

A new vision
for IICA:

*“To promote food
security and prosperity
of the rural sector
of the Americas”*

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IICA





EXECUTIVE SUMMARY

This document has been prepared to open debate and to form the basis for discussions with IICA's Member States to arrive at a new Medium Term Plan for the Institute. The ideas expressed are a consolidation and an expansion of my vision for the future of IICA which I shared with the Member States in the document "**A Vision for the Inter-American Institute for Cooperation on Agriculture (IICA) for the Period 2002-2006**". I indicated then that a new vision for the Institute should incorporate the development of a culture of cooperation, partnerships, shared responsibility, and a common agenda to channel the energies of the Member States toward a prosperous agricultural sector.

Outlined within is an overview of IICA's evolution, particularly in the last 20 years, the new mandates of the Institute as a result of the Third Summit of the Americas and the Thirtieth OAS General Assembly, as well as some challenges for the rural sector in the future. Furthermore, this document proposes a new vision, mission, objectives, and priorities, which will ensure IICA's contribution to the agricultural community of the Americas during the next four years. This new vision takes into account the lessons learned and foundations built over the last eight years. A reflection on the implications of the proposed new vision for IICA is also presented.

In order to put the new approach into action, the internal management structure of the Institute will be strengthened and streamlined in order to enhance IICA's governance, efficiency, transparency and accountability. The intention is to adopt an integrated management framework as developed and suggested by the Special Advisory Committee on Management Issues.

The fundamental objective of the proposal is to build an institution that supports the Member States and to accompany them in the pursuit of a hemisphere that is food-secure, technologically prepared, environmentally managed, and socially equitable for present and future generations.



Chelston D. Brathwaite
Director General

1.0 INTRODUCTION

A vision for the Inter-American Institute for Cooperation on Agriculture (IICA) in the future must take as its point of departure the current tendencies in the world economy, a vision for the future of world agriculture, the history of the Institute and the mandates from the recently concluded Third Summit of the Americas and the Thirtieth General Assembly of the Organization of American States (OAS).

The agriculture of the 21st Century will be influenced by seven major global factors:

- Globalization and trade liberalization of world markets
- Population increase and urbanization
- Biotechnology
- Information and communication technologies
- Consumer preferences
- The environment
- Government policies

1.1 Globalization and Trade Liberalization of World Markets

The world is becoming more integrated as the process of globalization and trade liberalization accelerates. Following the Uruguay Round of negotiations and the establishment of the World Trade Organization (WTO), new rules and regulations are governing international trade. These rules and regulations are improving market access and opening new markets, drastically reducing and in some cases eliminating tariff barriers, and establishing new standards for trade in products that incorporate social, health, and environmental considerations.

In spite of the emphasis on increased global trade and trade liberalization, non-trade issues such as poverty alleviation, food security, food safety and the environment are critically important for the sustainable development of the countries in the Western Hemisphere. The countries of Latin America and the Caribbean (LAC) will be challenged to improve the competitiveness of their agricultural sectors in order to participate fully in this new global scenario.

1.2 Population Increase and Urbanization

Recent statistics show that by 2025, the world population will have risen to eight billion; this numerical increase will be the main challenge for agriculture and world food supplies. A much greater impact, however, will result from rapid economic growth in key regions of the planet. This economic growth will very quickly alter the world's eating habits and increase total food consumption. Much of the population increase is expected to take place in the cities of the developing world.

According to the Food Policy Research Institute (IFPRI), an international research center affiliated to the CGIAR system:

By 2020, about 52% of the developing world's population will be living in urban areas, up from 38%, in 1995. The rapid urbanization of the developing world and associated changes in lifestyles will have significant effects on food preferences and hence on demand. As people move from rural to urban areas, they tend to consume more livestock products, fruits, vegetables and processed foods.

The migration to cities by young people in search of better life and the demand for food are occurring as the rural farm population is aging. Agricultural production and research systems will be challenged to keep abreast of changing dietary preferences in coming years and will have to utilize all the technologies, policies and management systems to increase the productivity of the rural sector.

1.3 Biotechnology

There has been substantial development in biotechnology and genetic engineering in the last 20 years, which offer new prospects for increased agricultural production. However, while biotechnology has the potential to produce crops and livestock that are more efficient, more productive, easier to produce, and use less agro-chemicals, consumer acceptance of genetically modified foods will continue to be a challenge for global application of the results of biotechnological research. According to recent statistics, the global area under genetically modified crops was 40 million hectares in 1999 and this is expected to reach 85 million hectares in 2003 (6% of the total global

arable land). The recent release of genetically modified rice called “golden rice”, which is rich in Vitamin A and could cure Vitamin A deficiency in 124 million children worldwide, underscores the biotechnology of the future.

1.4 Information and Communication Technologies

Rapid changes in information and communication technologies offer new challenges and opportunities for the agricultural sector. They provide easy and immediate access to information on markets, trade opportunities, consumer preferences, and competitors around the world. They also facilitate advertising, promotion and dissemination of information to current and potentially new clients and customers.

