country to country. The same comment applies
to the additional funding that would be required to properly address these new issues.

They also noted that the continued distortion of the international market as a result of production and export subsidies, non-tariff barriers and differential tariffs could seriously jeopardize the gains made by the countries of the region in regard to political democratization, consolidation of subregional and regional integration, institutional reforms, and adjustment and liberalization of their economies.

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[5] IICA. Report of the Tenth Inter-American Conference of Ministers of Agriculture. Madrid, Spain, 23-27 September 1991. Official Documents Series No. 51.

Despite the persistence of protectionism and the failure of many countries in the rest of the world to grant reciprocity, the ministers of agriculture stressed that the American hemisphere should seek expanded economic spaces as a valid strategy for improving the competitiveness of their production apparatus. In this regard, they welcomed the Enterprise for the Americas Initiative proposed by the United States as an additional incentive for integration efforts.

In order to achieve the aforementioned purposes, and with reference to the changes that have occurred in the international context in which agriculture operates, they made a number of recommendations for priority action, including the following:

(a) Reforms should be made with a view to redefining the responsibilities of the public and private sectors in regard to primary production, transformation and marketing of agricultural products.

(b) The traditional concept of agricultural activity should be reviewed, and "agriculture" should be redefined as an expanded sector including, in addition to primary production at the farm level, the stages of transformation and domestic and international marketing.

(c) The technical capabilities of institutions in the public agricultural sector need to be strengthened in order to enable them to conduct analyses of macroeconomic policies.

(d) New technologies should be adopted and human resources should be trained with a view to taking advantage of the opportunities offered by the international market, especially as regards non-traditional goods, so as to transform natural advantages in the area of production into genuine competitive advantages from the standpoint of trade.

(e) The state apparatus should be reformed, with a view to decentralizing government actions and decision-making in the area of rural development, and strengthening participatory democracy in the countryside.

(f) Efforts should be made to facilitate the transition process for all farmers who have not benefited from the adjustment, by promoting the diversification of production and offering them an opportunity to participate effectively in the market.

(g) A sustained effort should be made to break the vicious circle of agriculture, poverty and destruction of ecosystems in Latin America and the Caribbean.

(h) International technical cooperation in these areas should be more flexible, and should be channeled not only through government agencies but also through private organizations, including non-governmental institutions and producer organizations.

(i) International technical cooperation agencies should be asked to support the processes of liberalization and integration of the agriculture sector in areas such as harmonization of policies, harmonization and simplification of plant and animal health procedures and regulations, and elimination of technical obstacles to trade.

(j) With regard to the Enterprise for the Americas Initiative, it is important to analyze levels of competitiveness and complementarity in the framework of the inter-American agricultural system.

In conclusion, it is worth pointing out that a novel element of the discussions at the Conference was the emphasis that was placed on the concept of expanded agriculture, the inclusion of non-governmental sectors within the sphere of international technical cooperation, the need to bring technological research and training more into line with criteria of international competitiveness, the increasing relevance of social equity, the sustainability issue, the control and management of non-tariff barriers, such as plant- and animal-health measures, and the move towards integration of the American hemisphere.

4.3 Implications for the technical cooperation efforts of IICA

It is now generally agreed that the "ECLAC model" of import substitution in Latin America and the Caribbean has run its course, as the region's economies have opened up and become more international in scope. By the same token, it is time to realize that the green revolution and the institutional development that went hand-in-hand with this model have also fulfilled their purpose.

Consequently, we must now move on, bearing in mind the new international context and the analysis made by the ministers of agriculture in Madrid, to a reorientation of IICA's work in the sphere of technical cooperation. We must, of course, bear in mind that, although all the countries may have equally valid needs, the Institute should concentrate its work on those areas in which it is really able to develop new comparative advantages or consolidate existing ones. Thus, IICA should no longer be concerned with those problems which the countries are now able to address through their own organizations, or those areas in which other international technical cooperation agencies have been working more efficiently.

The above considerations would have the following implications for IICA:

(a) The Institute's technical cooperation should be more market-oriented, instead of being limited to strictly production-oriented criteria. Most national research and technology transfer systems in the region have reached the point where they are able to conduct their own programs for enhancing productivity and reducing production costs in rural areas.

(b) Given the new international context, the imperatives of diversification, agricultural reconversion, modernization and competitiveness call for innovative efforts and strategies aimed at bringing producers into contact with new and growing domestic and

international markets, so as to turn natural agroecological advantages into real competitive advantages of a commercial nature.

(c) Technical cooperation should be incorporated, in a functional and practical manner, into the food-chain concept, in contrast with the traditional focus on primary production, including the proper management and treatment of non-tariff technical barriers to trade, such as quarantine procedures, quality controls, plant and animal health controls and legislation, antidumping measures, legislation on ecologically sound packaging, and, in particular, chemical wastes and pesticides, all of which are issues that are critical to the international food market. In this respect, we note and encourage steps taken by IICA in this direction as was the case of the recent reorganization of technical cooperation in Central America. Likewise, closer relations should be established with other specialized institutions in the area of ecology and health, such as APHIS, EPA and PAHO.

(d) While bearing in mind the need to guarantee the highest possible externalities in the provision of its services, IICA should create new mechanisms for coordinating its technical cooperation with other actors on the production-marketing food chain, such as the agricultural and agroindustrial private sector, producer organizations, non-governmental organizations, public and private entities specializing in information and "market intelligence", universities, and other spheres of government such as the ministries of economy, industry and foreign trade. IICA could also promote the creation of networks and workshops for discussion among the ministries of agriculture and the new actors of agri-food development.

(e) The role of intermediation and mobilization of human resources should be expanded, in order to help countries negotiate with transnational corporations, universities and research centers that generate advances in biotechnology. Likewise, they should receive orientation on the adoption of common regulations regarding patents, royalties and copyright law.

(f) Efforts should be made to increase the availability of human resources highly specialized in the analysis and evaluation of macroeconomic policies and their impact on the overall agri-food system.

(g) The Institute should provide leadership for integration processes in the agri-food sectors, with a view to promoting and facilitating trade liberalization in the hemisphere. To this end, IICA should serve as the technical secretariat for regional and subregional agreements that might emerge, as already is the case of G-3 and MERCOSUR.

(h) IICA should set priorities for technical cooperation according to the level of economic development in each subregion of the area.

CHAPTER V

RECOMMENDATIONS FOR THE 1994-1998 MEDIUM-TERM PLAN

5.1 The role of IICA as an international technical cooperation agency

5.1.1 Introduction

In order to draw up recommendations regarding the activities that could be carried out over the medium term by an international agency like IICA, it is essential, first of all, to establish a conceptual definition of the part the agency should play in regard to the agricultural issues faced by the countries of the region.

The G-6 feels that it is only after having a precise definition of the institutional strategy that other issues related to the structure, organization and functions can be properly addressed. Consequently, a special effort was devoted to such purpose.

Beyond the general objective stated in the Convention, the definition of IICA's strategies in the 1990s should take into account a number of circumstances prevailing at this specific time. Some of the factors that ought to be considered are:

(a) The financial and human resources available to IICA and their potential evolution.

(b) The current status of agriculture in the countries, including problems and needs, institutional development, changes in the roles of public institutions, the emergence of new roles and responsibilities for the private sector and the fundamental impact that non-sector policies, especially macroeconomic policy, have on the performance of agriculture.

(c) The international context -both political and economic- in which agriculture is carried out in the countries. Special attention should be paid to the widespread trend towards liberalization and integration and its impact on international trade in agricultural products (both within and outside the region).

According to the evolution of such factors, as described in previous chapters, a first issue to be addressed in order to define IICA's strategy is the analysis of the adequacy of the traditional cooperation mechanisms.

5.1.2 Analysis of the Traditional Cooperation Mechanisms

The purpose of this section is to evaluate whether the cooperation mechanisms traditionally used by IICA and many other international organizations are still relevant.

i. One of these mechanisms or types of cooperation is the provision of specialized technical advisory services on agriculture-related issues, a mechanism that has been used by IICA from its very inception. Nevertheless, the circumstances of the 1990s are very different from those prevailing thirty or forty years ago. Three factors may be mentioned to support the view that, although this type of cooperation will indeed continue to have a place in the Institute, it must no longer be seen as its main activity.

   (a) An agency such as IICA cannot possibly provide technical assistance in all the specialized fields that are related to agriculture under the new and expanded view of the sector.

   (b) Over the years, the countries have been training their own human resources; thus, in some cases, their own technical capability may be even greater than IICA's. Consequently, the impact of this type of cooperation has been diminishing over time.

   (c) Due to the progressive reduction of the purchasing power of IICA's quota budget, the bulk of IICA's resources must be allocated towards financing the basic structure (including 27 Offices in the countries) required for its operations, leaving very few resources for recruiting highly qualified staff in the many different specialized areas that would need to be covered.

   However, as has been suggested in previous chapters, there are significant differences between the regions. This means that the technical cooperation required by the smaller countries, such as the Caribbean and Central American countries, may involve a higher level of direct technical assistance.

ii. It is evident from the information gathered by G-6 in the countries visited that IICA plays a significant role in providing coordination and bringing together groups of national institutions, both public and private, in order to carry out a project or action or pursue a shared objective. In such cases, IICA serves as a catalyst where an external stimulus is required in order to mobilize the capabilities of a group of institutions in solving a given problem.

   This type of cooperation mechanism can be very worthwhile in specific cases (its value is, in fact, recognized by the national institutions), and IICA should continue to provide it whenever it seems truly pertinent. This function would be important in some situations and countries, but it should be viewed as a type of support to be offered only when and until needed. However, this same function, performed not on a project-specific basis but rather at the national level, with the objective of developing strong technical cooperation programs, involving national as well as international institutions, may become an important part of IICA's strategy in the future.

iii. Another cooperation mechanism that certainly plays an important role in IICA's work involves taking advantage of its status as an international

agency to facilitate exchanges of experiences and to consolidate the mechanisms needed for such exchanges -at both the technical and the political levels- among the countries of the region.

In this regard, IICA has had several successful experiences in the area of technical services; to these must be added its recent successes at the political level. The Institute has been able to create spaces in the technical and political spheres for institutionalizing exchanges among the countries.

It is quite obvious that, because of its very nature, IICA is in an excellent position to take advantage of this type of cooperation mechanism, which it has used in the past and should continue to use in the future.

5.1.3 An Emerging Fundamental Institutional Role: Brokerage of Strategic Thinking Capacity

From its experience at Headquarters and in the countries, G-6 has reached the conclusion that, regardless of how important any of the mechanisms described above may be in a given set of circumstances, IICA has a fundamental role to play in making available to the member countries a very high-level capacity for long-term, strategic analysis of the problems of agriculture in the region.

IICA must offer the highest level of technical expertise in the analysis of the agricultural issues facing the region. It must be the institution to which other national institutions -both public and private- and international agencies will turn in search of a higher level of capability than can be offered by any government or institution working in the region.

When the role of an institution is presented in terms of technical excellence, the question naturally arises at to whether IICA should consider becoming an academic institution in order to achieve this objective. The answer is definitely "no". What is essential is that IICA make available to the countries the capacity for analysis and original thinking of other highly regarded institutions. The basic role of IICA is to transmit this capacity but not necessarily to generate it.

This reasoning is based on the fact that the capacity to conduct strategic analyses of the long-term problems of agriculture depends on two fundamental sources of information: firstly, the technical know-how generated by a large number of public and private institutions, including those engaged in academic, research or commercial activities -both within and outside the region- pertaining to a wide variety of factors affecting the development of the farmers of the region; secondly, the lessons that can be learned from the experiences of other countries within and outside the region.

It obviously does not make sense for IICA to devote its already scarce resources to competing with institutions that are engaged in generating knowledge and know-how. On the contrary, IICA's advantage lies, on the one hand, in its presence at the country level (through its national or regional offices), and,

on the other, in its flexibility, which allows it to interact with the organizations that generate these intellectual products, but usually are not able to reach all the countries of the region.

