

# Medium Term Plan 2002 – 2006

Focused on People and Committed to the Future

> San Jose, Costa Rica December, 2002

#### WHAT IS IICA?

The Inter-American Institute for Cooperation on Agriculture (IICA) is the escillated agency for agriculture of the Inter-American system.

As a hemispheric technical cooperation agency, IICA can be flexible and erc ative in responding to the needs for technical cooperation in the countries through its thirty-four offices in the Americas and Headquarters, which

roc dinate the implementation of the technical cooperation agendas (national, regional and hemispheric).

The 2002-2006 Medium Term Plan (MTP) provides the strategic framework for orienting IICA's actions during this four-year period.

IICA's mission is to support the Member States in their pursuit of progress and prosperity in the hemisphere through the modernization of the rural ces tor, 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 Institute's cooperation services are grouped into six strategic areas and support services: Trade and Agribusiness Development; Agricultural Health and Food Safety; Sustainable Rural Development; Technology and Innovation; Training and Education; and Information and Communication.

The Member States of IICA are: Antigua and Barbuda, Argentina, The Bahamas (Commonwealth of), Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, the United States of America, Uruguay and Venezuela.

The Permanent Observers are: Arab Republic of Egypt, Austria, Belgium, Czech Republic, European Union, France, Germany, Hungary, Israel, Italy, Japan, Kingdom of the Netherlands, Portugal, Republic of Korea, Republic of Poland, Romania, Russian Federation and Spain.

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Inter-American Institute for Cooperation on Agriculture, Medium Term Plan 2002-2006 / Inter-American Institute for Cooperation on Agriculture. – San José, C.R. IICA, 2002. 62 p. ; 25 cm. – (Official Documents Serie / IICA, ISSN 1018-5704 ; no. 71) ISBN 92-9039-545 1 Published also in Spanish, French and Portuguese 1. IICA - Planes de desarrollo. I. IICA. II. Título AGRIS DEWEY E14 DEWEY

> San Jose, Costa Rica December, 2002

# TABLE OF CONTENTS

| <b>ACRONYMS</b>            |  |  |  |  |
|----------------------------|--|--|--|--|
| EXECUTIVE SUMMARY          |  |  |  |  |
| PART I: FRAME OF REFERENCE |  |  |  |  |
| CHA                        | APTER I: The Global Context: Challenges<br>and Opportunities |  |  |  |
| 1.1                        | Key Trends   |  |  |  |
|                            | 1.1.1 Globalization and Free Trade                           |  |  |  |
|                            | 1.1.2 Population Trends and Food Supply14                    |  |  |  |
|                            | 1.1.3 New Agricultural Technologies                          |  |  |  |
|                            | 1.1.4 Environmental Management                               |  |  |  |
|                            | 1.1.5 Poverty and Food Insecurity17                          |  |  |  |
|                            | 1.1.6 National Reforms                                       |  |  |  |
| 1.2                        | Situation of Agriculture in LAC                              |  |  |  |
| 1.3                        | IICA's New Mandates  |  |  |  |
| PAR                        | TII: REPOSITIONING IICA FOR THE FUTURE                       |  |  |  |
| 17.00                      |  |  |  |  |
| CHA                        | APTER II:  Institutional Framework                           |  |  |  |
| 2.1                        | A New Vision and Mission                                     |  |  |  |
| 2.2                        | Components of the Vision                                     |  |  |  |
|                            | 2.2.1 Sustainable Agricultural Development                   |  |  |  |
|                            | 2.2.2 Promoting Food Security                                |  |  |  |
|                            | 2.2.3 Promoting Rural Prosperity                             |  |  |  |
| 2.3                        | Guiding Principles   |  |  |  |
| 2.4                        | Implications of IICA's New Role                              |  |  |  |

| CHA | APTER III           | : Strategic Focus and Priorities            |  |
|-----|---------------------|---|--|
| 3.1 | Strate              | gic Focus                                   |  |
| 3.2 | 3.2 Strategic Areas |   |  |
|     | 3.2.1               | Trade and Agribusiness Development          |  |
|     | 3.2.2               | Technology and Innovation                   |  |
|     | 3.2.3               | Agricultural Health and Food Safety40       |  |
|     | 3.2.4               | Sustainable Rural Development41             |  |
|     | 3.2.5               | Information and Communication43             |  |
|     | 3.2.6               | Education and Training44                    |  |
|     |                     |   |  |
|     | т ш. О              | Perationalizing the plan                    |  |
| PAR |                     | PERAIIONALIZING THE PLAN                    |  |
| CHA | APTER IN            | : The Institute's Operations                |  |
| 4.1 | The Te              | echnical Cooperation Agendas                |  |
| 4.2 | Corpo               | prate Governance and Management             |  |
| 4.3 | Style o             | of Technical Cooperation                    |  |
| 4.4 | Financ              | cial Prudence and Management of Resources53 |  |
| 4.5 | •                   | city Development                            |  |
| 4.6 | A Resu              | ults-Based Institute                        |  |
|     | APTER V             | Strategic Alliances and Partnerships        |  |
| 5.1 |                     | <b>Strategic Alliances and Partnerships</b> |  |
| 5.1 |                     | v Institutional Platform                    |  |
| J.Z | 5.2.1               | Development of a Common Knowledge Base59    |  |
|     | 5.2.1               | Joint Actions in Technical Cooperation      |  |
|     | 5.2.3               | Implementation of Summit Mandates           |  |
|     | 5.2.4               | New Leadership and Institutional            |  |
|     | J.Z.4               | Arrangements                                |  |
|     |                     |   |  |