The new technologies, together with increased globalization and market integration, are influencing changes in both the demand and the supply of food. Institutions, individuals and enterprises in the hemisphere need to exploit the opportunities provided by the new technology to increase the competitiveness and range of their products and develop new market opportunities.

These advances are leading to the development of more knowledge-based economies; however, the challenge here is to ensure that information is adequately disseminated and utilized in the rural sector of the economy. The new technologies need to be utilized more to facilitate the provision of market information and technical services, and to bring new experiences and technology to the rural enterprises.

1.5 Consumer Preferences

Improved education, communication, and higher incomes have resulted in greater awareness of the importance of adequate nutrition for good health and general well-being, and the demand for fresh fruits, vegetables, functional foods, processed foods, snack foods and organic products has been increasing. In addition, food quality and food safety concerns are of increasing importance in national and international food markets. The challenge to agriculture will be to satisfy consumer demand while ensuring safety and reliability of food supplies.

1.6 The Environment

In the past, progress in agricultural development has often resulted in environmental degradation – polluted water supplies, degraded soils, loss of biodiversity and wildlife habitats, and displacement of rural people.

Over the next thirty to fifty years, world food requirements will more than double. The challenge to agriculture will be to provide for the food needs of the vastly increased population on reduced acreages of farm land with water shortages, as well as a switch to food consumption based on more livestock products, fruits, vegetables and processed foods. This challenge must be met within the context of the guidelines for sustainable development as contained in the Brundtland Commission Report (1987) and prioritized in Agenda 21: Programme of Action for Sustainable Development in Rio de Janeiro, 1992.

In addition, the recent evidence pointing to the potential disastrous consequences of global warming and the serious situation of our water supplies for agriculture suggest that environmental issues will be a major challenge to agriculture of the future.

1.7 Government Policies

The structural adjustment programmes of the recent past have resulted in a decline in the size and budgetary allocation to Ministries of Agriculture in several countries of the hemisphere. However, the global scenario requires a critical role for the state in the provision of the regulatory framework for agriculture, policy framework, and support services such as rural infrastructure, security of land tenure, training, research and extension, which are all necessary for the development of a competitive agriculture. The traditional private sector and non-governmental organizations are increasingly involved in the provision of technical services to the sector, but the role of government in building new strategic partnerships with the private sector, non-governmental organizations, and the institutions of civil society is a critical one.

2.0 IICA'S EVOLUTION: AN OVERVIEW

The origin of the Inter-American Institute of Agricultural Sciences stems from the basic idea of creating an inter-American institute on tropical agriculture, contained in Resolution XVI of the First Inter-American Conference on Agriculture held in Washington D.C., 1930. The Institute was formally inaugurated in March 1943, in Turrialba, Costa Rica.

In February 1949, the Council of the OAS recognized the Institute as a specialized agency of the Inter-American System in accordance with the provisions of Chapter XV of the Charter of the Organization.

The progressive evolution of the Institute led to a revision of the 1949 Convention. The text of the new Convention on IICA is the product of these evolutions. It consolidates and broadens the purposes of the Institute to “encourage, promote and support the efforts of the Member States to achieve their agricultural development and rural welfare.” It opened for signatures by the Member States of the OAS or of the Inter-American Institute of Agricultural Sciences on March 6, 1979.

The 1979 Convention of the Institute, which was ratified on December 8, 1980, began a process of reform and restructuring to reflect IICA's new purposes and the changing context of the agricultural sector in the hemisphere. During the last twenty years, the adjustment process has had three phases:

2.1 First Phase: 1982 to 1986

During this phase, the Institute restructured its relations with the Member States and concentrated its efforts on 10 technical programmes, which sought to assist the countries during a period of overwhelming external debt, negative impact of agricultural protectionism, and the era of the import-substitution model. The programmes were:

- Formal agricultural education
- Generation and transference of agricultural technology
- Conservation and management of renewable natural resources
- Animal health
- Plant protection
- Agricultural and forestry production

- Agricultural marketing and agro-industry
- Integrated rural development
- Planning and management for agricultural development and rural well-being
- Information for agricultural development and rural well-being.

2.2 Second Phase: 1986 to 1993

The second phase was characterized by the approval of a medium term plan, which focussed on:

- Strengthening and developing the agricultural sector
- Boosting technological modernization and efficiency in production.
- Accelerating the regional integration process. The work of the Institute was concentrated into five programmes:
 - 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 Agro-Industry
 - Program V:** Agricultural Health.

Subsequently, ideas for the reactivation of the agricultural sector were concretized and a Plan of Hemispheric Scope for Reactivation of Agriculture (PLANLAC) was developed:

The conceptual base of this plan of hemispheric dimensions was agricultural modernization, and an initial portfolio of 74 projects of hemispheric and sub-regional scope was approved for implementation.