Hence, we may conclude that IICA's fundamental role is to provide a connection, i.e., to bridge the gap between the problems faced by agriculture in the countries and the potential solutions available in terms of technical know-how and lessons learned from past experience, available in a number of outstanding institutions working both within and outside the region.

5.1.4 Management of Financial Resources

It is important to comment briefly on a cooperation mechanism that IICA and other international agencies have emphasized in recent years: the management of financial resources provided by member countries for use within their own countries, without this entailing any technical responsibilities for the Institute. Such cooperation might involve, for example, the Institute's providing administrative services with a view to mobilizing and managing financial resources belonging to the countries themselves. Essentially, IICA's role consists of providing an element of administrative flexibility that is lacking in the country concerned.

From the interviews conducted in the countries visited, the G-6 found that this type of cooperation is considered very useful and is in demand among the public institutions of the countries themselves. Nevertheless, the group considers that this cooperation mechanism is not essential to the objectives of IICA, and that it should be used only as a complementary measure or a means of facilitating the application of other cooperation mechanisms which are more in line with the nature and purposes of the Institute.

Relying too much on this type of mechanism robs the Institute of its identity, since IICA's action is limited to providing the infrastructure for implementing programs that are unilaterally created by the governments. Moreover, this mechanism is often used simply as a means of cutting through the "red tape" required by the country itself.

5.2 IICA in the 1990's

The environment in which IICA will have to work as we approach the year 2000 will have certain characteristics which must be borne in mind:

a. In view of the economic difficulties faced by the main donor countries of IICA, resources will be scarce in the future. Institutions such as IICA will receive resources only to the extent that they demonstrate their ability to use them effectively and achieve tangible results through their actions.

b. As a result of IICA's adoption of an expanded concept of agriculture, the changes taking place within the countries and the speed with which changes are occurring in the international context, demands for cooperation will constantly be on the rise, calling for action in a wider variety of fields and with more diverse actors,

thus creating an imbalance between what IICA can actually offer and the needs of the member countries. The current administration has taken important steps in the right direction, but in the future, even greater efforts must be made if the agency is to have the desired impact.

To this end, the G-6 suggests that IICA, including all its governing bodies (IABA, EC and GD), recognize the need to set priorities. With limited resources and increasing needs, there is no alternative but to focus on those areas in which IICA is best able to achieve results. In the opinion of the G-6, broad problems such as competitiveness, sustainability and equity in LAC agriculture are so far-reaching that, in order to have some degree of effectiveness, IICA must set priorities and find its own niche for action.

c. Parallel to these strategic decisions, IICA must adjust its organization and its financing in order to be able to deliver technical cooperation of the highest quality. As mentioned above, this will be achieved to the extent that the Institute develops the capacity to transform the technical capabilities of other institutions into useful tools for solving agricultural problems of the member countries.

5.2.1. Changes in the Organization and Functions of IICA

The general direction of reform at the organizational level is to ensure that all components of the Institute operate in pursuit of the common objective of anticipating problems and implementing solutions for the agriculture sector of the countries.

This means that each IICA Office in the countries must play a leading role in bringing together all pertinent public and private national institutions for the purpose of initiating a dialogue on the long-term problems of agriculture. From this critical analysis of the sector, a description of technical cooperation needs, as well as the corresponding funding proposals, should be drawn up. IICA will only be able to take direct action on a few of the problems described therein.

Requests for cooperation that can be handled by IICA should be transmitted to the corresponding program units within IICA, which would be responsible for implementing them. In those cases in which IICA is not in a position to offer assistance, the services should be provided by other institutions, with IICA being responsible for identifying the ones that have the capacity to implement the actions and collaborating with the countries in finding alternatives for funding them.

The G-6 is under the impression that at present, most Offices in the countries do not really have the technical capacity to initiate a dialogue that would bring together the ministries of agriculture, economy, planning and commerce, as well as representatives of the private sector, including producer organizations, agroindustry and exporters. They need to receive strong technical

support from Headquarters in order to be able to design a long-term technical cooperation program.

Even though the Sector Analysis Group of CEPPI was created for that purpose, this type of support is not at this time readily available at Headquarters, inasmuch as it cannot be provided by an isolated program or any other individual operational unit. Consideration should be given to the need to have an important backstopping function performed by an interdisciplinary professional group at Headquarters to conduct broad, critical analyses at the country level.

This core of professionals should receive support from other units within IICA and from academic institutions and research centers in all the IICA countries of the region, including the United States and Canada. This would ensure, moreover, that the Institute would indeed be hemisphere-wide in scope.

Evidently, the creation of this backstopping analytical capacity and the operation of these mechanisms will call for resources that are not presently available to IICA, inasmuch as neither external resources nor CATIs could be used for this purpose.

To this end, IICA should make the necessary adjustments in its quota budget in order to release resources for this purpose. At the same time, external donors, including the countries themselves, should be asked to make additional contributions in order to put this mechanism under way, which in the final analysis, is nothing more than a means of placing a group of institutions throughout the hemisphere, under the leadership of IICA, at the service of agriculture in the region.

5.3 Major Areas of Recommendation

5.3.1 Strategy

(a) Strategic thinking

The internal situation of the member countries, as well as the international context, has been characterized in recent years by the substantial changes described in previous chapters. As a result, agricultural development has become an extremely complex issue. A wide variety of factors have played a part in this situation, such as the decisive importance of macroeconomic policy, familiarity with the markets, the development of technology and education, among many others. In view of this situation, if IICA wishes to have a more significant impact on the development of agriculture in the member countries, it is absolutely essential that it make available to the countries a very high-quality capacity for long-term strategic thinking on agriculture.

Recommendation: That over and above what has been done previously, the governing bodies of IICA recognize -and reflect in their respective decision-making functions - that beyond the solution of short-term problems, to which IICA has already contributed and should continue to contribute, the Institute must develop a strong capacity for analysis and strategic thinking so as to be able to make available to the countries the latest technical know-how in all areas affecting agricultural development, and this be defined in the next Medium Term Plan.

ANALYSIS & STRATEGIC THINKING

(b) New institutional role

Because of its limited resources, IICA is not in a position to develop technical expertise in the diverse areas that affect agricultural development. Moreover, it is quite clear that by now the region -including, of course, Canada and the United States- has a large number of academic and research institutions, both public and private, that have a great capacity for generating knowledge and analyzing experiences. While these institutions have a tremendous potential for making a contribution to the countries, most of them do not have mechanisms for "reaching" the countries. This represents an opportunity for IICA to become a privileged partner, if its role is conceived as accessing the technical capabilities of other institutions in the hemisphere for solving the problems of agriculture in the region.

The G-6 considers it to be of the utmost importance for IICA to enter into long-term agreements and arrangements for cooperating with academic and research institutions in the hemisphere, to enable it to make available to the countries the latest advances in fields that are important to agriculture. This will require quota resources, which, under the present circumstances, will be very scarce, for reasons mentioned earlier. In addition to any savings that might be made in current costs, IICA will need external resources earmarked for this purpose.

Recommendation: That IICA revitalize and/or develop a new strategy based not on working as an isolated cooperation agency, but rather on strengthening its role as the central component of a system of hemisphere-wide institutions that are able to make available to the countries the highest possible caliber of technical know-how.

(c) Western Hemisphere

We have noted the growing capabilities of national programs in many member countries. In the larger countries, the need for the kind of technical support and backstopping that has been inherent in IICA's programs is less and less relevant. There is, however, a role for IICA to play if it stays at the vanguard of the areas it chooses as priorities. This means that IICA must have world-class expertise in key issues of concern to the member countries.

It would not be possible or cost-effective for IICA to try to maintain all this expertise in-house. IICA needs to develop a good knowledge of where this expertise is available in the world and be able to tap it as needed.

If the subsequent recommendation that IICA focus on agricultural modernization and trade promotion is accepted, then IICA will increasingly have to focus on market access and development issues in the whole western hemisphere and beyond. These issues are also of concern to the U.S. and Canada as trade expands within the western hemisphere.

As competition between international organizations for financial resources grows in the future, donor countries are likely to be most interested in maintaining support of those organizations which have the largest interested constituency in their own countries and which appear to be most relevant to their own international interests. The expanding scope of IICA's work is likely to ensure continuing interest in both major donor countries in the western hemisphere.

US & CANADA RELATIONSHIP *

Recommendation: That IICA change its approach in dealing with the U.S. and Canada, moving beyond an aid relationship and recognizing that there are increasing grounds for technical cooperation and exchange between these countries and other countries of the western hemisphere. This will mean changing the responsibilities of the IICA Representatives in the U.S. and Canada to develop a broader relationship with other technical institutions in those countries that share interests with IICA.

(d) Inter-institutional coordination at the country level

IICA's work at the country level has to be implemented with due regard for the work being done in the field by other national and international institutions. An in-depth analysis is therefore needed of the possible opportunities for cooperation with other institutions, in order to enable IICA to focus its activities on those areas that are not being addressed by other agencies or on areas in which the Institute has clear comparative advantages.

Recommendation: That through the Offices in the countries, IICA should provide leadership in bringing together local (public and private) and international institutions for the purpose of determining how each one can best contribute to the development of a technical cooperation program for the agriculture sector.

(e) Political Fora

To the activities of promoting technical exchange among countries, IICA should add the new role it has taken on in recent years to create opportunities for exchange among countries at the political level, such as in CORECA and CONASUR. It became apparent during the group's visits that the countries consider this to be an important contribution on the part of IICA and that it should be continued in the future.

However, the G-6 is concerned that the financing needed to enable IICA to serve as the technical secretariat for such organizations is involving a substantial amount of resources, and that in the future, the countries themselves should increase their contributions for this activity. Moreover, it is important that, in addition to the participation of the ministries of agriculture,

consideration be given to bringing in other institutions -both public and private- that are concerned with agriculture-related issues.

Recommendation: It is important that IICA continue to perform the role of creating regional "spaces" for exchange at the political level, and that these fora include the ministers of agriculture, as well as representatives of other public and private agencies concerned with agriculture in the different regions. It is also suggested that the countries should contribute to financing such activities.

(f) A market-oriented approach

The criteria of competitiveness, diversification, agricultural readjustment and modernization call for innovative measures and strategies to be carried out with a view to linking producers with new and expanding national and international markets. Thus, natural advantages of an agroecological nature can be translated into real competitive advantages of a commercial nature. In order for this to be possible, the traditional concept of agriculture must be modified and expanded, so that the sector is viewed as an overall chain of value aggregation at all stages of the process, from production to consumption.

Recommendation: That IICA give more emphasis in its technical cooperation instruments to market-related problems. In this effort, IICA could further assist the countries: (a) to develop specialized institutions in the field of information and market intelligence, and (b) to manage and handle issues relating to non-technical, non-tariff barriers to trade, including quarantine procedures, quality controls on agri-food export products, plant and animal health controls and legislation, anti-dumping measures, legislation on packaging, chemical wastes and pesticides, etc.

(g) New actors

The inclusion of the concept of the agri-food chain in the orientation of technical cooperation efforts, and the increasingly important role played by institutions other than the ministries of agriculture in the new profile of sectoral policies, suggest the need for broadening the actions of IICA's programs.

Recommendation: That IICA promote: (a) the creation of mechanisms for bringing other actors into the agri-food chain from production to marketing, including mixed and non-profit nongovernmental organizations, producer associations, public and private entities specializing in information and market intelligence, private research centers, universities, etc., as well as other government bodies, such as the ministries of economy, of industry and of foreign trade; and (b) the creation of networks and fora to promote contacts among the ministries of agriculture and other actors of the agri-food development scene.