# ACRONYMS

| CARDI         | Caribbean Agricultural Research and Develop-ment<br>Institute  |
|---------------|--|
| CATIE         | Tropical Agricultural Research and Higher Education<br>Center  |
| CGIAR         | Consultative Group on International Agricultural<br>Research   |
| CODEX         | Codex Alimentarius Commission  |
| EC            | Executive Committee  |
| ECLAC         | Economic Commission for Latin America and the Caribbean  |
| ERS           | Economic Research Service  |
| FAO           | Food and Agriculture Organization of the United Nations  |
| Fontagro      | Regional Fund for Agricultural Technology  |
| FORAGRO       | Forum of the Americas on Agricultural Research and<br>Technology Development                               |
| FTAA          | Free Trade Area of the Americas  |
| IABA          | Inter-American Board of Agriculture  |
| ICT           | Information and Communications Technology  |
| IDB           | Inter-American Development Bank  |
| IFAD          | International Fund for Agricultural Development  |
|               |  |
| IFPRI         | International Food Policy Research Institute   |
| IFPRI<br>IICA |  |
|               | International Food Policy Research Institute<br>Inter-American Institute for Cooperation on                |
| IICA          | International Food Policy Research Institute<br>Inter-American Institute for Cooperation on<br>Agriculture |

| NGO    | Nongovernmental organization  |
|--------|---|
| OAS    | Organization of American States                                       |
| OIE    | International Office of Epizootics                                    |
| PAHO   | Pan American Health Organization                                      |
| PROCIs | Cooperative Agricultural Research and Technology<br>Transfer Programs |
| SACMI  | Special Advisory Commission on Management Issues                      |
| SICTA  | Central American System for Agricultural Technology                   |
| SIRG   | Summit Implementation Review Group                                    |
| SRD    | Sustainable Rural Development   |
| U.S.   | United States of America  |
| USDA   | United States Department of Agriculture                               |
| WTO    | World Trade Organization  |

# EXECUTIVE SUMMARY

IICA's Medium Term Plan (MTP) sets out the intended new direction and course of action of the Institute for the 2002-2006 period. The Plan reflects the new mandates from the Third Summit of the Heads of State and Government of the Americas as contained in the Summit's Declaration and Action Plan, and the Bavaro Declaration of the Ministers of Agriculture, in their first Ministerial Meeting on Agriculture and Rural Life held in the Dominican Republic in 2001. Together, these mandates emphasize the important role of the agricultural and rural sectors in contributing to economic prosperity, hemispheric integration and the furthering of democracy. They also identify new priorities for these sectors and place particular emphasis on poverty reduction and increasing food security as essential to the strategy for increasing rural prosperity, integrating the rural economy into the national and global economies and better using and managing the natural resource base. Furthermore, the mandates define new institutional arrangements in the Inter-American System and identify the major issues in the hemisphere that this institution should address.

The Plan is divided into three parts that comprise a total of five chapters. **Part I** (Chapter I) provides the background and the basis of the Plan. It discusses three major sets of factors that shape and orient the Plan. These include: (i) the key trends in the global, regional and national economies that have profound implications for agriculture and rural life in the Americas; (ii) the situation of agriculture in Latin America and the Caribbean; and (iii) the new mandates for IICA. Together, these shape the key challenges and opportunities for the agricultural and rural sector and define the framework for the future direction and strategic actions of the Institute.

**Part II** (Chapters II and III) discusses the repositioning of the Institute to confront the problems and challenges of the future. In

particular, it outlines a new direction for IICA in terms of a new vision and mission for the Institute, consistent with the new mandates. The new direction defines a larger role for IICA within the broader framework of sustainable development, food security and economic prosperity. It reflects a transformation of the Institute into a development organization whose functions extend beyond its traditional role of supplying technical cooperation. Within the broader framework, the Plan outlines three broad goals for the Institute: promoting sustainable agricultural development, enhancing food security and contributing to increased prosperity in rural communities.

**Part II** also outlines the strategic focus and the priority areas for action to which the Institute will allocate its resources to achieve its vision and mission. IICA's technical cooperation actions will be organized in *six strategic areas*. The areas are: trade and agribusiness development; technology and innovation; agricultural health and food safety; sustainable rural development; information and communication; and education and training. The latter two areas are integral parts of, as well as complementary in their actions to, the other four areas.

**Part III** (Chapters IV and V) presents IICA's strategy to operationalize the Plan. The technical cooperation actions will be executed through technical cooperation agendas at three levels: national, regional and hemispheric. These agendas will be developed in wide consultation with stakeholders and strategic partners at each of these levels. While the national agendas will be the major thrust of the Institute's actions, regional and hemispheric initiatives will be developed based on priority needs and demands.

**Part III** also discusses several aspects of the Institute's strategy to improve its organizational framework and institutional operations. These include a change in the structure as well as emphasis on

**Executive Summary** 

improving efficiency and effectiveness through better corporate governance and management, accountability, financial prudence, team work, upgrading the human resource capacity and implementation of a performance-based management system. In addition, this part of the Plan outlines the Institute's strategy to execute its technical cooperation agendas through joint actions with strategic partners and the development of new alliances. It also identifies institutional mechanisms through which such partnerships and alliances can be developed for achieving the Institute's vision and mission. Part I

FRAME OF REFERENCE

# CHAPTER I

# THE GLOBAL CONTEXT: CHALLENGES AND OPPORTUNITIES

This chapter provides the background and the basis for IICA's Medium Term Plan (MTP) for the next four years. It identifies the key challenges and opportunities for the agricultural and rural sector of the Americas and provides the framework for the future direction and strategic actions of the Institute.