In order to enable it to move forward with PLANLAC, IICA amended the Medium Term Plan (MTP) and extended its effective life to 1993. The amended version called for certain institutional adjustments that would equip the Institute to better comply with the Plan's needs. It also incorporated new areas of action into IICA's work, such as the topics of women in development, the environment and training of human resources.

2.3 Third Phase: 1993 to 2001

The third phase was characterized by a style of technical cooperation in which participation, decentralization, flexibility, and concentration were emphasized. Five Regional Centres were created and a differentiated strategy for each region was implemented. The work of the Institute was concentrated in four areas of concentration:

- Socio-economic Policy, Trade, And Investment
- Science and Technology, Natural Resources, and Agricultural Production
- Agricultural Health
- Sustainable Rural Development.

The Institute also became recognized as the agricultural agency of the Inter-American system and the multi-sectoral dimension of agriculture was emphasized.

3.0 IICA OF THE 21st CENTURY: NEW MANDATES

3.1 Mandates of the Third Summit of The Americas

Free and open economies, market access, sustained flows of investment, capital formation, financial stability, appropriate public policies, access to technology and human resources development and training are key to reducing poverty and inequalities, raising living standards and promoting sustainable development. We will work with all sectors of civil society and international organizations to ensure that economic activities contribute to the sustainable development of our societies.

Summit of the Americas, 2001
Final Declarations

The Third Summit of the Americas held in Quebec City, Canada, in April 2001, has produced an *Hemispheric Declaration* and a *Plan of Action* which clearly defines the strategies and programmes which will create greater economic prosperity, expand economic opportunity, and fashion international relations among the countries of the Americas in the foreseeable future.

The commitment to the formation of the FTAA by 2005 underscores the need for ongoing dialogue and cooperation within the Inter-American system.

In both the *Declaration* and the *Plan of Action*, the Heads of Government of the Americas emphasized the importance of agriculture and rural life in the strengthening of democracy, the creation of prosperity, and the realization of the human potential of their people.

The following sections of the *Plan of Action* are particularly relevant for IICA:

- **Section 6 - Trade, Investment and Financial Stability** - Great emphasis was placed on supporting the increased trade integration of the region, particularly through the FTAA Agreement. In addition, activities supporting economic stability as well as strong and sustainable growth were encouraged to ensure that the benefits of globalization are broad and equitably distributed.

- **Section 9 - Environmental Foundation for Sustainable Development** - The protection of the environment and natural resources was considered essential to prosperity and the sustainability of the economies of the Americas. Within this, priority was placed on areas such as the conservation of plants, animals, and ecosystems through capacity building, expanding partnership networks, and information sharing.
- **Section 10 - Agriculture Management and Rural Development** The fundamental importance of agriculture was reiterated within the *Plan of Action*, along with specific priorities. These included: promoting dialogue among government, parliamentarians, civil society, and the scientific and academic communities; strengthening the enabling environment for rural enterprises; developing markets in the Hemisphere for goods obtained through sustainable use of natural resources; and facilitating access to markets.
- **Section 12 - Growth with Equity** - In order to eradicate inequity and poverty a number of areas were targeted for action. Included in these were programs supporting the promotion of information technology in rural areas and improved market access and support programs for women and youth.
- **Section 13 - Education** - Within education, the area of science and technology was seen to be important. Particular emphasis was placed on popularization of science and technology, stimulating the development of science and technology for regional connectivity through information and communication technology, and the exploitation of high-level human capital for the development of science and technology research and innovation.

We value the active support of the Organization of American States and its specialized organs, particularly the Pan American Health Organization, the Inter-American Institute for Cooperation on Agriculture, and the Inter-American Children's Institute, as well as the Inter-American Development Bank, the Economic Commission for Latin America and the Caribbean, and the World Bank. We call upon these institutions and other regional and international organizations to establish greater coordination for support to the implementation and follow-up to the Plan of Action of this Summit.

Summit of the Americas, 2001
Final Declarations

IICA as an organization took an active role in the 2001 Summit, being specifically named in the *Plan of Action* as having a role to play in follow-up and implementation. This inclusion as an active partner enhances the role which IICA as an organization has played in the past and makes it more prominent in the future in terms of promoting dialogue and better hemispheric integration.

The role laid out in the Summit documentation potentially changes two aspects of IICA's current role as envisaged in IICA's *Medium Term Plan*.

- The Summit *Plan of Action* extends IICA's role beyond promoting an inter-American dialogue only through the Inter-American Board of Agriculture (IABA)—the traditional route. While this important group will be valuable to the process, the *Plan of Action* also calls for involvement by IICA in other dialogues and coordinating groups.
- IICA is also being asked to shift beyond being primarily a supplier of technical cooperation for agriculture. It is now being asked to take on a broader mandate—one which is more proactive and brings agricultural, environmental and rural development issues into a broader debate of hemispheric integration and prosperity.