(h) A macroeconomic approach to agriculture

As a result of the accelerated pace at which the structural adjustment process has proceeded in the Latin American and Caribbean economies, the

traditional tools of sectoral policy have virtually disappeared. Consequently, the ministries of agriculture need to strengthen their links with the monetary, fiscal and foreign trade authorities of their countries, strengthen their ability to analyze the impact of macroeconomic policies relating to regional actions, and improve their capacity for negotiations in integration fora.

Recommendation: That IICA: (a) strengthen its macroeconomic and commercial approach to agriculture, by mobilizing the best human resources available, and (b) help the countries create the relevant new capabilities and strengthen new public, mixed and private institutions that can effectively replace the traditional instruments of sectoral policy.

(i) Setting priorities

An analysis of the way in which the Institute's activities have evolved during the present administration shows that, as the concept of an expanded agriculture has taken hold, and as new problems have emerged that affect agriculture, the member countries have tended to broaden the sphere of IICA's responsibility, requesting its cooperation in order to address new and complex issues. In this regard, there has been a new emphasis on integration, competitiveness, sustainability and equity.

It is obvious, however, that in order to deal with new areas, the Institute must have additional resources; in general, however, such resources have not been provided. This imbalance -the shortage of resources and the addition of new areas of responsibility- entails the risk that the impact of IICA's actions will be significantly weakened.

SET PRIORITIES

Recommendation: That the member countries recognize the need to set priorities among the mandates they establish for IICA. While setting priorities inevitably involves making difficult decisions, this is absolutely necessary in order to ensure that IICA continues to be an institution that is committed to achieving concrete results.

(j) Regional differences - the Caribbean

It is evident that there are major differences between regions which, in turn, give rise to different needs. In developing its strategy, IICA should take into consideration these differences and, in general, it has done so. However, this regional differentiation issue acquires greater relevance in the Caribbean region, where the G-6 considers that IICA should develop a special strategy. Caribbean agriculture is in crisis due, in no small measure, to the challenges brought about by changes in economic and trade policies taking place on a global scale. Among the key challenges facing the Caribbean, to which IICA could make a significant contribution, are: strengthening the technical capabilities of public sector institutions to better enable them to conduct analyses of macroeconomic and other relevant policies impacting agriculture; developing strong farmer organizations, marketing organizations and agricultural scientific research capability not only to solve problems of pests and diseases but also to create products for the world marketplace.

There is a felt need in the Caribbean for IICA to re-examine how it can more effectively assist the countries of the region in addressing the problems of agricultural and rural development. IICA should also assess whether its present strategy and structure for the Caribbean is the appropriate one.

Recommendation: That IICA undertake a review of its strategy and operational structure in the CARICOM region to identify ways of increasing its effectiveness in addressing the key problems confronting Caribbean agriculture. This review and redefinition of its strategy and operational structure should be undertaken by a team external to IICA and be completed as early as possible. It should also contain recommendations for financing the strategy.

CARICOM

(k) Defining a Strategic Plan

There is ample evidence that organizations which carefully develop a strategic plan, modifying it as conditions change, have achieved better results than organizations which operate with a more diffuse and less articulated sense of mission and strategy. A well-defined corporate vision and strategic plan is particularly important during periods of major change or turbulence in the external environment. It can also serve to inform and anchor staff and others about the particular niches that the institution is filling. The clearer and more explicit the corporate mission and objectives, the greater the opportunity to establish performance criteria by which to judge the degree of achievement of different programs. Intensifying work in this direction will give confidence to both IICA staff and IICA's clients that it continues to be relevant and deserving of support.

The G-6 believes that the potential role of IICA has changed so significantly since the last MTP was prepared in 1987 that it would be inappropriate for the new MTP to simply outline an operational plan, modifying existing structures and program foci without a more fundamental review and clarification of IICA's mission and strategic objectives.

Recommendation: That the 1994-1998 Medium Term Plan include a specific section containing the key elements of an IICA strategy as discussed in Chapters III and IV, and that this strategic analysis be published separately and distributed widely.

STRATEGIC ANALYSIS

5.3.2. Organization and Style

(a) Senior management:

IICA, as a knowledge-generating institution, requires an organization that promotes a free flow of information, the development of an open critical exchange of views and a sense of involvement and participation by all staff, both at Headquarters and in the country operations. The issues IICA addresses are complex both in terms of the variety of needs between countries and the goals of equity, sustainability and competitiveness. This requires an interdisciplinary and collaborative approach across programs and between programs and countries. The G-6 believes that both the vertical and horizontal structures of management at Headquarters, particularly at the operations level, could be streamlined.

Some restructuring is needed to reduce the layers of decision-making units, reduce the number of persons reporting to the DG, reduce or integrate the number of directors of various departments, and such other measures that will result in management efficiency and reduction of total staff.

The challenges IICA faces are so great and the real resources available for addressing them are limited or declining; therefore, IICA will have to continue to minimize fixed costs and administrative obstacles.

ADMIN $ COSTS ↓ = RESTRUCTURE

Recommendation: We recommend that the size of the senior management team at Headquarters be reviewed with a view to reducing the costs and complexities of coordination of different organizational units at Headquarters, and that a restructuring plan be prepared. In this respect, particular attention should be given to the role of the Office of the Deputy Director General for Operations.

b) Coordinating IICA Operations:

The main organizational problem the G-6 found was the lack of effective links with country offices. The creation of Area Director positions has not been an adequate response in addressing this problem. If the functions of Area Directors remain unchanged, these positions could be abolished. The resulting savings in costs might be used to increase direct contact between country staff and IICA management in the planning and management issues of the organization.

However, a more basic issue is the parallel and structurally unrelated IICA activities being conducted at the country level, where hemispheric and regional projects developed by the programs independently of the Headquarter's directors of operations and sometimes are not well integrated with routine office activities. If the Area Directors were given more responsibility for the actual operation of such projects at the regional level, once they have been developed by the Programs, then there would be a major role for these directors and greater potential to link regional and country office activities.

STREAMLINE

Recommendation: That IICA management seek to eliminate the present situation of parallel but separate IICA activities affecting member countries. Assigning a new role to Area Directors for the operational phase of regional projects would bring regional and country program activities into a common line of authority. If the functions of Area Directors are unchanged, then these positions should be reduced.

(c) The Caribbean:

Although it should be recognized that the present administration has done a great deal for integrating the Caribbean into the IICA family, the G-6 felt that the sense of isolation from the overall IICA program was greatest in that area. We have noted that there is a growing differentiation in the needs of the different subregions in which IICA works, with the Caribbean arguably representing the greatest differences in needs. Locating the Area Director in the Caribbean has not seemed to be adequate for giving country Offices and partner institutions in the region an adequate sense of involvement with and ownership in IICA.

Recommendation: That beyond the aforementioned review of a strategy for the Caribbean, IIICA evaluate its operational procedures in order to increase the sense on involvement of the countries of the Caribbean. CAR168

5.3.3 Finances

(a) Implications of long-term financing

As stated in Chapter 3, if the trend towards a loss of purchasing power of quota resources continues, IICA will depend more and more on external resources for its operations. This means it will gradually lose its capacity for independent decision making, since external resources tend to reflect the interests of the donor countries and agencies rather than those of the executing institution.

Recommendation: That IICA conduct a detailed study of the long-term financial results and implications for IICA of an eventual excessive dependency on external resources. In particular, the countries should evaluate whether it is in their interest to finance, through quotas, the operation of a basic structure that will, in the final analysis, be executing specific actions determined by the interests of outside donors. #

(b) Operating Costs:

The prospects for significant increases in real terms of quota resources are not promising in the next planning cycle. IICA will thus likely be under increasing pressure to minimize costs. We believe IICA can achieve greater efficiencies by reducing management and administrative costs and by exploring opportunities to contract out some services now carried out in-house.

One possible economy which is apparent but not real is to reduce the levels of operating funds per professional. Below a certain level, this results in a loss of motivation by staff, IICA's most important asset. This is not a cost-effective solution to financial pressures. Other organizations have established fixed and operating cost ratios, with a 75/25 ratio being used as a standard at many research organizations.

Recommendation: In the 1994-1998 MTP, particular attention should be given to the existence of an appropriate ratio of fixed and operating costs that ensure that professional staff and programs have sufficient operating funds per professional.

(c) CATIE and CARDI

IICA's relationship with CATIE and CARDI was reviewed by the G-6. Although there are possible complementary areas of collaboration between these Centers and IICA, at present they largely work independently and it appears that no joint programs are in operation, even in such fields as conservation of natural resources and sustainability, which are important to all three institutions.

The most important link between CATIE, CARDI and IICA is the financial support which in 1993 will be US$1,270,000 for CATIE and US$300,000 for CARDI. These resources are provided under IICA's quota budget, and are transferred to both centers without restrictions on their use.

It is considered that IICA is not a financial institution and that there are potential areas of cooperation between these centers and IICA which, although not yet defined, should form the basis for closer collaboration.

CATIE CARDI

Recommendation: In order to strengthen technical collaboration among these institutions, it is recommended that the financial support made available to CATIE and CARDI become progressively subject to the execution of specific cooperative projects of common interest.

(d) Offices in the countries

One of the matters that was examined at considerable length by the G-6 was the question of whether or not IICA should have offices in almost every country. This obviously consumes a large portion of the quota budget, and rationalizing this element of IICA's operations would free up resources for other very useful activities. However, after conducting a number of interviews at Headquarters and in the countries, G-6 has come to the conclusion that IICA's "presence in the field", through its local offices, is an asset to the Institute, and is one of the factors that gives it a definite comparative advantage over other international agencies. To this must be added the fact that the ministries of agriculture of the member countries are interested in keeping the Institute's offices in their countries. These two criteria should be made compatible.

Country Offices

Recommendation: That the IABA analyze this issue in order to make a joint decision about the possibility of member countries contributing to financing the local costs involved in keeping IICA's Offices in the countries, in line with the precedents established by other international institutions.

(e) CATIs

There are divergent views regarding the Institute's practice of charging a percentage for overhead costs of projects funded with outside resources (CATIs). While the major donor countries hold that the CATIs charged by IICA do not cover all overhead cost, the countries that use IICA's services feel that the CATIs are excessively high.

Recommendation: That IICA should not use quota funds to meet expenditures associated with the management of external resources. In all agreements involving the management of outside resources, IICA should make an estimate of the real overhead cost involved, and the corresponding CATIs charged should be in line with such an estimate.

(f) Arrears in quota payments

An analysis of the financial situation of the Institute for the period 1987-1993 clearly shows a high level of arrears in quota payments on the part of Member States. Indeed, overdue and delinquent quota payments for 1990, 1991 and 1992 total more than US$10 million each year. Although the situation seems to have improved, it must be stressed that arrearages seriously affect the normal operations of the Institute, and that it is of the greatest urgency that the Member States rectify this situation.

ARREARS

Recommendation: That the IABA review this matter.

(g) Provision of administrative services for externally funded projects:

In previous sections of this chapter, we have discussed IICA's role in managing funds provided by the countries without this necessarily entailing any technical responsibilities on the part of the Institute.

Recommendation: That the practice of managing country funds be limited to those cases in which it facilitates the implementation of other programs that are directly related to the fundamental objectives of the Institute, as indicated by the current provisions contained in the MTP and other regulations. The eventual need of more specific provisions should be considered in preparing the next MTP.

5.3.4 Programs

(a) Program Operations:

The most important topic covered by the recommendations of the previous G-6 concerned the concentration of IICA's activities in five Programs, and the development of technical expertise and leadership in each of these. Most recommendations were implemented by the current administration, and the objective of developing technical expertise in each program area has been attained, especially by comparison with the situation in 1986.

Nevertheless, we now see another very important problem with the way IICA's Programs are operated. This has to do not so much with the development of technical expertise as with the way in which such expertise is used to support activities in the countries. The following remarks are pertinent in this regard:

- The Offices in the countries do not perceive the Headquarter's Programs as providing sufficient technical support for their activities. They feel isolated and find that they do not have opportunities for interacting with and participating in Program activities and decisions.