The MTP is shaped primarily by three major sets of factors. These include: (i) the key trends in the global, regional and national economies that have profound implications for agriculture and rural life; (ii) the situation of agriculture in Latin America and the Caribbean (LAC); and (iii) IICA's new mandates.

# 1.1 Key Trends

#### 1.1.1 Globalization and Free Trade

Globalization has become an accepted fact in the life of the nation state and provides enormous challenges and opportunities to the agricultural and rural sector in the Americas. It has accelerated interdependence among countries, and trade liberalization exposes all nations to economic fluctuations, requiring that they adopt new information and communication technologies as a prerequisite for development. It also demands greater dialogue and consensus-building among countries and institutions on the strategies to be pursued.

The international conditions that influence the agricultural and rural sector are characterized not only by the predominant trends in the world economy, but also by the construction of supranational institutional arrangements that establish new rules for the development of agriculture and its institutional framework. With the emergence of the World Trade Organization (WTO), new norms and regulations govern international trade. These have brought about significant reductions in trade barriers and tariffs, improved to some degree access to new markets, and established new standards for trade in both goods and services. Furthermore, new international agreements and norms provide challenges in the form of increasingly complex technical requirements.

Globalization also entails unique opportunities and risks. Opportunities are created because countries have the possibility of expanding their production base to supply dynamic markets. Risks include the reduction in national governments' autonomy and freedom vis-à-vis policy options to establish corrective mechanisms for addressing undesirable economic, social and environmental outcomes. There has never been a greater need for knowledge and institutional capabilities to manage these factors in agriculture.

Trade liberalization is also taking place in a context of more open regional agreements and is characterized by a proliferation of bilateral and regional free trade arrangements. In this hemisphere, advances in the Summit of the Americas process have established benchmarks for determining the processes and commitments necessary for constructing the Free Trade Area of the Americas (FTAA). LAC's agricultural and rural sector will need to adopt more effective strategies if it is to participate effectively and benefit from the creation of the FTAA and from globalization.

#### 1.1.2 Population Trends and Food Supply

It will be a major challenge for agriculture in the Americas to boost food supply to feed nearly 850 million inhabitants (expected to double in the next three decades), in the midst of accelerated urbanization and an increasing change in the composition of the population. Besides an increased overall demand for food, there are new demands for a wider variety of foods that are easily prepared, higher in quality, of improved nutritional value, meet higher health standards, and that are produced with cleaner and environmentally sound production and processing practices. This trend has become more pronounced as LAC countries experience economic growth and become more integrated into the global economy.

On the supply side, food markets have seen a remarkable increase in new products with higher added value. Significant vertical and horizontal integration, international standardization of processing, and a consequent increase in food trade have occurred in the food industry. The LAC region has steadily replaced the traditional production of raw materials with new systems that identify and prioritize new and emerging opportunities in international markets. However, sharp reductions in investments in technology research and development have reduced many countries' possibilities to meet their food consumption needs and to take full advantage of new market opportunities.

# 1.1.3 New Agricultural Technologies

Technological change is a major source of economic growth; countries with higher rates of economic development have a greater capacity to accumulate and make use of technology and knowledge. The technological revolution in agriculture through biotechnology and genetic engineering presents both challenges and opportunities for farming in the region. Genetic improvement methods make it possible to multiply crop yields and improve the nutritional and culinary quality of food. On the other hand, while genetically modified crops are still not broadly accepted by consumers, they offer an important means to combat hunger and alleviate poverty. At the same time, the revolution in information and communications technologies (ICTs) continues to accelerate, providing immense potential for developing agriculture and the rural economy. A large part of industrialized countries' increases in production and competitiveness in recent years has been brought about by the application of these technologies.

The LAC region, however, is generally lagging behind in developing and adopting many of the new technologies in its agricultural and rural sector. Not only are the region's capabilities at a low stage of development, but they are also unevenly distributed among the countries. Together with the already limited access to basic infrastructure and services, these shortcomings severely affect the possibilities of the low-income rural population to participate in the digital and global economy.

#### 1.1.4 Environmental Management

Increased urbanization, industrial development and traditional agricultural practices have severely affected the environmental balance. The agricultural modernization process has been accompanied by accelerated natural resource degradation (especially soils, water and forests), and increased pollution of these resources by inappropriate agrochemical use.

LAC has approximately 250 million hectares of degraded agricultural soils, equivalent to 33% of the total land under production. Land degradation is associated with a significant percentage of polluted water sources and by the accelerated loss of biodiversity in numerous ecosystems. Some countries are already facing severe water shortages, not only for agricultural and industrial use, but also for human consumption. Rural-urban migratory patterns continue to prevail as the traditional response to rural poverty and limited economic opportunities in the rural economy. Urban pressures aggravate the problems and force an expansion of cultivated areas into others that are generally less productive, without serious regard for the processes of degradation and contamination.

Several countries experience high risk due to extreme climatic situations, represented by prolonged droughts, floods and hurricanes, which have increased in frequency and force. They have caused considerable damage in the environment where poor, rural inhabitants live, thus adding to increased poverty. A major challenge is to address these natural resource and environmental problems while at the same time increasing the food supply to meet growing demands and reducing poverty.

#### 1.1.5 Poverty and Food Insecurity

While increased emphasis has been placed on the importance of trade and markets as major sources of economic growth, insufficient attention has been given to the problems of growing poverty and food security. In many countries, the production levels of basic foods have fallen and access to food by the poor has not improved. Approximately 40% of the LAC population lives in poverty and 20% lives in extreme poverty. Information specific to rural areas places poverty levels at higher than 50% of the total rural population and extreme poverty at about 33%.