3.2 Mandates of the General Assembly of the Organization of American States (OAS)

At the Thirtieth OAS General Assembly, the Ministers of Foreign Relations from the Member States resolved to:

- “Confer a new dimension on the IABA and recognize it as: ‘...the primary ministerial forum within the OAS for analyzing and building consensus on policies and strategic priorities for the improvement of agriculture and rural life in the Hemisphere.’”
- “Instruct IICA to develop and strengthen mechanisms of cooperation and exchange with other organs, agencies and entities of the Inter-American system for proposing, coordinating, and executing policies and programs relating to the improvement of agriculture and rural life in the context of the Inter-American system and the Summits of the Americas process.”

These mandates facilitate the definition of a clear role for the IICA of the 21st Century.

4.0 IICA'S ROLE IN ENHANCING RELATIONS WITHIN THE HEMISPHERE

The IICA Member States of the Western Hemisphere have a total population of some 800 million people. The countries show considerable variation in size and wealth from Haiti with a gross national product per capita of US\$460.00 to the United States of America with US\$30,600.00, and from St. Kitts/Nevis with a population of 44,000 to the United States of America with a population of 273 million.

Some opportunities are envisioned for IICA's immediate consideration:

- The proposed Free Trade Area of the Americas (FTAA) will create an hemispheric market of some 800 million people. This scenario and the diversity in terms of state of development, population, wealth, and natural endowments provide a rich opportunity for Member States to learn from each other and to draw lessons from each others' experiences in agricultural development.
- This global market will provide unprecedented opportunities for trade in agricultural products and an opportunity to establish an Inter-American Agribusiness Community, which will be the largest in the world. In addition, the hemisphere is emerging not only as the fastest growing sub-region of the world, but the sub-region with the greatest potential for future growth.
- The small economies of the hemisphere, who are struggling with the twin challenges of eliminating poverty and promoting sustainable development, must be assisted in their efforts to integrate into the global economy.
- A large proportion of the population of Latin America and the Caribbean are employed in agricultural production and associated activities, and the export of agricultural products represents the most important source of foreign earnings in several countries.
- The agriculture of LAC countries in the 21st Century must be competitive, must seek to produce value-added products, must be environmentally sustainable, and must respond to the increasing demand for processed convenience foods.

Against this background, agricultural development in the 21st Century must therefore ensure a sound balance between world food security and a protected environment. The agriculture of the future will be increasingly multifunctional, heterogeneous, complex, knowledge-driven, technology-driven, market-oriented, and adapted to available resources. The key factors driving this new agriculture will be the application of biotechnology and information technology, and the globalization of markets.

IICA, therefore, must consolidate the changes of the past while forging a new dimension in support of the new global scenario of the agricultural sector in the Western Hemisphere. With the Americas on the verge of the development of the FTAA, and the new mandate given to the Institute by the Summit of the Americas and the OAS General Assembly, IICA's importance as an institution of hemispheric integration of the agricultural sector takes on new significance.

In this context, the Institute must refocus its technical cooperation programme to provide the assistance required by the Member States. This can only be done by instituting a process of internal consolidation, supported by the projection of an external vision through strategic partnerships with sister institutions of the Inter-American system, the private sector, and global partners. These actions will provide the support that the rural sector of the Americas requires and deserves.

The progressive reforms (institutional, technical and administrative), which have been introduced since 1994 must be consolidated and continued. These include decentralization, administrative modernization, a participatory management style, the strengthening of IICA as the Inter-American agency for agriculture and rural life, and the revitalization of links between the Institute and global development partners.

IICA must continue to assist in the preservation of the democracies of the hemisphere by contributing to the alleviation of poverty and reducing social inequity. IICA must be of strategic importance in facilitating development cooperation that makes possible effective technical assistance from the large developed members to the small developing members of the Institute. All states must be able to play their legitimate role in the affairs of the Institute.

IICA is the only international agricultural agency with offices in each of its thirty-four Member States. Consequently, the Institute is well positioned to facilitate the transfer of knowledge, technology, innovation and experience among the countries and must provide the technical support base for agriculture in the construction of the FTAA.

IICA must become a true network of hemispheric cooperation that facilitates access to information technology and experiences on the agricultural sector of the Member States, which can be accessed from any country of the hemisphere. This sharing of information, technology, and experiences will facilitate hemispheric trade in agricultural products, support the implementation of the FTAA, and facilitate globalization.

IICA's future work must be driven by opportunities that will foster the formation of strategic partnerships with institutions and enterprises of complementary capabilities. It is therefore important that IICA engages in opportunity-driven technical cooperation, communication, training programmes, and a private sector-oriented mindset in order to ensure that the results are tangible and meaningful.

IICA must be an institution with principled, centered leadership, whose core values of tolerance, flexibility, accountability, efficiency, and commitment are present and the mindset of a learning organization is developed.