- The level of integration and communication between Programs is not sufficiently strong. Each one has its own agenda.

- There is not enough coordination between the Programs and the Office of the Deputy Director General for Operations, particularly as regards multinational and hemisphere-wide actions.

The G-6 holds the view that the objective of creating and consolidating the five Programs has been fulfilled. In the future, however, every effort should be made to integrate the Programs as support units for actions at the country level.

After examining a number of possible solutions to this problem, including the ideas of creating an Office of Deputy Director General for Programs, creating a center to integrate Program activities and other alternatives, the group has decided not to propose structural reforms but rather to draw attention to this important problem:

Recommendation: We recommend that organizational reforms be implemented in 1994, under the direct supervision of the Director General, in order to ensure that the Programs and other Headquarters units work as an integrated whole to support the identification and execution of long-term technical cooperation programs at the country level, including the multinational projects as components of such cooperation programs.

(b) Programs I, IV and CEPPI:

In the region, there is a need to have well-trained human resources who can analyze the impact of economic and commercial policies on the overall food sector, and to strengthen interaction among the ministries of agriculture and economic, trade and planning authorities.

Additionally, there should be greater staff specialization in policy and institutional reform, international food commerce, market information and intelligence, negotiations on market integration, non-tariff barriers, anti-dumping legislation, labor practices, intellectual property rights, patents and strategic investment decisions.

Because of their similarities and common objectives, Program I, Program IV and CEPPI could be merged. Although the total number of Programs is somewhat arbitrary depending upon other factors, the suggested merger would result in economies and better integration of similar program thrusts.

Recommendation: That in view of the nature and similarity between Programs I, IV and CEPPI, and the need to focus more on the matters addressed by these Programs, serious consideration should be given to merging these into a single Program.

(c) Rural Development:

Attention is drawn to Program III and the statements of CEPPI in which the issues of equity and rural development are most prominent. Observations made in the countries clearly show that these issues largely exceed the area of influence of the ministries of agriculture, and that, given the magnitude of the problem, IICA should be very careful about the impact the scarce resources devoted to this

Program can have towards its solution. If the issues of equity, sustainability and resource conservation are to be fully addressed, there is a need for greater integration with the projects of the other Programs. Methodologies must be developed for promoting greater integration into the market economies, for the development and delivery of appropriate technology, for development of small agroindustry, and for resource rehabilitation. We have already mentioned the need to train large numbers of persons at the professional, subprofessional and community levels to work on this task. While there is a concern that present programs on equity may not represent an area of high payoff, IICA should be alert to the higher priority that may be given to this goal in the future by countries and institutions, both within and outside the region.

Rural Development

Recommendation: IICA should strengthen its efforts to define a cost-effective strategy in its approach to rural development and Program III should work more closely with each of the other Programs in dealing with equity issues.

(d) Education and Training:

We noted considerable variation in the use of training as an instrument in development. The Programs incorporate a large number of short term "training" exercises. Some of these are of questionable value except as sensitization exercises; perhaps more stringent criteria should be applied in organizing training sessions. On the other hand, IICA seems to have limited resources to support leadership training for the new generation of professionals needed in several of the IICA Program areas. In particular, developing competitiveness in the global market requires an extraordinarily high level of analytical capacity and expertise in policy formulation and market intelligence. In general, this level of expertise is inadequate in many countries of the region, both in the public and private sectors. It is recognized that national and international funding for advanced training is limited. Nevertheless, in our view, IICA has an important role to play in education and training.

Recommendation: As a policy, IICA should stress and stimulate support for specialized training, especially in the areas of trade; markets and marketing and related legislation; biotechnology; resource management and rural development, especially for training more women in the specialized areas related to gender issues, in which most countries have limited expertise.

(e) Sustainability:

IICA has incorporated the concepts of environmental protection and sustainability into its program statements and there has been recognition of the importance of these issues by most countries of the region. Nevertheless, with rare exceptions, there has not been significant progress in the implementation of methodologies related to sustainability.

Recommendation: IICA should be prepared to work closely with other agencies in developing and disseminating approaches and technologies for the adoption of sustainable agricultural systems. IICA may be able to play a leading role by using its convening capabilities but should

carefully assess whether this would be appropriate and whether it has the necessary resources.

(f) Plant and animal health:

IICA has always maintained a significant capability in the area of plant protection and animal health, particularly with regard to strengthening the capacity of national entities responsible for animal and plant health and quarantine programs. Observations of the G-6, as well as information in the IICA reports, suggests that some countries of the region have reduced their support for the agencies responsible for their plant and animal health programs, and as a consequence, significantly reduced their capacity to deal with plant and animal health issues.

Recommendation: That IICA take steps to strengthen the national and regional programs addressing plant and animal health, which might include professional training (refresher programs) and convening meetings to develop health program strategies for the countries of the region.

(g) Goals:

Throughout the report, we have referred to the important goals of equity, competitiveness and sustainability, as they have been articulated in the different documents of IICA; we have also commented on the enormous challenge these pose for the institution. It is our view that IICA still has to more clearly define the objectives that will provide a measure of the achievement of each of these goals and that it will need to define its playing field very carefully. With regard to the issue of competitiveness, IICA has made considerable progress in incorporating this issue into the relevant Programs and has defined its operational activities in this area. The issue of equity is more complex and the approach is less clear: there is a broader range of thematic issues, a greater number of actors and less experience to draw upon. To achieve success in this area will require greater interaction among all of the Programs. Similarly, the issue of sustainability is not only very complex, but achieving substantial progress in the area will require the efforts of many institutions. In fact it may be that the role of IICA will be minor when compared to that of other agencies.

Recommendation: That IICA make every effort to more fully define and integrate the topics of equity, competitiveness and sustainability in each of the most relevant Programs; that inter-Program actions for each of the goals be defined; and that the strategy to address the issue of sustainability be articulated, taking into account the probability that other international agencies may be the leaders in this arena.

5.3.5 Human Resources

(a) Quality of Staff:

The idea outlined at the start of this chapter envisions a significant role for IICA in providing state-of-the-art assistance in a limited number of areas.

IICA cannot hope to develop capability of all this expertise in-house but it must aim to recruit the best available staff in the region. The following recommendations address some of the issues related to recruitment and to making the most effective use of the best staff available.

Recommendation: IICA should aim to recruit the best staff available in the region to carry out its activities. IICA needs to review its salary levels periodically to ensure that these are competitive with other organizations recruiting at this level.

(b) Recruitment criteria:

Recommendation: IICA should continue to give exclusive consideration to technical qualities in staff recruitment and ensure that the staff selection process is as neutral as possible. The number of protected positions which are not subject to a competitive process should be reduced. Country Representatives are an important and expensive asset of IICA's and should have specific training and expertise in IICA's fields of concentration. As is presently the case in most countries, most Representatives, and all technical staff, should be encouraged to make some contribution to the program priority objectives of IICA.

(c) Training:

Recommendation: The present process of giving staff contracts rather than indeterminate appointments is appropriate and allows IICA to recruit staff with superior and up-to-date expertise on an ongoing basis. There is still a need, however, to provide opportunities to enable staff to maintain their expertise. This may be achieved by working with other leading organizations for short periods. Exposure to those working at the frontiers of knowledge should also be pursued by encouraging secondment of staff from other organizations or staff exchanges. Facilitating formal degree training should not be necessary or appropriate for staff at this level.

(d) Mobility:

Recommendation: We recommend that IICA staff, whenever their local duties permit it, be available for assignments anywhere within the IICA system if their expertise is most appropriate there. This applies to staff in the country Offices as well as at Headquarters. To be effective, IICA projects may require teams of experts from a number of different areas of expertise.

(e) Evaluation:

Recommendation: We recommend that IICA management review the adequacy of the present employee evaluation system to ensure that it is as rigorous and objective as possible.

5.3.6 IICA Functions

(a) Financial system:

During the country visits, mention was made of the complexity and time-consuming requirements of the financial reporting and management system. There are doubts as to how efficient and supportive the present system is.

Recommendation: That IICA undertake a review of its financial support system with a view to making it more efficient and providing better support to country Office financial administration. The introduction of direct electronic information services between IICA Headquarters and country Offices, as this capability is expanded in the region, may be one of the most effective ways to ensure such support.

(b) Publication and Dissemination:

IICA publications are one of the primary tools used by IICA to disseminate the results of its work. While more information is likely to be disseminated electronically in the future, publications are likely to remain an important vehicle. There are some excellent IICA publications, and there are organizations which are prepared to pay for these. However, insufficient attention appears to have been paid to a dissemination strategy.

The actors with which IICA must work are increasing in number and existing institutional channels may be inadequate for reaching them. Nonetheless, the existing policy of trying to make publication sales cover their own costs is an appropriate objective, so there must be a different trade-off between widespread dissemination and cost control.

Publication Distribution

Recommendation: We recommend that IICA management give special attention to the limited distribution of many IICA publications and devote resources to finding additional sales outlets, and to control the number of publications of limited appeal, such as workshop proceedings.

(c) Information/Communication:

Information and communication technology is dramatically changing the way people within organizations and between organizations communicate with each other. Technological improvements in both areas have been increasing at an astonishing rate of 25% annually for at least the last two decades. Now the two kinds of technology are converging in a way that can have immense benefits for an international organization like IICA. The linkage to INTERNET will allow IICA not only to connect staff at Headquarters with those in the country Offices so that a memo on issues for a staff meeting can bring instant feedback from other offices, it will also allow IICA staff to contact and consult staff from a large number of organizations around the world. For example, donor agencies can be consulted for funding possibilities, an international agricultural research center in Taiwan can be addressed on new vegetable varietal trials, and the Hungarian Ministry of Trade can be consulted on new import regulations. Library searches can access dozens of databases.

Recommendations: We recommend that IICA carry out a review of the benefits and costs of greatly expanding its computerized information and communication systems, both for internal communication between the various IICA offices and concerning the potential for IICA to assist member countries in participating in these exciting new developments.

(d) Evaluation:

If IICA is to fulfill its potential as a leading agency in its selected fields of concentration, providing access to knowledge and expertise that national and other international agencies will recognize and draw on, IICA must take steps to increase/build its own corporate memory. There are failures and successes in IICA's activities. Unless IICA develops its ability to assess these and the experiences of other agencies, to draw on and apply the lessons, it will stagnate. IICA must further exploit its potential as a learning organization.

Recommendation: That IICA further emphasize the need to develop a plan for implementing a more active evaluation of its activities, encourage open debate within the organization on the results of its work, and synthesize and publish its findings more widely.

(e) Public Relations:

IICA's best public relations arise from the quality of its Program work in the countries. However, IICA is undergoing such major changes in its approach that it probably needs to make a renewed effort to inform the growing number of institutions and groups with which it is working about its activities. This should begin with a succinct document which summarizes the new IICA strategy. With the growing volume of literature in the world, it is increasingly difficult to capture the attention of IICA's intended audience. We believe that shifting the emphasis in publications from a descriptive or historical content to providing evidence of specific IICA accomplishments is likely to create a more positive image.

Recommendation: That IICA ensure that the strategies and accomplishments of IICA are adequately disseminated and that the number of general information publications on IICA be reduced.

CHAPTER VI

OTHER MATTERS PERTAINING TO THE ACTIVITIES OF IICA THAT MIGHT BE CONSIDERED BY MEMBER COUNTRIES

The purpose of including this Chapter in the report is to present for consideration by the Member States certain matters that are important for the future implementation of IICA's programs, but which do not fall within the competence or the mandate of G-6, as stated in Executive Committee Resolution No. 140, adopted at its Tenth Regular Meeting, which stresses the analysis of MTP-related topics.