If reductions in poverty, improved food security and better environmental management are to be achieved simultaneously, more effective development strategies are required. Developing agriculture and increasing prosperity in rural economies is an important strategy for reducing poverty and improving nutrition levels and food security, provided better policies are pursued, institutions are strengthened and there are increased investments in the rural economy. Such strategies can generate new market opportunities for the rural economy, which will have a positive impact on job creation and income generation and, at the same time, contribute to improving the situation of women, rural youth and indigenous groups.

#### 1.1.6 National Reforms

The structural adjustment programs of the LAC countries in recent decades have, in general, reduced the budgets of the ministries of agriculture, which adversely affected and continue to limit their policymaking and operational capabilities. Many services were privatized and the size and capacity of public programs that support agricultural development were drastically reduced. This has affected the capacity to produce and manage public goods, such as rural development and agricultural research.

Moreover, globalization places new demands on the public agricultural sector. This includes, among other things, the need for greater harmonization of sectoral policies with macro-policy, the design and application of new regulatory frameworks, the provision of efficient services for increasing competitiveness, development of strategic alliances at the national, regional and international levels, and improved coordination in the new, international institutional framework. While governments will continue to play a lead role in these areas, the private sector, nongovernmental organizations (NGOs) and international institutions such as IICA will need to play an increasing role as strategic partners in the process.

#### 1.2 Situation of Agriculture in LAC

Among the agriculture and rural sectors of the LAC countries, there are extreme differences and variations in structure, growth and positioning to meet the new global, hemispheric and national challenges. Unlike the U.S. and Canada, where the sector's growth has been more robust and its preparedness to meet these chal-

18

lenges more advanced, LAC countries have experienced much slower progress. After more than a decade of economic reforms and freer trade, the performance of LAC's agriculture has shown some positive signs, albeit not consistent or satisfactory enough to have a major impact on poverty alleviation and rural prosperity.

While LAC's agricultural production has been expanding, growth rates on average have been lower than overall economic growth. Total food production per capita has grown steadily since 1994, but it has not been enough for the region as a whole to improve its participation, in relative terms, in international trade. Moreover, despite good performance in food output, food imports continue to rise in many countries. Productivity increases in some countries was not reflected in higher incomes or greater rural prosperity.

Although some countries are net food importers, the LAC region continues to be a net exporter of food, with a trade surplus of US\$22.9 billion (1999). Nevertheless, the region's export competitiveness is declining in the international market. In many countries, the competition of food imports with national output continues to reflect unfair competition and protectionism.

#### 1.3 IICA's New Mandates

IICA was given new mandates for its future work in the Americas, largely at the Third Summit of Heads of State and Government of the Americas (Quebec, Canada, April 2001) and in the minister of agriculture's Declaration of Bavaro. The Third Summit's Hemispheric Declaration and Plan of Action emphasized the importance of the agriculture and rural life for strengthening democracy, creating prosperity and realizing the potential of people. IICA was recognized at the Summit for its work in the hemisphere and it was given the role of partner institution in the Plan's follow-up and implementation. This potentially changes two aspects of IICA's current role:

- The Plan extends IICA's role beyond that of promoting inter-American dialogue exclusively through the Inter-American Board of Agriculture (IABA). It also calls for IICA's involvement in other dialogues with coordinating groups and institutions.
- IICA is also being asked to take on a broader mandate beyond that of a supplier of technical cooperation, a mandate that requires that it be more proactive and bring agricultural, environmental and rural development issues into the larger debate on hemispheric integration and prosperity.

Pursuant to the new role assigned to the IABA at the Thirtieth OAS General Assembly (June 2000), the First Ministerial Meeting on Agriculture and Rural Life within the context of the Summit of the Americas process was held in Bavaro, Dominican Republic in 2001. In the Bavaro Declaration, the Ministers of Agriculture committed themselves to the mandates of the Third Summit and urged international institutions that provide cooperation and funding for development and governments to coordinate their strategies and harmonize technical and financial cooperation for implementation of the Declaration.

The ministers placed particular emphasis on the need for significant progress in *improving food security and reducing rural pover ty, through ten strategic actions:* 

- elimination of the anti-agriculture biases in policies and recognition in such policies of the larger contribution of agriculture to the well-being of society;
- further liberalization of agricultural trade;

- strengthening of dialogue and consensus building on strategies;
- development of a new institutional framework conducive to the sustainable development of agriculture and the rural milieu;
- support for rural organizations and communities to improve their capacities;
- promotion of environmentally friendly agriculture;
- modernization of agriculture and strengthening of support services for agri-food production and trade;
- prevention and mitigation of natural disasters as well as sanitary and phytosanitary emergencies;
- increase investment in training for human capital; and
- reduction of the knowledge, information and technology gaps.

# Part II

REPOSITIONING IICA FOR THE FUTURE 

# CHAPTER II

# THE INSTITUTIONAL FRAMEWORK

This chapter discusses the Institute's new vision and mission for addressing the problems and challenges identified in the previous chapter. It also discusses IICA's new role within the wider framework of the development agenda for the Americas and the principles that will guide the organization's efforts to achieve its vision and mission.

#### 2.1 A New Vision and Mission

The challenges facing agriculture and the rural sector in the Americas, the mandates of the Summit process, and the Bavaro Declaration together provide the general framework for IICA's actions in the future. They also assign the Institute a larger role in the hemisphere, one that goes beyond the mere provision of technical cooperation services. While IICA's focus is on the agricultural and rural sector, the mandates call for its efforts to be undertaken within the larger framework of contributing to sustainable development and economic prosperity in the hemisphere. Therefore, the Institute needs to reposition itself not only within the agricultural and rural sector, but also within the wider institutional framework that is committed to the common development agenda of the Americas. This repositioning will be done by developing a new vision and mission.