4.1 Forces of Integration and Hemispheric Trade

Over the last decade, there has been a clear tendency for the promotion of efforts to facilitate regional and hemispheric integration and trade in the Americas. The emergence of MERCOSUR, NAFTA, the G3, the Andean Pact, the ACS, the deepening of CARICOM to a single market and economy, and the promotion of FTAA are all expressions of the clear destiny of this region towards an integrated Hemisphere. Trade between countries of the Americas has increased more significantly than has world trade. In the last decade, world trade has shown an annual increase of approximately 8% while regional groupings in the Americas have recorded 20% in the Andean Pact, 12% in NAFTA, and over 20% in CARICOM. These tendencies suggest excellent prospects for regional trade in the future, which will underpin the formation of the FTAA.

5.0 FACING THE FUTURE – A NEW VISION

5.1 IICA's New Vision, Mission and Objectives

To guide the programming over the next four years, the *New Vision* for IICA will be:

- **To promote food security and prosperity of the rural sector of the Americas.**

The *New Mission* will be:

- **To support the Member States in their pursuit of progress and prosperity in the hemisphere through the modernization of the rural sector, promotion of food security, and development of an agricultural sector that is competitive, technologically prepared, environmentally managed, and socially equitable for the peoples of the Americas.**

The *New objectives* will be:

- To support the countries of the hemisphere in their efforts at integration, cooperation and participation in the global economy
- To support the Member States in ensuring the safety of food supplies and removing sanitary and phytosanitary barriers to trade
- To support agro-industrial and agri-business development of the sector by promoting the incorporation of new technology and business principles into the enterprises of the sector in order to promote competitiveness and the development of a global agri-business environment
- To promote sustainable rural development and sustainable use of natural resources for present and future generations
- To support the Ministries of Agriculture in the process of transforming their role, structure, and functions in order to face the new realities of globalization and modernization of the State.
- To support the process of agricultural educational transformation, so as to produce scientist, technicians and entrepreneurs that can effectively develop/reposition agriculture.

5.2 IICA's Guiding Principles

IICA will guide its actions in the hemisphere according to 12 fundamental guiding principles:

- Promotion of a new global dimension and a new institutional image
- Promotion of financial prudence, transparency, efficiency, accountability, and respect for the norms of the Institute
- Promotion of respect for diversity and continuous development of human resources
- Decentralization of the Institute to the national level
- Promotion of private sector participation in IICA's work
- Promotion of a national technical cooperation agenda in all member states
- Incorporation of environmental dimension in development initiatives
- Strengthening national capacity through the use of national professionals for implementation at the national level
- Strengthening relationships with Member States through a strategy for new governance by institutionalization of a mechanism similar to the advisory commission on management
- Promotion of change through institutional modernization of the agricultural sector
- Promotion of technical teams, technical articulation, technical excellence, more horizontal technical cooperation, and the transfer of experiences
- Implementation of a programme of performance audit, monitoring, and evaluation.

6.0 PRIORITIES FOR 2002-2006

6.1 The Development of the National Technical Cooperation Agenda

The national technical cooperation agenda must be developed with the full participation of the national authorities of both the public and private sectors, and the final elements for IICA's support must be priority areas of the plan. Four countries have developed such national agendas: Canada, Panama, Jamaica, and the Dominican Republic. These agendas should be examined as a basis for institutionalizing this process in IICA. The national agenda for IICA actions will form the basis for the definitions of activities for implementation at the national level. The funds provided at the national level must be seen as seed money and used to leverage additional human and financial resources, both nationally and internationally. The national agendas must emphasize a holistic approach to the development of the sector and should seek to identify areas for IICA's intervention in the sector by a strategy with no more than three areas to be financed by quota resources. Additional areas may be defined, but these must be financed by national external funds (NX) or international external resources (IX). The agenda for IICA's action must complement and add value to national initiatives as defined in the National Development Agenda. International professional staff will not be contracted to implement national actions; national actions will be implemented by national staff with the full participation and the supervision of the Representative.

6.2 The Development of the Regional Technical Cooperation Agenda

The Institute must continue to support regional integration processes throughout the hemisphere and must build on existing frameworks for regional technical cooperation in the Andean Region, the Caribbean Region, the Central Region, the Northern Region, and the Southern Region. This support must emphasize support for the sharing of technology, information, and experiences and facilitate joint actions, which support the integration process and the construction of the FTAA. Some of the specific actions, which will be continued or initiated, are as follows:

The Andean Region (Bolivia, Colombia, Ecuador, Peru, Venezuela)

- Support the Andean Agricultural Agenda as a basis for support to the integration process in the Andean Region
- Consolidate the existing mechanism for cooperation in research and technology transfer (PROCIANDINO)
- Support the Cooperative Agricultural Health Programme for the Andean Region
- Facilitate cooperation in agriculture between the Andean Region, MERCOSUR, CARICOM, and the Central American common market in the context of the creation of the FTAA.