6.1 Governing bodies of IICA

Under the Convention currently in force, IICA has the following governing bodies: the Inter-American Board of Agriculture (IABA), the Executive Committee (EC) and the General Directorate (GD).

The Inter-American Board of Agriculture is the highest organ of the Institute, and is composed of all the Member States, which are usually represented by their ministers of agriculture or by persons designated to represent them.

Like the IABA, the Executive Committee is an organ of the Institute that is made up of representatives of Member States; however, its membership is limited to 12 countries, and it does not adopt resolutions but rather follows up on the Institute's actions.

What is important from the conceptual standpoint is that the two highest organs of the Institute are made up solely of political representatives of the countries. This is reasonable, considering that the countries should indeed exercise the government of the Institute.

Nevertheless, in view of the limited time these representatives are able to devote to IICA, the infrequent schedule of the meetings, and the changes which the political processes of the countries naturally entail, it appears that some form of external institutional mechanism is needed to provide the IABA (through the Executive Committee) and the General Directorate with independent technical assessment, advice and evaluation of the Institute's performance regarding the consistency of the programs with the decisions of the IABA and the perceived needs of the region.

After extensive reflection on the fact that a technical cooperation agency such as IICA has only political representatives in its governing bodies, G-6 deems it advisable to suggest to Member States that they consider whether it might be convenient to create a technical body to advise the three higher organs of IICA. This Committee would report to the Executive Committee and the Director General. Members (up to 4-5) would be selected by the IABA from among a list of qualified candidates prepared by the office of the Director General.

Its duties should include the following:

(a) To advise the IABA and the Executive Committee on the planning of long-term strategy for the management of IICA.

(b) To advise the General Directorate on how IICA can best internalize and implement the political mandates derived from IABA resolutions.

(c) To act as an advisory body to the General Directorate and as a support to improve the Institute's relations with other institutions, whether national or international.

(d) To serve as the higher organ of IICA in charge of the external evaluation process, by conducting evaluations of the programs and the MTP.

(e) To serve as a body providing perceptive advice in reviewing the résumés of candidates for the position of Director General.

As regards the composition of the council, it is obvious that members must be chosen on the basis of their ability to perform the aforementioned duties. Beyond that general consideration, it is also important that the members of the council should also have the following qualifications:

- They must be individuals of recognized prestige in areas pertaining to agriculture, who, by virtue of their personal history, will enhance the image of the institution.

- They must represent a wide range of professional fields and, in view of the fact that new actors, with significant responsibilities, are emerging in the agriculture of the region, as described in Chapter 4, it is recommended that the group should, in particular, include one or more private-sector representatives who would be able to bring to IICA the viewpoints of this sector, which is, in fact, the ultimate target of its work.

- The members of the council would assist the General Directorate in regard to enhancing IICA's relations with other technical and financial institutions with which it has to interact, in connection with the implementation of its cooperation with the countries.

6.2 Relations of IICA with other international agencies

6.2.1 FAO

The problem referred to in the report on this matter is not a new one, but the Group considers it necessary to bring it up for consideration by IICA and its Member States.

Both IICA and FAO are international agencies working in the area of technical cooperation in agriculture. To a considerable extent, their activities in LAC overlap, without the degree of complementarity or coordination that would be desirable in order to make better use of the resources of the two institutions.

Considering that the difficulties encountered in trying to obtain financing are likely to become even greater in the future, and that the same ministers of agriculture who serve on the Inter-American Board of Agriculture also represent their countries before FAO, it would seem advisable to mention the following alternative courses of action as regards a political decision:

(a) That no specific action be taken on the matter; this means that the activities of the two institutions in the region would continue to overlap, with a minimum of coordination and complementarity.

(b) That the member countries of IICA instruct both institutions to draw up and submit for their consideration, within a reasonable period of time, a mechanism for ensuring technical and administrative coordination of their activities in the region.

(c) That the member countries of IICA, agreeing that it would be advisable for the two institutions to merge into a single operational unit in the region, request IICA and FAO to draw up an agreement between the two institutions whereby a permanent mechanism of institutional linkage would be created, in order to guarantee the integration of their operations in the region. The agreement signed in 1949 by the World Health Organization and the Pan American Health Organization is an example, not only as regards the text of the agreement, but especially because they now have gained thirty years of invaluable experience in working out an idea such as this.

After analyzing the manner in which IICA and FAO are operating in the region, and bearing in mind the shortage of resources that both institutions will be faced in the future, G-6 strongly recommends that the Member States of IICA make a decision on this matter along the lines suggested in alternatives "b" or "c" above.

This suggestion is especially relevant in view of the fact that during 1993, both institutions will be electing new authorities.

6.2.2 Relations between IICA and the multilateral funding agencies (IDB, IBRD and IFAD)

IICA's relations with the Inter-American Development Bank (IDB) and the World Bank are of fundamental importance to the future activities of the Institute. It is precisely because of the significant potential benefit that these relations can bring to the Member States that some observations are in order regarding the type of relationship which should exist among the three parties, i.e., the countries, the Banks and IICA.

(a) IICA's fundamental objective is to provide a service to the countries, not to the Banks. This means that the provision of services to the Banks should be viewed as a secondary role for IICA, and that the importance of such services depends on the extent to which they help the countries.

(b) In this regard, the preparation by IICA of feasibility studies that constitute one link in the chain of an investment project cycle

should not be the basis of the relationship between IICA and the Banks. There are a number of reasons for this: there is great demand for IICA's capability for response; there are many other entities -both government organizations and private enterprises and consultant firms- that are able to perform such studies, and, even more importantly, there is a substantial difference between the nature of the Banks and IICA. While the Banks are essentially financial institutions, IICA's primary function is to ensure that projects and programs respond to priority country needs and that financial resources are used in the most efficient manner.

If we accept this reasoning, we must immediately reach the conclusion that the institutional function of IICA must not be the preparation of a project document, at the request of a Bank, on a given topic and country. On the contrary, IICA has a much more important role to play, working together with the country to identify priority areas for funding. In order for this to be possible, there must be a process of dialogue between the country and IICA, and this must lead, after an analysis has been made of the situation of agriculture in the country, to the identification of areas for the Institute's technical cooperation, along with a definition of the financing needs for investment projects and policy and institutional reforms.

(c) It is of the utmost importance for the countries that IICA should develop a high degree of competence in the performance of this role, since it is fundamental for ensuring efficiency in the use of capital, and because neither the countries nor the Banks have fully developed this capacity.

Once again, in regard to relations between the Banks and IICA, it is important to stress that IICA needs to have a high level of technical expertise in the analysis of the agricultural sector, anticipating problems and mobilizing the potential of other institutions, both technical and financial, to contribute towards finding solutions to problems and eliminating restrictions that hinder development.

Due to IFAD's nature, all the above comments relating to IICA-Banks should also be applied to that organization.

6.2.3 Relations between IICA and other international agencies

In addition to the ones mentioned above, there are a number of international institutions that work in areas related to agriculture, and IICA must strive to strengthen its ties with these organizations in order to better serve the interests of its member countries. It should be noted that there is a definite complementarity between IICA and certain institutions, such as IFAD and UNEP, which specialize in topics relating to poverty and the environment, and whose mandates are very similar to the Institute's mandate, as regards equity and sustainability.

By the same token, as a result of its visit to the countries, G-6 has been able to identify a number of significant opportunities for mutual collaboration between IICA and institutions such as PAHO, UNDP, UNEP, IFPRI and the OAS itself. We therefore recommend that IICA continue to make every possible effort to design mechanisms for cooperating with such organizations, not only by means of general agreements, which often do not have much real substance, but through concrete actions that will allow for the best use to be made of the resources available to the Institute.

ANNEXES

ANNEX 1

NATIONAL AUTHORITIES, REPRESENTATIVES OF INTERNATIONAL ORGANIZATIONS AND IICA STAFF INTERVIEWED IN THE COUNTRIES

COUNTRY	NAME	POSITION
BOLIVIA		
	IICA Staff	IICA Office in Bolivia
	Mr. Osvaldo Antezana	Minister of Agriculture and Campesino Affairs
	Mr. Javier Fernández	General Manager, National Federation of Agricultural Cooperatives of Bolivia (FENACOAB)
	Mr. Juan Carlos Requena	Director, Analysis and Economic Policies Unit
	Dr. José Salinas	Director General, Bolivian Institute of Agricultural Technology (IBTA)
	Dr. Johann Schmalze	Representative, Inter-American Development Bank (IDB)
	Dr. Walter Franco	Representative, United Nations Development Programme
	Mr. Tom Oomen	Representative, United Nations Food and Agriculture Organization (FAO)
	Mr. Gonzalo Chávez	Director of Economic and Social Policy, Ministry of Planning and Coordination (MINPLANIFICACION)
BRAZIL		
	IICA Staff	IICA Office in Brazil
	Dr. Lázaro Ferreira Barboza	Minister of Agriculture
	Dr. Benedito Rosa do Espírito Santo	Executive Secretary, Ministry of Agriculture
	Dr. Alberto Duque Portugal	Executive Director, Brazilian Institute of Agricultural Research (EMBRAPA)
	Dr. Mario Seixas	Head, Secretariat of International Relations (EMBRAPA)

	Dr. Donizett Tokarski	Head of Cabinet, Ministry of Agriculture
	Dr. Ruy Luiz Vaz	Secretary of Rural Development, Ministry of Agriculture
	Amb. Helcio Pires	Advisor for International Relations of the Ministry of Agriculture
	Dr. Victor Eduardo Machinea	IICA Representative in Brazil
	Dr. Mario Infante	
	Mr. Francisco Domínquez	Head of Division/IDB Brazil
	Dr. José Irineu Cabral	IICA Office in Brazil
	Dr. Enio Antonio Marquez Pereira	National Secretary for Agricultural Protection
	Dr. Benjamín Martínez	National Secretary for Agricultural Policy
	Dr. Peter Rosenegger	FAO Representative
	Dr. David Atkinson	IDB Representative
	Dr. Nikhil Chandavarkar	UNDP Representative
	Amb. José Viegas	Head, International Organizations Division, Ministry of External Affairs
COLOMBIA		
	Dr. Armando Samper Gnecco	Director Emeritus of IICA
	Dr. Santiago Tobón	General Manager, Agrarian, Industrial and Mining Credit Fund
	Dr. Carlos Felipe Jaramillo	Head, Agricultural Development Unit, National Department of Planning (DNP)
	Mr. Michael Negrin	FAO Representative
	Dr. Santiago Perry	General Manager, Colombian Agricultural Institute (ICA)
	Dr. Mauricios Pimiento	General Manager, Integrated Rural Development Fund (DRI)
	Dr. Adriano Quintana	General Manager, National Federation of Grain Growers (FENALCE)

Dr. Rafael Hernández	General Manager, National Federation of Rice Growers (FEDEARROZ)
Dr. Camilo Aldana	Executive Director, Center for Livestock Studies (CEGA)
Dr. Gabriel Martínez	President, a.i., Colombian Farmers' Society (SAC)
Mr. Edgardo R. Moscardi	IICA Representative
Mr. Lizardo de las Casas M.	Hemispheric Project on Economic Policies for the Modernization of the Agriculture, IICA/Colombia
Mr. Roberto Forero Baez	Policy Analysis, IICA/Colombia
Mr. Rafael Posada	Technology Generation and Transfer, IICA/Colombia
Mr. Carlos F. Espinal	Trade and Integration, IICA/Colombia
Mr. Hernán Chaverra	Technology Generation and Transfer, IICA/Colombia
Mr. Absalón Machado C.	Rural Development, IICA/Colombia
Mr. Ismael Peña Diaz	Agricultural Training, IICA/Colombia
Mr. Anibal Alvarez K.	Agricultural Training, IICA/Colombia