Accordingly, IICA's vision is:

to transform IICA into a development organization that promotes sustainable agricultural development, food security and pros perity in the rural communities of the Americas. Its mission is:

to support the Member States in their pursuit of progress and prosperity in the hemisphere through the modernization of the rural sector, the promotion of food security, and the develop ment of an agricultural sector that is competitive, technologi cally prepared, environmentally managed, and socially equi table for the peoples of the Americas.

#### 2.2 Components of the Vision

#### 2.2.1 Promoting Sustainable Agricultural Development

Achieving sustainable agricultural development is a common goal of IICA's member countries and a critical component of their development agendas. This requires a vision of agriculture that, among others things, is productive, efficient and competitive; environmentally sensitive; and capable of preserving the social fabric of rural communities for future generations.

However, achievement of sustainable agricultural development is an enormous and multi-dimensional challenge because, in addition to its magnitude, it also must take into account the various types of agriculture within and among countries in the hemisphere. Some countries have components of agriculture that are highly productive but that degrade and damage the natural and environmental resource base. They often co-exist alongside large areas of subsistent farming and low-technology agriculture.

A serious limitation in most countries has been the policy and institutional constraints that must be addressed in order to support sustainable agricultural development. The lack of adequate policies and a coherent strategy, combined with insufficient investment in various areas and limited institutional capabilities, seriously limit the progress that can be made towards achieving sustainable agricultural development. Rural poverty and increasing pressure to upgrade the competitiveness of agriculture in the global economy further compound this situation.

IICA recognizes the complexity of achieving sustainable agricultural development. Therefore, with the support of its strategic partners, the Institute will support a multi-pronged effort with its Member States that will contribute to:

- i. improving the design of policies and strategies;
- ii. strengthening the institutional framework through institutional modernization;
- iii. adopting a more holistic and broader approach to agriculture;
- iv. increasing investments in the agri-food system; and
- v. upgrading education and training on sustainable agriculture.

# 2.2.2 Promoting Food Security

Food security is understood not so much as a condition of national self-sufficiency, but conditions where human beings have physical and economic access to a safe and nutritional diet to satisfy their food needs and that allows them to live their lives in a productive and healthy manner. In this light, overcoming food insecurity is seen as improving access to food, increasing the food supply, improving its distribution and enhancing food safety.

Food security is a complex issue that requires dynamic collaborative arrangements between a wide variety of stakeholders, including governments, national and international organizations, and civil society. Limited access to food requires a coherent set of policies that cover various sectors of the economy and seek to overcome the structural impediments of different groups, especially the rural poor. Solutions offered through public policy must resolve short-term problems without losing perspective of the longer-term goal of achieving food security. The role of small farmers and rural women in the production, distribution and use of food for consumption and income generation is central to promoting food security. Availability and distributional issues need public policies and various forms of intervention that, among other things, facilitate the adoption of modern production technologies and improve the efficiency of national markets so as to reduce the adverse impact of agricultural trade.

IICA will contribute to food security in the hemisphere by means of initiatives to improve agricultural trade and food safety, and foster rural development, by coordinating efforts among national, regional and international organizations that support institutional capacity-building at all levels, to:

- define and adopt a common conceptual and operational paradigm for addressing food security problems in a more holistic way;
- ii. support institutional modernization for more effective planning, design and execution of policies and strategies;
- iii. increase investments in the rural sector for the purpose of reducing poverty, expanding food supply and improving food distribution; and
- iv. promote the development and improvement of national markets, including the goods, services and capital markets.

#### 2.2.3 Promoting Rural Prosperity

Economic growth and market improvement should provide benefits to all strata of society so that economic prosperity, human progress and sustainable development can be achieved in a harmonious and balanced manner. It is now evident and clearly recognized that economic growth and improved market performance is insufficient and that corrective interventions to reduce poverty are required. Achieving prosperity with equity will require renewed efforts by governments, policy makers and civil society if large sections of the rural economy are to benefit from globalization and the development process.

While the problems of exclusion and marginalization affect many people, this is particularly so with indigenous groups, women and youth in rural areas because of their unique economic and social conditions. Subsistence agriculture is especially prevalent as a livelihood survival strategy, and is almost always accompanied by extremely limited access to productive assets and support services.

In the farming community, the unequal and limited negotiating and advocacy power of small- and medium-scale farmers (some more organized than others in food commodity chains) prevents them from gaining equitable access to the benefits of output expansion and trade. Instead, changes in the policy environment usually make these groups more vulnerable and their survival more precarious, which is often aggravated by natural disasters and sudden and adverse changes in climatic conditions.

Increasing rural prosperity will require a sustained agenda of actions and interventions to:

- i. design appropriate policies and strategies targeting the more vulnerable groups in the rural economy;
- ii. promote education and training to improve know-how, skills and abilities so as to facilitate effective involvement and participation of marginal groups in agricultural and rural markets;
- iii. strengthen civil society organizations and promote greater interaction between stakeholders in food commodity chains in order to generate common agendas and improve negotiating capacities and advocacy skills;

- iv. modernize and expand agricultural services to increase productivity;
- upgrade the institutional capacity of agricultural and rural organizations, so as to increase their efficiency and effectiveness and their participation in joint public-private actions; and
- vi. increase investments in the rural economy.

IICA recognizes that the task of increasing rural prosperity in the Americas exceeds the scope of government action alone. Therefore, the Institute will concentrate its efforts and collaborate with public and private institutions and its strategic partners on actions that can contribute to having a long-lasting impact on reducing poverty and improving prosperity in the rural communities of its Member States.