The Caribbean Region (Bahamas, Barbados, Dominican Republic, Guyana, Jamaica, OECS, Haiti, Trinidad and Tobago, Suriname)

- Strengthen collaboration with CARICOM (CSME) and OECS secretariats.
- Continue to support the Caribbean Regional Negotiation Machinery, CARDI, PROCICARIBE, CABA, and CACHE as mechanisms which seek to coordinate trade negotiations, support technological innovation and provide the new environment for change in the agricultural sector of the region
- Provide support to the Alliance for Sustainable Development of Agriculture and the Rural Milieu in the Caribbean as a mechanism of regional dialogue and coordination
- Support the Programme for Horizontal Technical Cooperation between the Caribbean and the rest of the hemisphere including the provision of language and translation facilities to facilitate cooperation between the Caribbean and the countries of Latin America
- Provide support for a programme of cooperation which emphasizes linkages between agriculture, tourism, and the environment, and which seeks a multi-sectoral approach to rural development.

Central Region (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama)

- Support the Central American Agricultural Council and other mechanisms which promote integration and advancement towards a common agricultural policy
- Support the creation of a Regional Technology Innovation System based on the experience gained with SICTA
- Continue to support RUTA (in cooperation with the World Bank, FAO, IFAD and IDB) as a mechanism of implementation of regional initiatives
- Support other networks of agricultural cooperation e.g. PROMECAFE, CORECA etc., and CATIE.

Northern Region (Canada, Mexico, United States of America)

- Support efforts which may contribute to the consolidation of agricultural cooperation in the context of NAFTA
- Support joint projects, joint agri-business initiatives, student exchanges, internships, sabbaticals, and other forms of cooperation between the USA, Canada, Mexico, and the other countries of the hemisphere in pursuit of better understanding, cooperation, and the building of strategic partnerships among the countries

- Facilitate the transfer of innovative technologies in information, communication, and agricultural research from countries of the Northern Region to other countries of the hemisphere in order to reduce the digital divide and other technological gaps which exist
- Facilitate the transfer of innovative experiences in agriculture and rural development from the countries of the hemisphere to the countries of the Northern Region.

Southern Region (Argentina, Brazil, Chile, Paraguay, Uruguay)

- Promote efforts which support cooperation in agriculture and facilitate agricultural trade within the context of MERCOSUR
- Support the Regional Ministerial Forum as a mechanism of regional dialogue and coordination
- Support efforts in cooperation of technology generation and transfer (PROCISUR), modernization and harmonization of agricultural health, water management, and education and training
- Support joint projects, joint agri-business initiatives, student exchanges, internships, sabbaticals, and other forms of cooperation between the countries of the Southern Region and other countries of the hemisphere.

7.0 PUTTING THE NEW APPROACH INTO ACTION

To implement these challenges, the IICA of the 21st Century should therefore pursue with the Member States a single strategic goal:

- **To support the Member States in their pursuit of progress and prosperity in the hemisphere by modernizing the rural sector, promoting food security, and developing an agricultural sector that is competitive, technologically prepared, environmentally managed, and socially equitable for the people of the Americas.**

To achieve this strategic goal the new administration of the Institute will prepare the **Medium Term Plan for 2002-2006** which will comprise of hemispheric, regional and national agen-

das. A team at Headquarters, in consultation with the Advisory Committee on Management Issues, will prepare the first draft of the Hemispheric Agenda, providing the guidelines for the Regional and National Agendas.

The Regional Coordinators, the Regional Specialists, the Representatives in the countries, and regional partners should prepare the Regional Agenda. Representatives in cooperation with the national authorities of both the private and public sectors will begin preparation of the National Agendas, which will focus on a holistic approach to rural development. The Regional and National Agendas provide reality to the work of the Institute.

The new Medium Term Plan for 2002-2006 will focus on five strategic areas:

Area 1: Trade, Policy and Integration

- **Focus: To support the countries of the hemisphere in their efforts on integration, cooperation, and participation in the global economy.**

IICA must provide the technical and policy support for the agricultural sector in the formation of the FTAA and the WTO, and be a dynamic forum for critical strategic thinking, for the establishment of common positions and agendas, for forging alliances in regional and hemispheric integration, and for the development of common standards for such aspects as Food Safety and Sanitary and Phytosanitary (SPS) issues.

Area 2: Agribusiness Development

- **Focus: To support agro-industrial and agri-business development of the sector by promoting the incorporation of new technology and business principles into the enterprises of the sector in order to promote competitiveness and the development of a global agri-business environment.**

Agri-business and rural enterprises have a critical role to play in the creation of prosperity, employment, and economic growth in the Hemisphere. IICA has a strategic role to play in providing training and promoting the incorporation of business principles, innovative technology, new information, and communication systems into agricultural production and agri-business enterprises in order to increase their competitiveness in the global market.