EL SALVADOR

Mr. Mariano Olazábal	IICA Representative
IICA Staff	IICA Office in El Salvador
Mr. Antonio Cabrales	Minister of Agriculture and Livestock
Ms. Silvia de Machuca	Technical Director, Sectoral Office for Agricultural Planning, MAG
Mr. Roberto Rodríguez	Director General, National Center for Agricultural Technology (CENTA)
Mr. Carlos Borja Letona	President, Agricultural Development Bank (BFA)
Mr. Carlos Cruz Ventura	Director, National School of Agriculture (ENA)
Dr. René Hernández Valiente	Minister of Justice

Mr. Miguel Eduardo Araujo	Executive Secretary, Executive Secretariat for the Environment, (SEMA)
Mr. Juan Felipe Sánchez	Director, "La Libertad" International Plan
Mr. Agustín Martínez	Director, Program of Agroindustrial Diversification (DIVAGRO) of the Salvadorian Foundation for the Economic and Social Development (FUSADES)
Mr. José Tubino	FAO Representative
Mr. Carlos Molina	General Manager, Salvadoran Poultry Raisers' Association (AVES)
Mr. Mario Monroy	General Manager, Union of Agrarian Reform Cooperatives for Coffee Production, Processing and Exportation (UCRAPROVEX)
Mr. Eduardo Barrientos	President, Salvadoran Association for Coffee Research (PROCAFE)
Mrs. Vilma de Chavarría	Technical Director, Agricultural Commodities Exchange of El Salvador (BOLPROES)
Mr. Rafael Alfaro Castillo	Vice-President, BOLPROES
Mr. Manuel Gutiérrez	Technical Advisor, BOLPROES
Mr. Miguel Angel Granillo	Director of Planning, International Regional Organization for Agricultural Health (OIRSA)

GUYANA

IICA Representative and Technical Staff	IICA/Guyana Office
Hon. Reepu Daman Persaud	Senior Minister, Ministry of Agriculture
Mrs. Elsie Croal	Chief Crops & Livestock Officer (MAG)
Dr. Lennox Applewhaite	Assistant Chief Crops & Livestock Offices (Animal Services) (MAG)

Mr. Louis Amsterdam	Agricultural Program Coordinator (MAG)
Mr. Nigel Durrant	Agricultural Economist (MAG)
Mr. Ronald Gordon	Officer-in-Charge, Agricultural Development Division (CARICOM)
Prof. Clive Thomas	Director, Institute of Development Studies (IDS)
Dr. Walter Chin	Executive Chairman, Guyana Agency for Health Sciences Education, Environment & Food Policy (GAHEF)
Mr. Vic Oditt	Managing Director, Vinelli Industries
Mr. Fitz Fletcher	Managing Director, Adventure Manufacturing Company
Jerry La Gra	IICA Representative
Mrs. Sandra Vokati	Animal and Health Specialist/IICA
Mrs. Constantine Crawford	National Integrated Rural Dev./IICA
Mr. Peter Davis	National Livestock Production Specialist/IICA
Mr. Peter Rasamy	Farm Management Specialist/IICA
Mr. Chandradhat Baichoo	Nat. Agronomist/IICA

MEXICO

Dr. Ernesto Samayca A.	Executive Member at Large of INIFAP
Mr. Eduardo Robinson B.	President, National Agricultural Council
Mr. Javier Bonilla Castañeda	Director General for International Affairs (SARH)
Mr. Santiago Funes	FAO Representative in Mexico
Mr. Alejandro Rodríguez G.	Director, La Moderna Agroindustry
Dr. Eduardo Alvarez Luna	La Moderna Agroindustry

SAINT LUCIA		
	Mr. Cosmos Richardson	Permanent Secretary, Ministry of Agriculture, Lands, Fisheries and Forestry
	Dr. Josephine Rickards	Vice President, Sunshine Harvest Farmers Cooperative
	Mr. Edwin Joseph	General Secretary, Roots Farm Cooperative
	Dr. Vaughan Lewis	Director General, Organization of Eastern Caribbean States (OECS)
	Mr. Stephen Fontinelle	Director of Agricultural Services (MAG)
	Mr. Dunley Auguste	Deputy Director of Agricultural Services (MAG)
	Mr. Barton Clarke	Country Representative, CAribbean Agricultural Development Research Institute (CARDI)
	Dr. Dunstan Campbell	Outreach Lecturer, UWI
	Mr. Johannes Leonce	Permanent Secretary, Ministry of Foreign Affairs
	Mr. Cyril Matthew	Managing Director, Windward Islands Banana Growers Association (WINBAN)
	Mrs. Rufina Paul	Chief Agricultural Planning Officer, Ministry of Agriculture
	Mr. Kenny Daniel	Senior Animal Husbandry Officer Ministry of Agriculture
	Dr. Guillermo E. Villanueva	IICA Representative to OECS
	Dr. Antonio Pinchinat	Regional Specialist, Technology Generation and Transfer, IICA-Saint Lucia
	Mr. Everton Ambrose	Specialist in Plant Protection, IICA-Saint Lucia
TRINIDAD AND TOBAGO		
	Dr. H.A.D. Chesney	Director, Caribbean Food Corporation (CFC)

Mr. Oscar Alonzo	Executive Director, Export Development Corporation (EDC)
Mr. Terrence O'Neil Lewis	General Manager, Agricultural Development Bank (ADB)
Dr. T.W.A. Carr	Head, Diversification Unit, Caroni Ltd.
Mr. Dean Saidwan	Manager, Wyatt and Company
Dr. Lyle Donawa	President, Agricultural Society of Trinidad & Tobago
Mr. Richard Bovell	Manager, Malabar Farms
Dr. The Hon. Keith Rowley	Minister of Agriculture, Land and Marine Resource (MALMR)
Mr. R. Winston Rudder	Permanent Secretary, MALMR
Mr. Lloyd Best	Economist
Mr. G. MacFarlane	Secretary of Agriculture, Tobago House of Assembly (THA)
Mr. Reginald Phillips	Technical Officer, THA
Prof. John Spence	Head, Cocoa Research, The University of the West Indies (UWI)
Prof. Lawrence Wilson	Dean, Faculty of Agriculture, UWI
Mr. Calixte George	Executive Director, Caribbean Agriculture Research and Development Institute (CARDI)
Dr. Ronald Barrow	Chief Technical Officer Ministry of Agriculture
Mr. Calixte George	Executive Director, Caribbean Agriculture Research and Development Institute (CARDI)
Dr. Reginal Pierre	Director, Caribben Area/IICA
Mrs. Marlene Antoine	IICA Staff
Mr. Wayne Lees	IICA Staff
Mr. Jean Charles	IICA Staff

UNITED STATES OF AMERICA	Ms. Emma Torres	Chief, Regional Projects Division, United Nations Development Program
	Ms. Jean Camara	Director, Liaison Office with the United Nations Food and Agriculture Organization
	Ms. Joan Martin-Brown	Director, North American Liaison Officer, United Nations Environment Program
	Mr. Arcenio Rodríguez	Director, Latin America and the Caribbean Environment Program (UNEP)
	Mr. Richard Meganck	Coordinator, UNEP
	Amb. Christopher Thomas	Assistant Secretary General, Organization of American States
	Mr. Daniel Robinson	Operations Officer, Operations Department, Inter-American Development Bank, (IDB)
	Mr. José Soto Angli	Acting Chief, Agriculture Division, IDB
	Mr. John Miranda	Acting Administrator, Office of International Cooperation and Development (OICD), United States Department of Agriculture (USDA)
	Ms. Mary Chambliss	Acting Assistant Administrator, OICD-USDA
	Mr. Lonnie King	Acting Administrator of the Animal and Plant Health Inspection Service (APHIS), USDA
	Mr. Harry Bamus	Agricultural Research Service, USDA
	Mr. Henry Shands	Agricultural Marketing Service, USDA
	Mr. Roger Lewis	International Organization Specialist, OICD-USDA
	Ms. Melinda Kimble	Deputy Assistant Secretary, Bureau of International Organizations (IO), United States Department of State
	Mr. Gerald Monroe	Director of Development, IO

Mr. Larry Springer	Director, Office of International Recruitment, IO
Mr. Wayne Nilsestuen	Agency for International Development
Mr. H.E. Luigi Einaudi	Permanent Representative of the USA to the OAS
Mr. Owen B. Lee	Alternate Representative of the USA to the OAS
Mr. Edgar Sánchez	Principal Financial Analyst, Agricutlure Division
Mr. Carlos F. Tobal	Senior Economist, Agriculture Division
Mr. Paul Trapido	Economist, Plans and Program Department
Mr. Eduardo Villaseñor	Financial Analyst, Agriculture Division
Mr. Daniel Robinson	Special Programs, Operations Department
Mr. Friedrich Mack	Economist, Agriculture Division
Mr. Gustavo Hernández	Financial Analyst, Agriculture Division
Mr. Andrés Solórzano	Soil Conservation Specialist, Environment Protection Division
Mr. Jaime Fernández	Senior Agricultural Economist, Plans and Programs Department
Mr. Michel Petit	Director, Agriculture and Rural Development, The World Bank
Mr. David Steeds	Division Chief, Natural Resources
Mr. Hans Binswagner	Senior Advisor for Agriculture and the Environment, The World Bank
Mr. Nurul Islam	Divison Director, Acting Director IFPRI
Mr. Jim Hill	Officer in Charge, Liaison Office for North American Food and Agriculture Organization

	Mr. Robert Knouss	Deputy Director, Pan American Health Organization
	High-ranking Officials	PAHO
URUGUAY		
	IICA Representative	IICA Office/Uruguay
	IICA Staff	Heads of National and Multinational Projects and local technical staff
	Dr. Jorge Fernández Reyes	Director General, Ministry of Livestock, Agriculture and Fisheries (MGAP)
	Mr. Carlos Bastanchuri	FAO Representative
	Amb. Zulma Guelmal	Director Technical Cooperation, Ministry of External Affairs
	Mr. Mariano Berro	Director of International Cooperation, Ministry of External Affairs
	Mr. Galdós Ugarte	CONASUR
	Mr. Julio Preve	Director, OPYPA
	Mr. Paul Van Hanswjick de Jong	UNDP Representative
	Mr. Felipe Canale	Director, Agricultural Protection Services
	Dr. Dante Geymonat	Director General, Veterinary Services
	Mr. Alvaro Díaz	Dean, Agronomy Faculty
	Mr. Juan Pedro Hounié	President, Board of Directors, INIA
	Mr. Pablo Scremini	President, Federated Agricultural Cooperatives (CAF)
	Mr. Eduardo Urioste	President, Rural Association of Uruguay (ARU)
	Mr. Silvio Marzarolli	President, National Commission of Rural Development (CNFR)

ANNEX 2

RESOLUTION No. 168

PROPOSAL TO UPDATE THE 1987-1991 MEDIUM TERM PLAN

The INTER-AMERICAN BOARD OF AGRICULTURE, at its Fifth Regular Meeting,

CONSIDERING:

That the broad ideas expressed in the current Medium Term Plan (MTP) can continue to serve as the basis for institutional action;

That in light of the Plan of Joint Action for Agricultural Reactivation in Latin America and the Caribbean, it would be useful to make some adjustments to strengthen the ties between the Plan of Joint Action and this important standard-setting instrument;

That holding a special meeting of the IABA to approve the new MTP would imply additional expenses;

That the Executive Committee, at its Ninth Regular Meeting, addressed this issue and in Resolution 121 recommended that the IABA request the Director General to present to the Tenth Regular Meeting of the Executive Committee, to be held during the second semester of 1990, proposed amendments to the 1987-1991 Medium Term Plan, which would remain in effect until the Seventh Regular Meeting of the IABA, scheduled for 1993; and

That the Executive Committee also recommended that the IABA request the Director General to submit to the Tenth Regular Meeting of the Executive Committee proposals for the evaluation of the MTP and for the preparation of a new Medium Term Plan for 1993-1997,

RESOLVES:

1. To request the Director General to submit to the Tenth Regular Meeting of the Executive Committee, to be held in the second semester of 1990, proposed amendments to the 1987-1991 Medium Term Plan, which would remain in effect until the Seventh Regular Meeting of the IABA, scheduled for 1993.