#### 2.3 Guiding Principles

To achieve its vision and deliver quality services to its Member States, the Institute's future actions will be guided by a set of basic principles that will be reflected concretely in its internal policies, its relationships with its Member States and strategic partners, and its actions at the national, regional and hemispheric levels. These include:

i. Leadership through excellence. The Institute aspires to provide effective leadership and technical excellence in its strategic areas of work. This will be complemented by the promotion of a new corporate image with hemispheric and global dimensions that stems from the recognition of its clients and partners and their satisfaction with the quality and timeliness of IICA's contribution. To build consensus, trust and commitment, the exercise of leadership also requires the capacity to listen carefully when engaged in strategic dialogue.

- ii. **Management style**. Adoption of a management style that aligns the vision, mission, resources, actions, results and performance in a permanent and meaningful way.
- iii. **Commitment to diversity**. Tolerance and acceptance of diversity will be embedded in personal values and institutional behavior, with a view to ensuring the convergence of a wide range of demands from a wide variety of stakeholders and the provision of services tailored to their needs. The array of challenges requires that differentiated strategies be designed for each region and each country, in collaboration with national counterparts. Internally, IICA is committed to respecting the diversity of its human resource base and will convert its multicultural environment into competitive advantages for action.
- iv. Accountability through performance and results. Clear and concrete criteria for measuring institutional performance will be introduced to provide accountability, support financial prudence, increase efficiency and effectiveness, ensure transparency and direct limited resources towards activities with the greatest potential for impact. Emphasis will be placed on respecting the norms of IICA. Institutional transparency will strengthen ties with strategic partners, facilitating leverage of additional resources for addressing the strategic priorities of Member States, as reflected in this Plan.
- v. Link local demand with global opportunities. The value added of IICA's services starts with orienting its actions to the demands of its Member States. In this regard, the Institute will work with its Member States to jointly develop

and execute national technical cooperation agendas. For these agendas to become effective and produce results, it will be necessary to analyze the viability and utility of each, to determine how to maximize the opportunities provided by the processes of globalization, integration, decentralization and participation.

- vi. **Teamwork and partnership**. IICA must provide the basis for establishing relationships that facilitate and develop trust, mutual respect and flexibility, and that generate incentives for creating effective multi-disciplinary teams as a *modus operandi*, both within the Institute and with its strategic partners. These are the foundations for permanent innovation and creative thinking.
- vii. **Decentralization and capacity building**. Emphasis will be placed on decentralization of the Institute to the national level. A new and dynamic relationship will be forged between Headquarters, the Offices in the countries, and key stakeholders. This will require more effective communication, new institutional arrangements that facilitate and broker resources, and the capacity to intervene effectively and improve Institute performance. A policy of ongoing staff development will be pursued, so that IICA can provide the necessary leadership and quality of services required by its Member States and other clients.
- viii. **Relations with Member States**. A larger role has already been assigned to the IABA. The Institute will work with its Member States to strengthen the IABA's role in the hemisphere, through the Summit of the Americas process, and its relationship with them, through the Executive Committee and the Special Advisory Commission on Management Issues (SACMI).

#### 2.4 Implications of IICA's New Role

In order to exercise its new role, the Institute must develop the capacity to visualize the future, anticipate problematic situations, understand their underlying causes and transform them into opportunities that provide concrete benefits for the agricultural and rural communities of the Americas. IICA requires stronger analytical capabilities that equip it to comprehend circumstances, the broader development context of agriculture and its trends, and how to support its stakeholders in constructing a future of sustained prosperity.

IICA already possesses several comparative advantages that will facilitate its new role in the hemisphere. During its 60 years of experience, it has accumulated a profound knowledge of agriculture and the rural sector, the diversity of peoples and cultures, and the agro-ecological diversity of the hemisphere, all of which are important for crafting creative solutions to a wide variety of problems and challenges. Its presence in each of the 34 Member States provides it with comparative advantages and the flexibility needed to mobilize resources between countries and regions in order to structure and adapt programs and cooperative initiatives to address national and regional priorities, facilitate information flow, and improve the dissemination of best practices.

The new challenges facing the Institute require that it transform itself in two dimensions: internal and external. Both dimensions are directly related to positioning agriculture as a key component of the national development agendas, for developing new leadership, and for supporting its participation in building new institutional arrangements that promote prosperity and sustainable development. The internal dimension seeks to convert the Institute into an effective development organization. Some reengineering is required at the individual level and in institutional processes to strengthen the required core competencies of the organization and for generating strategic insights regarding future trends and opportunities.

The external dimension seeks to bring together public and private sector leaders of the Agriculture and Rural Community to design and implement an inter-American strategy that transforms the challenges of the 21<sup>st</sup> century into concrete opportunities for progress. The new institutional dynamics that characterize IICA's action will transcend its traditional role as a provider of technical cooperation services and move towards new forms of leadership: mobilizing resources, coordinating joint initiatives, facilitating dialogue, building consensus and commitment, all with the view of contributing to sustainable agricultural development and rural prosperity in the Americas.

# CHAPTER III

# STRATEGIC FOCUS AND PRIORITIES

The priorities for the Institute have two, inter-related strategic dimensions. The first has to do with focusing IICA's actions in priority areas derived from its new mandates. This chapter discusses the first dimension: the strategic areas of action in which the Institute will invest its resources in order to achieve its vision and mission. The second dimension has two components: internal (which relates to operational aspects of the Institute's strategy, i.e., the execution of technical cooperation actions and improvements in the organizational structure) and external (the execution of IICA's actions through strategic alliances and partnerships). The components of the second dimension are discussed in Part III of this Plan.