Area 3: Sustainable Rural Development

- **Focus: To promote sustainable rural development and the sustainable use of our natural resources for present and future generations.**

The sustainable use of natural resources is critical for prosperity and the sustainability of rural life. IICA must collaborate with other institutions (national, regional, hemispherical, and international) to promote the sustainable use of natural resources. Critical to this theme are issues of deforestation, land degradation, and water for agriculture. Development projects must incorporate environmental management and the sustainability of fragile ecosystems such as hillsides, watersheds, and coastal areas. The preservation of biodiversity is critically important.

Area 4: Agricultural Health and Food Safety

- **Focus: To support the Member States in ensuring the safety of food supplies and the compliance with SPS measures as a means of removing sanitary and phytosanitary barriers to trade.**

Non-trade issues such as food safety and agricultural health continue to be critically important for the process of globalization and trade liberalization. The coordination of policy initiatives in support of strategies to address these issues is vital for the Member States. This strategic area must therefore support national and regional programmes that focus on the removal of sanitary and phytosanitary barriers to trade in agricultural products and seek to harmonize approaches to food safety and the control of pests and diseases of plants and animals, which all present barriers to trade and agricultural productivity. The Member States must also be assisted with the modernization of their organization and operations in this area in order to comply with the new international commitments of the WTO and other trade agreements.

Area 5: Institutional Modernization

- **Focus: To support institutions in the sector, particularly the Ministries of Agriculture, in the process of transforming their role, structure, and functions to face the new realities of globalization and modernization of the State.**

Ministries of Agriculture and other institutions of the public sector are in the process of restructuring and refocusing their efforts and programmes in order to cope with the new challenges of the global trade environment and the need for the agricultural sector to be efficient and competitive in conditions of reduced budgetary allocations. IICA must be able to bring the experiences of other countries to the debate and discussions, and provide technical, policy, and administrative support for this process of institutional modernization.

The new realities of our global environment demand an agriculture that is competitive and modern. The achievements of these objectives can only be realized by the development and training of our human resources to meet the challenges of a knowledge-based society. The rate of change of technology demands human capital that can manage the process of change and contribute to the modernization of the rural sector.

Focussing on these five strategic areas will ensure the use of IICA's limited resources using four instruments of implementations: training, information, technical and policy support, and transfer of experiences.

8.0 IMPLICATIONS OF THE NEW VISION FOR IICA

In order to put the new approach into action, the internal management structure of the Institute will be strengthened and streamlined in order to enhance the Institute's governance, efficiency, transparency and accountability.

Appropriate adjustments will be made in the corporate management structure at headquarters and more effective lines of communication for the delegation of authority will be established. Appropriate internal committees will be formed in order to ensure adequate discussion of corporate issues, to facilitate the exchange of information, and to promote strategic planning. The evaluation process for IICA's technical actions in the field will be strengthened; appropriate performance standards will be developed and measures to evaluate performance implemented with the appropriate corrective actions.

8.1 Enhancing Corporate Governance and Management

The Inter-American Board of Agriculture (IABA) and the Executive Committee (EC) have over the years provided the corporate governance of the Institute. Modern management and the pace of change demand a closer relationship between the General Directorate and the Member States.

In order to enhance corporate governance and management, the current Special Advisory Committee on Management Issues should be strengthened to provide the Institute with continuing input from Member States on management issues necessary for effective performance and functioning of the organization. This enhanced Advisory Committee should meet twice a year, preferably every six months.

As well, the deliberations of the IABA and the EC would be enriched by strengthening the existing Regional Fora of Ministers of Agriculture. These Fora are envisioned as valuable mechanisms for consultation and for discussions of issues that are strictly regional in character.

With the implementation of these two mechanisms, the Institute may wish to consider the convenience of combining the frequency of the EC and the IABA. The deliberations of the Regional Fora could inform the Committee on Management Issues and vice-versa.

8.2 Promotion of Efficiency and a New Style of Technical Cooperation

A frozen quota budget and the increasing demands on the resources of the Institute require a structural change in the method of operation and the use of its human resources. This structural change has two components:

- A small core of highly qualified, skilled international staff in management positions and the strategic areas
- A cadre of highly qualified national professionals and short-term consultants for implementation of the technical programmes at the national level.

This approach will provide flexibility in the implementation of programmes of work and will result in a reduced cost of implementation. Opportunities for the use of "internal consultants", i.e. professionals from one country assisting in the programmes of another country, will be emphasized.

The posts in the Institute that have international dimensions must be defined and jobs at the national level must not be performed by international professional staff if these can be carried out effectively by national personnel.

- The organization must be agile, flexible, and focussed, and must have personnel of the highest levels of technical managerial competence in the hemisphere to ensure that the Institute remains a centre of excellence.
- The programmes and projects both at the national, regional and international levels must be focussed on the critical mandates of the Member States, allowing for differentiation in size, level of development, and other relevant statistical and cultural characteristics of the countries.
- Greater levels of efficiency and accountability must be fostered. Such strategies as reduction in the number and length of meetings, reducing the travel costs, and the review of use of external consultants will be implemented.