2. To request the Director General to also submit to the Tenth Regular Meeting of the Executive Committee proposals for the evaluation of the current MTP and for the preparation of a new Medium Term Plan for 1993-1997.

RESOLUTION No. 140

EVALUATION OF THE 1987-1993 MEDIUM TERM PLAN AND PREPARATION OF THE PROPOSED 1994-1997 MEDIUM TERM PLAN

The EXECUTIVE COMMITTEE, at its Tenth Regular Meeting,

HAVING SEEN:

Resolution IICA/JIA/Res.168(V-O/89), "Proposal to Update the 1987-1991 Medium Term Plan," in which the Director General is requested to submit proposals to this Committee for evaluating the current Medium Term Plan (MTP) and for preparing the Plan for the 1994-1997 period,

CONSIDERING:

That the current MTP, the effective life of which was extended with the approval of this Committee to December 1993, has shown to be a valuable instrument for the operations of the Institute;

That, as with all prospective planning instruments, it should be reviewed and updated on a regular basis to reflect the changing needs for cooperation of the Member States;

That the process to evaluate the MTP and to prepare the new Plan must take into account the latest technological development and political changes at the international and regional levels;

That it is in the interest of the Institute and its Member States to participate fully, along with external experts, in evaluating the current Medium Term Plan;

That this process involves costs that must be covered with resources from the 1992-1993 Program Budget,

RESOLVES:

1. To request the Director General to earmark resources in the 1992-1993 Proposed Program Budget for hiring a group of external experts of recognized prestige to evaluate the current Medium Term Plan, as well as the programs and projects executed under it.

2. To request that the results of the work of the group of experts be used as inputs by the Director General, to be elected at the Regular Meeting of the Inter-American Board of Agriculture (IABA) in 1993, in preparing a draft 1994-1997 Medium Term Plan.

3. To recommend to the IABA that, during its Seventh Regular Meeting, to be held in 1993, it expressly empower the Executive Committee to study and approve the draft Medium Term Plan submitted by the Director General to the 1994 Regular Meeting, and the necessary adjustments to the 1994-1995 Program Budget, in order to bring it into line with the new guidelines set forth in the approved Plan.

ANNEX 3

SCOPE OF WORK OF THE G-6 FOR THE EVALUATION OF THE 1987-1993 MEDIUM TERM PLAN

I. ANTECEDENTS

The Medium Term Plan (MTP) is the instrument by which the needs and demands for technical cooperation from the countries and the long-term goals of the Institute come together.

As a prospective planning instrument, the Plan must be examined and updated on a regular basis to ensure that IICA adjusts, both organizationally and institutionally, to developments in the region and worldwide.

In 1990, the Tenth Regular Meeting of the Executive Committee approved Resolution 140, which instructed the Director General to hire experts of recognized prestige to evaluate the Medium Term Plan in effect, as well as the Programs and projects carried out under it, and to draw up suggestions for the 1994-1997 MTP.

The results of the evaluation are to be presented to the 1993 Regular Meeting of the Inter-American Board of Agriculture, at which there will be elections for a new Director General.

II. PURPOSES AND OBJECTIVES

2.1 Purpose

To present recommendations and guidelines for the preparation of the 1994-1997 Medium Term Plan, based on the results of the evaluation of the 1987-1993 MTP.

2.2 Objectives

To achieve its purpose, the Mission will:

a. Analyze the most important changes in the evolution of agricultural and rural problems in the countries.

b. On this basis, determine the effectiveness of IICA's action through its Programs, support centers and technical cooperation actions in the countries.

c. Evaluate the technical cooperation methods and instruments used during the period.

d. Propose changes and adjustments in the Institute's objectives, strategies and modus operandi, so as to adapt IICA's action to present and expected conditions.

III. EXPECTED OUTCOME

The evaluation of the MTP will serve primarily to identify recommendations for the future, based on the experience with its implementation and current developments in the region and the world at large. The outcome, then, is not a qualification of the past but a learning experience to improve future performance.

The basic approach to be used by the Mission will be to analyse results by observation and structured interviews with interested parties.

The Mission is to prepare a document that synthesizes the aforementioned analyses, placing special emphasis on recommendations and suggestions for the new MTP. The following structure is suggested for the document:

1. THE 1987-1993 MEDIUM TERM PLAN

   a. Recommendations of the previous G-6

   b. The context

   c. Objectives and strategies

   d. Organization for execution

2. IMPLEMENTATION OF THE 1987-1993 MEDIUM TERM PLAN

   a. The evolution of IICA's mandate

   b. The Institute's management style

   c. The administrative structure

   d. The action of the Programs and Centers

      - objectives and strategy
      - actions taken
      - results

   e. Action at the regional level

   f. Action at the national level

   g. The PLANLAC

3. THE CURRENT SITUATION WORLDWIDE AND IN THE REGION AND ITS IMPACT ON AGRICULTURE

a. Changes at the world level

b. The situation in the region

c. New parameters for international cooperation

4. THE PROPOSALS

In order to orient the work of the Mission a set of questions covering the issues to be addressed are presented below. They should be considered as complementary to the terms of reference.

- Which will be the most likely scenarios, worldwide and regional, affecting agriculture in the future?

- Within that context, and considering the global and regional dynamics, what should be the role of a regional technical cooperation institution such as IICA?

- The implementation of the 1987-1993 MTP demanded the development of a conceptual framework with agricultural modernization as the main focus of economic reactivation, its three main vectors being competitiveness, equity and sustainability. Considering the changes that have occurred and the foreseen scenarios, which should be IICA's new areas of concentration over the next five years?

- Based on the above, and considering the budgetary limitations and the need for improving the efficiency in the delivery of technical cooperation, what would be the most appropriate organizational structure for operationalizing the areas of concentration identified?

- In fullfiling its mandate, IICA has developed activities in six major areas :

  * prospective thinking
  * advisory services
  * horizontal technical cooperation through networking
  * direct technical cooperation
  * preparation of investment projects
  * administrative support

  Considering the future scenarios, what could be the balance between them?

- One of the main characteristics of the international scene is the speed and unpredictability of change. Considering that technical cooperation projects, which are the main instrument of IICA, have a certain life span that makes it difficult to introduce changes, what other technical cooperation instruments could be used that could be adapted more easily to changes in the setting?

- It is not uncommon to find that some IICA Offices in the countries act in response to short-term demands from the ministers which results in the loss their capacity to impact effectively on the process to transform agricultural sector institutions. What organizations and operational alternatives could be explored to avoid that situation and at the same time induce demand for longer-term actions?

- How should IICA's relationship be with the ministries of agriculture, with other public organizations and with non-public organizations at the country level?

- IICA has strived for inter-institutional coordination in the belief that it is essential for providing better services to its member countries and for achieving a more efficient use of resources, how could interinstitutional coordination be improved and what concrete actions should be taken?

- One of the key elements of the MTP was its emphasis on external resources to support IICA activities and the PLANLAC in particular. What should be the balance between core budget and external resources, and what should be done to access the latter?

The G-6 will be presented with a series of documents prepared specifically for the evaluation, and will have access to all institute records. It will also have access to all IICA staff members, as deemed necessary b;y the group.

IV. OPERATING STRATEGY

The evaluation of the MTP will require considerable support from the Institute for the Group of Experts. To this end, a small group, coordinated by DIPROE, will be established, in the understanding that the entire Institute will provide direct or indirect support as necessary. The support group will consist of a coordinator, a consultant in charge of organization and logistic/administrative matters, a representative from each Program or Center, a representative from DICAI, one from the Office of the Assistant Deputy Director General for Operations (ADDGO) and three full-time secretaries.

The duties of the support group are to:

- define the objectives and scope of the evaluation
- define the terms of reference for the consultants
- follow up on the evaluation process
- provide the G-6 with all necessary information

- coordinate preparation of the G-6's reports
- provide secretarial and administrative support to the G-6
- accompany members of the G-6 to interviews and travels, when necessary

An advisory group will also be established, to be composed of the Program Directors, the Assistant Deputy Director General for Operations, the Directors of the Centers and the Director General. From the functional point of view, the plenary of the Strategy Development Committee (CODE) will serve as the advisory group.

The duties of this group will be to:

- express opinions on the scope of the work and the terms of reference for the G-6
- express opinions on the documents prepared by the support group
- express opinions on the preliminary results of the evaluation
- answer the queries of the G-6 about matters pertinent to the Institute and to the evaluation of the MTP

The G-6 will convene in San José, Costa Rica in late November 1992 for a briefing with the Director General and to finalize organizational arrangements and procedures for the evaluation. The briefing will cover, among others, expected outputs, an overview of the Institute and other relevant information.

The G-6 will select at this time the person who will act as the coordinator of the Group who will be responsible for ensuring that the Group completes its task in accordance with the terms of reference and the guidelines set by the Director General. He/she will also be responsible for the final version of the document and for presenting the main findings at the Seventh Regular Meeting of the IABA.

Because of the complexity of the task at hand, and the relatively short time to complete it in, it is essential to develop a true team approach, ensuring fluent interaction among the G-6 members as well as between them and the IICA staff.

The G-6 support group will prepare the following documents as background information:

a. Report on compliance with the recommendations formulated by the G-6 that evaluated the 1983-1987 Medium Term Plan.

b. Results of the action of IICA's Programs and Centers during 1987-1992

c. Results of IICA's action at the country level

d. Statistical data for use in evaluating the MTP

e. Report on the PLANLAC

V. SCHEDULE

11/30 - 12/01/92	Visit to Headquarters to discuss the scope of work and operational matters.
03/07 - 03/16/93	Mission begins. Interviews at Headquarters.
03/18 - 04/03/93	Visits to the countries.
03/28 - 04/03/93	Visit to Washington and New York.
04/04 - 04/17/93	Holy Week
04/18 - 04/29/93	Preparation of final document at Headquarters.
04/30/93	Presentation of document to the Director General.

ANNEX 4

INFORMATION ON THE MEMBERS OF THE G-6

Name and nationality	Present position	Education	Positions held	Relevant missions or activities	Present address
Carlos Gustavo Cano, Colombia	Executive Director, Colombia International Corporation	- Economics, University of the Andes, Bogota - M.A., Economics, Lancaster University, England - Post-graduate studies, Economics, Harvard University, USA - Post-graduate studies, Senior Business Management, Inalde, Bogota	- General Manager, Espinal Textiles, S.A., Colombia - General Manager, Tolima Agroindustrial Complex, S.A., Colombia - President, Colombian National Rice-Growers' Federation (FEDEARROZ) - President, Colombian Farmers' Society (SAC)	- President, Board of Directors, Colombian Farmers' Society - President, Board of Directors, Banco del Estado - Member, Board of Directors, Colombian Agricultural Institute (ICA) - Member, Board of Directors, Colombian Agrarian Reform Institute (INCORA) - Member, Board of Directors, Colombian Social Insurance Institute - Member, Board of Directors, Banco Popular - President, Inter-governmental Group for Rice, Rome, 1988 - Professor, University of the Andes, Bogota - Farmer	Edificio Avianca, Piso 6, Calle 16, No. 66-66 Apartado Postal 12314 Tels:2830825, 2821470 Fax: 2867659 Bogotá, Colombia
Douglas Daniels Canadian	Special Advisor to the President International Development Research Center	- B.A. University of Alberta, 1966. - M.A. University of Alberta, 1970. - Further Studies University of Ottawa and International Commission for Public Health Policy, Harvard University, 1989.	- 1966-1968: Dept. of Co-operative Development and Makerrere University, Uganda. - 1971-1973: Dept. of External Affairs. - 1974-1976: Technical Coord. Executing Agency International Centre for Research in Dry Areas (ICARDA), Syria. - 1976-1979: Head Agricultural Economics Agriculture, Food and Nutrition Sciencies Division. International Development Research Centre (IDRC) - 1981-1992: Director, Office of Planning and Evaluation IDCR.	- Numerous evaluations of agriculture, forestry, fisheries and agrifood sector research projects in Africa, Asia and Latin America. - Three books editted and various publications on strategic planning, resource allocation techniques, evaluation and technological change. - IDCR member of Consultative Group for International Agric. Research (CGIAR), 1973-1978. - Member of Strategic Planning Groups for different organizations.	201 Holmwood Ave. K1S 2P3 Ottawa, Canada.