#### 3.1 Strategic Focus

IICA's work will focus on contributing to achieving sustainable agricultural development, enhancing food security and increasing rural prosperity in the Americas. This will be done by executing technical cooperation actions in the following *six strategic areas:* trade and agribusiness development; technology and innovation; agricultural health and food safety; sustainable rural development; information and communication; and education and training. The latter two areas are integral parts of, and complementary in their actions to, the other four. The specific objectives and priority lines of each of each area are discussed below.

# 3.2 Strategic Areas

# 3.2.1 Trade and Agribusiness Development

## Objectives

- i. To support the countries' efforts to upgrade their capacities for designing and analyzing policies in the agri-food system, to foster integration and cooperation for the successful participation of the agricultural and rural sector in domestic and international markets.
- ii. To support agro-industrial and agri-business development by promoting the incorporation of new technologies and business principles to improve the competitiveness of agribusinesses.

### Institutional actions

- i. Trade and policies
  - a. Policies on trade and trade negotiations
    - Follow up on the agricultural negotiations of the WTO and FTAA (2002-2005)
    - Provide training to negotiators and support staff of the public and private sectors on various issues related to the WTO Agreement on Agriculture and other WTO and FTAA agreements
    - Conduct studies on agricultural trade policies and economic integration
  - b. Policies and institutional reform
    - Assist countries in adjusting their policies to the WTO agreements
    - Conduct studies on the success of public policies and the provision of services

- Conduct studies on the impact of agricultural policies
- Develop a methodology for analyzing the contribution of agriculture and the rural sector to national development
- ii. Agribusiness and trade
  - a. Policies and instruments for domestic market development
    - Promote and develop agricultural commodity exchanges
    - Support the creation and strengthening of marketing organizations
    - Promote and develop service enterprises
    - Develop alternatives for financing agricultural production and marketing
    - Promote and develop agribusiness with a strong commitment to quality and food safety
  - b. Improve trade in international markets
    - Serve as a source of information on the export/import of agricultural products in the hemisphere
    - Provide training to small- and medium-scale enterprises on export preparedness and the development and implementation of export business plans
    - Support the efforts of small- and medium-scale enterprises to position their products in specific markets
    - Disseminate and support the exchange of successful experiences on agribusiness development

# 3.2.2 Technology and Innovation

## Objetive

To contribute to rural poverty alleviation, improved competitiveness and the efficient use of natural resources by supporting the countries in their efforts to transform their institutional structures for technological innovation and the modernization of their science and technology policies.

### Institutional actions

- i. Strengthen national capabilities for technological innovation, with special emphasis on:
  - Modernizing public and private institutional structures for research, extension and for the technological development of agri-businesses, from the perspective of national innovation systems and of individual organizations
  - Increasing public and private investments in research and development technology so as to be able to address the new priority of developing competitive agribusinesses
  - Promoting human capital development through actions to equip new researchers to address the new challenges
- ii. Support the design and implementation of technological innovation policies linked to the strategic objectives and priorities of the region, with emphasis on:
  - Providing technical assistance to the countries for harmonizing biotechnology and bio-security policies from the perspective of agriculture, and their preparations for complying with and executing international agreements and national programs on these matters
  - Improving capabilities for negotiating, acquiring and commercializing new biotechnologies, including intellectual property rights
- iii. Support the process to consolidate the Regional Technology Innovation System and reduce the technological gap between the countries by:

38

- Fostering hemispheric dialogue and the development of a regional technology innovation and cooperation agenda among the countries through FORAGRO
- Supporting the development and consolidation of the Regional Agricultural Technology Fund (FONTAGRO) as a funding mechanism for regional research projects, especially for disseminating their experiences and benefits to the countries
- Periodically analyzing the performance of agriculture from the technological perspective, with the aim of identifying and exploiting opportunities that will improve agriculture's contribution to economic and social development
- Supporting articulation and synergy among the different stakeholders of the Regional Technological Innovation System, especially FORAGRO, FONTAGRO, the PROCIs, SICTA, CATIE, CARDI and the specialized networks, to ensure a better exchange of knowledge and technologies in priority areas
- Promoting new alliances between national and regional systems, the research centers of the CGIAR system, and regional and international centers of excellence
- iv. Development and management of a hemispheric scientifictechnology information system for agricultural and rural development oriented to:
  - Managing and exchanging information and knowledge available to national and regional innovation and research systems in the Americas, in collaboration with other agricultural research systems of the world
  - Supporting the organization of national information systems for research and technological development
  - Providing technical assistance to the countries for designing policies to reduce the intraregional digital divide with the rest of the world, from the perspective of technology

# 3.2.3 Agricultural Health and Food Safety

#### Objective

To assist Member States in strengthening their animal health, plant health and food safety capabilities in order to compete successfully in national and international markets and contribute to safeguarding consumer health.

#### Institutional actions

- i. Application of the sanitary and phytosanitary agreements of the WTO and FTAA, as well as the sanitary and phytosanitary standards of international reference organizations (CODEX, OIE and IPPC); provide information to the countries on the development of said agreements and standards, as well as on important events; strengthen national and regional capacity in critical disciplines such as equivalence, regionalization, risk assessment, traceability, and harmonization.
- ii. Enhance agricultural health and food safety systems in order to facilitate market access, interaction with the private sector, technical capacity and human and financial resources; support the countries' efforts to articulate and develop specific technical assistance regarding regulatory mechanisms, sciencebased technical capacity and institutional sustainability.
- iii. Strengthen the Member States' ability to respond in a timely manner to emergencies and emerging issues in agricultural health and food safety; assist countries with early recognition of emerging issues that put at risk animal, plant or human health, or that offer new opportunities for enhancing the level of competitiveness or access to new markets; facilitate the provision of limited resources for tackling unforeseen emergencies.