- The offices at the national level must be centres of information, training, and administrative and technical support, and must provide leadership in the specific thematic areas defined in their programme of cooperation. The offices must be service-oriented and managed in a businesslike manner.
- Efforts will be made to facilitate cooperation between offices of the various countries by promoting more joint projects among offices of the Institute.
- It will be important to maintain a balance between regional and national activities in order to ensure that the demands at the national level are not compromised by multinational activities that do not respond to actual mandates. The regional initiatives must be organized in a manner to add value and be relevant to the national activities.
- IICA must become a true network of hemispheric cooperation in agriculture where the exchange of information, technology, and experiences continually occurs between countries. This flow will be facilitated by six strategic actions:
 - i. The building of technical teams at the national, regional, and hemispheric level;
 - ii. The recruitment of information management specialists in the offices to support technical specialists;
 - iii. The greater use of information and communication technologies;
 - iv. Sharing of annual national technical reports;
 - v. Strengthening of the Hemispheric Information Networks e.g. SIDALC;
 - vi. Language training of specialists and support staff.
- IICA's programme of work must include elements that strengthen communities and enhance their role in decision-making at the community level, and thus facilitate the development process by their "ownership" of the projects and programmes. At the national level, IICA's approach must ensure full participation of national authorities in the conceptualization, implementation, and evaluation of the programmes of technical cooperation.
- There is need for a system providing rapid response to emergency situations in the agricultural sector of the Member States.

8.3 Financial Prudence

The Institute continues to operate in an environment of limited financial and budgetary resources. The Member States have requested that the international cooperation agencies be more efficient in the use of their resources. Some progress in this direction has been made, but more can be done. The application of the new communication technologies and more efficient management procedures will assist in reducing travel costs and the number of meetings in the Institute. In addition, the Institute must examine the classification of its technical positions with a view to rationalizing the balance between national and international posts.

The Institute must develop strategic partnerships with the international financial community in order to obtain the resources necessary to follow up on the Mandates of the Summit of the Americas and to provide the technical support for the agricultural sector of the countries to participate in the global economy.

In addition, the Institute must be proactive in providing results at the national level that are compatible with national needs and that demonstrate to the countries the value they are receiving for the money spent. This will most likely encourage more countries to pay their quota. In addition, the provision of Article 24 of the Financial Rules must be emphasized.

8.4 International Dimension

While maintaining its base in the Inter-American system, the Institute must reach beyond the system to obtain technologies, information, and experiences capable of enriching the development of agriculture in the Member States. The Institute must therefore strengthen its strategic partnership with the FAO, with institutions of the CGIAR, and with institutions in Europe, Asia, and Africa that provide and produce technological services to agriculture with a view to bringing these experiences and technologies to bear on the problems of agricultural development in the hemisphere.

8.5 Promotion of Human Resource Development

The success of IICA as an institution will depend on the quality and dedication of its leadership and the level of commitment, application, and competence of its staff. It is therefore vital that:

- The Institute continues to recruit persons of high technical and ethical standards who are committed to the goals and objectives of the Institution
- The staff must be facilitated to work in teams when working on national, regional, or hemispheric projects that require different professional competencies and where the sharing of experiences will benefit the countries
- Strategies will be developed to assist professionals at the national level by providing services in countries other than those of their duty station
- Competent national professionals will be more widely employed in the work of the Institute
- Staff training in areas of strategic importance for the Institute's work will be given priority and staff will be given appropriate support and incentives to become genuinely multilingual in order to provide appropriate services in the different countries of the hemisphere
- Opportunities will be sought to incorporate more professional women in the affairs of the Institute so as to ensure a gender perspective in decision-making and strategies will be developed to facilitate the involvement of youth in the affairs of the Institute.

9.0 CONCLUSIONS AND RECOMMENDATIONS

A new strategic vision for the Institute must go beyond the two-year budget cycle and the four-year medium term plans. This strategic vision should provide the Institute with the capacity to anticipate the future of the agricultural sector and to assist the Member States in taking a more long-term view of the reforms and changes that the sector must undertake in order to cope with the evolving global world.

The key strategic objective of IICA must be to support its Member States in their efforts to unleash the talent, energy, and enterprise of the people of the Americas so that the agricultural and rural sectors can compete internationally. The Institute must therefore create a culture of excellence which results in the provision of information, knowledge, leadership and technical support which contribute to improving the lives of people and to ensuring prosperity of the nations of the hemisphere.

As a global institution in a globalizing world, IICA must be at the forefront of the hemispheric solidarity and must lead the way in ensuring that agriculture continues to contribute to food security, national social progress, and stability.

The new administration is convinced that this proposed new strategy for the Institute will provide the basis on which to build the IICA of the 21st Century; an IICA of defined priorities, creative leadership, decentralized operations, modern management, efficient and effective in its actions, and an institution of excellence. The challenges for the future, therefore, are to strengthen partnerships with the Member States and to accompany them in the pursuit of a hemisphere that is food-secure, technologically prepared, environmentally managed, and socially equitable for present and future generations.