Name and nationality	Present position	Education	Positions helds	Relevant missions or activities	Present address

Lincoln W. Myers, Trinidad and Tobago	International	- University of Miami.
		- B.A. Economics, 1971.
		- Business Administrative, 1971.
		- M.A. Economic Development, 1977.
		- Public Policy Planning.
		- Health Planning.
			- Minister of the Environment and National Service
			- Acting positions held:
			  - Minister of Finance,
			  - Minister of Health,
			  - Minister of Youth, Sports & Culture.
			- Member of the Senate.
			- Member of the House of Representatives.
			- Minister of Food Production, Marine, Explotation, Forestry and the Environment.
				- Loan negotiations with International Banks
				- Draft Legislation for Environmental, Forestry and Natural Resources Bills.
				- Initiated first CARICOM Ministerial Meeting on the Environment.
				- Hosted VII Latin American & Caribbean Action Plan.
					7 3/4 Mile Post,
					Gran Couva Main Road,
					Gran Couva, Republic of Trinidad & Tobago

John A. Pino, U.S.A.	Adviser Agricultural Sciencies.	- B.Sc. Rutgers University, 1944. - Ph.D. Zoology Rutgers University, 1951.	- Asst. Prof. Rutgers Univ. 1947-1951. - Assoc. Prof. Rutgers Univ. 1951-1955. - Scientist Rockefeller Foundation, Mexico, 1955-1965. - Assoc. Director Rockefeller Foundation, New York, 1965-1970. - Director Rockefeller, Foundation, 1970-1983. - Adviser-IDB, 1983-1986. - Senior Fellow, 1991. - Consultant, 1991-Present	- CIAT, 1973-1982. - ILRAD, 1974-1979. - U.S. National Academy of Sciencies Board in Agriculture, 1983. - Board Boyce Thompson Institute, 1980. - National Agricultura Research and Extension Users Advisory Board, 1976-1982. - Member Presidential Mission to Perú, 1983. - Member Review Panel USAID-Perú, INIPA Program, 1985. - Member G-6, 1986. - Visiting Professor Rutgers University, Publication Speeches and Travel.	1801 Crystal Ave. Arlington, VA. U.S.A. Tel: 703 521-4382. Fax: 703 521-1129.

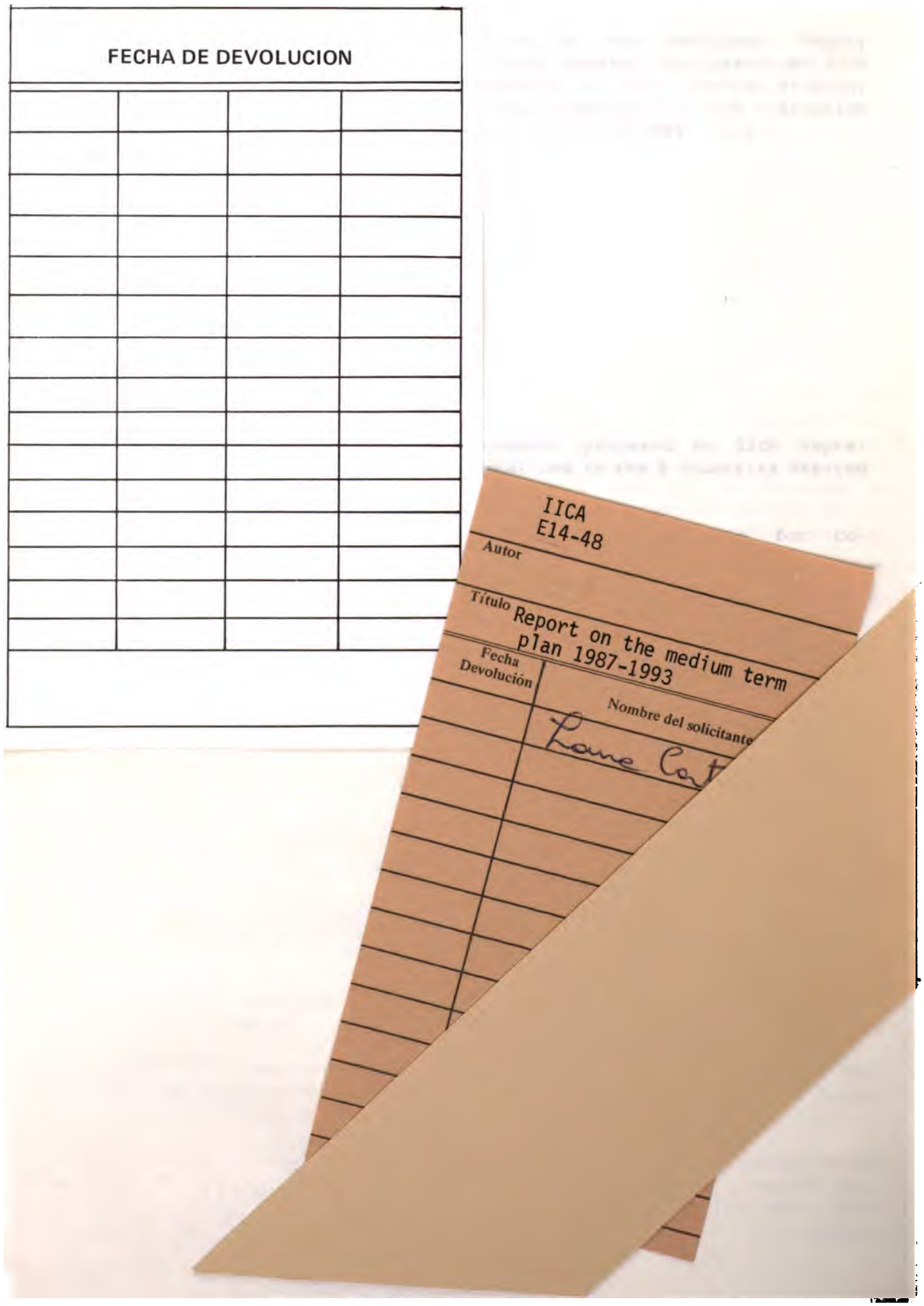
Name and nationality	Present position	Education	Positions held	Relevant missions or activities	Present address
Roberto Vazquez Platero, Uruguay	Member, Chamber of Deputies	- Agricultural Engineer, University of the Republic of Uruguay, 1971 - M.S., Agricultural Economics, University of Idaho, 1973 - Ph.D., Agricultural Economics, Texas A&M University, 1976	- 1976-1984: Agricultural economist, IICA Argentina - 1977-1984: Professor, University of Buenos Aires - 1977-1984: Advisor to private enterprise - 1985-1986: Minister of Agriculture and Fisheries, Uruguay - 1986-1990: Consultant to international organizations and private enterprise - 1990-1995: National Deputy	- 1992-1993: President, Commission on Science and Technology, Chember of Representatives - 1992: Vice-President, Commission on Industry and Energy, Chember of Representatives - 1985: Regular Uruguay representative to the FAO Conference - 1985-1986: President of the IABA - 1986-1989: Coordinator, UNDP-IBRD-IICA Projects - 1988-1989: Staff member of the School of Agronomy representing graduates	Yamanán Rodríguez 1420, 11500 Montevideo, Uruguay Tel.: 201331/233189
Roberto Villeda Toledo, Honduras	- Principal advisor, Ministry of Natural Resources, Honduras - Agricultural consultant	- Agricultural engineer, University of Florida, USA - Agronomy, E.A.P., Honduras <u>Specialized courses:</u> - North Carolina State University - Economic Development Institute/IBRD	- Agricultural advisor, Ministers of Agriculture, 1973-1993 - Agricultural consultant, Agency for International Development (AID) - Director General for Agriculture and Livestock - Coordinator, Livestock Program, National Development Bank - 1976-1979: Head, Agriculture - Executive Secretary of the National Commission on Agricultural Policy	- FAO World Conferences; International Congresses on Maize, Agricultural Health, Agricultural Policy, Economic Development, Natural Resources, Agrarian Reform, Coffee, others. - Member of agricultural negotiations teams, Government of Honduras and international development banks. - Seminars and courses on planning, economics, policy and management	Apartado Postal 701, Tegucigalpa, Honduras Tels.: (504)32-8688 32-4792 Fax: (504) 32-5375

ANNEX 5

LIST OF DOCUMENTS CONSULTED

DOCUMENT TITLE	AUTHOR
1987-1993 Medium Term Plan. Official Documents Series No. 49	Inter-American Institute for Cooperation on Agriculture
General Policies of IICA. Official Documents Series No. 27	Inter-American Institute for Cooperation on Agriculture
Base Documents: Convention on the Inter-American Institute for Cooperation on Agriculture; Rules of Procedure of the Inter-American Board of Agriculture, the Executive Committee and the General Directorate. Official Documents Series No. 22	Inter-American Institute for Cooperation on Agriculture
Report of the Sixth Regular Meeting of the Inter-American Board of Agriculture, Madrid, Spain, September 23-27, 1991. Official Documents Series No. 52	Inter-American Institute for Cooperation on Agriculture
Report of the Tenth Inter-American Conference of Ministers of Agriculture, Madrid, Spain, September 23-27, 1991. Official Documents Series No. 51	Inter-American Institute for Cooperation on Agriculture
1987 to 1992 Annual Reports	Inter-American Institute for Cooperation on Agriculture
Plan of Joint Action for Agricultural Reactivation in Latin America and the Caribbean (PLANLAC), June 1991	Inter-American Institute for Cooperation on Agriculture
International Professional Personnel of IICA	Inter-American Institute for Cooperation on Agriculture
1987 to 1992 Program Budgets and Annual Plans of Operations	Inter-American Institute for Cooperation on Agriculture (Directorate of Finance and DIPROE)
Report of the Group of Six Experts on IICA Actions. Prepared in compliance with Resolution IICA/JIA/Res.72, October 1985	G-6

The Multinational action of IICA Program I: Agricultural Policy Analysis and Planning Program II: Technology Generation and Transfer Program III: Organization and Management for Rural Development Program IV: Trade and Integration Program V: Agricultural Health	Office of the Assistant Deputy Director General for Operations/IICA Documents on IICA's Action Strategy in the countries, for the evaluation of the 1987-1993 MTP. IICA
Center for Programs and Investment Projects (CEPPI) Inter-American Agricultural Documentation and Information Center (CIDIA) Directorate of External Relations (DIREX)	
Documents on the IICA Action in the countries visited by the G-6 for the evaluation of the 1987-1993 MTP	Documents prepared by IICA Representatives in the 9 countries visited
IICA and its History	Inter-American Institute for Cooperation on Agriculture
Summaries on a view of IICA in the 1990s	Mr. Rodolfo Martínez Ferraté Mr. Carlos Aquino. Candidates to the position of Director General of IICA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Autor
Título Report on the medium term plan 1987-1993
Fecha Devolución
Nombre del solicitante

098

INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE
Headquarters / P.O.Box 55-2200 Coronado, Costa Rica / Tel.: 29-02-22 /
Cable: IICASANJOSE / Telex: 2144 IICA CR / FAX (506) 29-47-41, 29-26-59 IICA COSTA RICA