- iv. Support food safety strategies and policies in the Member States for developing standards and regulations, leadership capacity and technical capability throughout the entire agri-food chain; adopt initiatives that encompass the agri-food chain, strengthen leadership and political determination, encourage shared responsibility from the producer to the consumer, enhance food safety standards and norms, improve the ability to assess and manage risk, and promote education and information outreach.
- v. Capture timely and relevant information on the multiple roles of agricultural health and food safety; generate value added information for different levels of decision makers and professionals in the public and private sectors; provide timely information and support to build alliances in areas of potential impact including production, competitiveness, trade, tourism, bio-security, public health, food security and the environment.

# 3.2.4 Sustainable Rural Development

# Objective

To support the efforts of the Member States and strengthen their institutional capabilities for reducing rural poverty, increasing rural prosperity and improving the capacities of rural people to accelerate their own development processes through the sustainable use of natural resources.

# Institutional actions

i. Support the design of policies, strategies and investment programs for sustainable rural development (SRD). The priorities will be to:

- Strengthen technical capabilities to formulate regional and national strategies and holistic policy frameworks capable of improving competitiveness in the rural economy for businesses, employment creation and new sources of income, as well as environmental services.
- Design programs and projects that contribute to poverty reduction and environmental conservation through improved access to physical, financial and social capital, appropriate technology, markets and information.
- Promote new production activities that generate rural and non-rural employment and income.
- Collaborate in planning and designing participatory local development.
- Support the sustainable management and use of natural resources.
- ii. Institutional modernization
  - Support the development of new institutional arrangements for SRD through capacity building.
  - Design and implement specialized training programs to improve the technical skills of professionals and technicians.
  - Collaborate with educational institutions to disseminate information on the new paradigms and methodologies for sustainable rural development.
- iii. Management of rural territories based on improved natural resource use and management
  - Promote a territorial approach to SRD by strengthening programs for local governance, watershed management, community-based organizations and business development, based on sustainable natural resource use and conservation.

- Strengthen initiatives for environmental services and clean production practices.
- Support the design and operation of natural disaster monitoring systems.
- iv. Information management
  - Strengthen information systems for effective SRD, giving rural communities and producer groups improved access to relevant information for economic decision-making, improving production efficiency and access to markets.
  - Disseminate information on best practices that increase market transparency and reduce transaction costs.
  - Support the creation of information management centers in regions, municipalities and other localities for groups that historically have had little access to these services.

# 3.2.5 Information and Communication

# Objective

To develop information and communication management processes that facilitate cooperation with the countries, projection of the corporate image, and the Institute's management and administrative operations.

# Institutional actions

i. Coordinate the development of institutional standards for information and communication systems, and promote their use by external and internal users through intranet- and extranet-type networks.

- ii. Consolidate the Institute's thematic information systems so that they cover the other strategic areas of action.
- iii. Develop a user-friendly and multilingual IICA portal that includes client-oriented information services.
- iv. Strengthen and facilitate the production of Institute information in hard copy and digital form, including development of an editorial policy and a system of libraries; strengthen the networks of agricultural documentation centers and libraries in the hemisphere.

# 3.2.6 Education and Training

### Objective

To support the efforts of the Member States to develop and upgrade human capital and talent for sustainable agricultural development and the improvement of rural life through training in strategic subject areas, modernization of educational programs, and dialogue on and the integration of agricultural and rural education in the Americas.

### Institutional actions

i. Training in strategic subject areas in order to improve the knowhow, skills and abilities of key stakeholders in the agricultural and rural community who are needed for creatively managing change and developing modern and more effective institutional systems. Specific attention will be given to developing specialized knowledge bases that tap the competitive advantages of specific Member States and regions, through the design, organization and implementation of training programs that make use of innovative methodological approaches.

- ii. Improve the quality and relevance of existing educational programs in academic areas at the national, regional and hemispheric levels, supporting public and private institutions and organizations' efforts to modernize their formal and non-formal educational plans and programs. This will facilitate their adjustment to demands for integrating complex agricultural commodity chains into the global economy, and to the demands of stakeholders in rural communities to address poverty.
- iii. Support dialogue on and the integration of agricultural and rural education systems.
- iv. Promote and distribute didactic materials through distance education in response to the demands of the agricultural and rural sector and agribusinesses.

Part III

**OPERATIONALIZING THE PLAN** 

# **CHAPTER IV**

# THE INSTITUTE'S OPERATIONS

## 4.1 Technical Cooperation Agendas

IICA's strategic actions will be executed through technical cooperation agendas designed for three levels of action: national, regional and hemispheric. These will be the Institute's basic strategies for addressing its new mandates and the problems and challenges related to agriculture and rural life in the Americas. The agendas will also be developed as part of the broader strategy to bring about economic prosperity and hemispheric integration.

The national technical cooperation agendas will be the major focus of IICA's cooperation activities and will be prepared through dialogue and discussion with the public and private sectors in the countries.<sup>1</sup> While these agendas will guide the Institute's actions in each country and will reflect national priorities, they may also include components of regional and hemispheric actions that are of special interest to the given country. The *modus operandi* for executing the national agendas will be to use local expertise and other resources, and may include development of strategic alliances for executing specific components of same.

The regional technical cooperation agendas will comprise two major components: national agendas and actions of regional scope. The latter includes a regional approach to problems that are common to a set of countries, as well as the Institute's commitment to continue supporting regional integration processes through existing mechanisms at the regional and sub-regional levels.

The hemispheric agenda will be developed through dialogue with the major stakeholders of the Agricultural and Rural Community of the Americas. It will focus largely on issues and demands stemming from specific mandates and requests such as those associated with the Summit process, the IABA and other hemispheric forums. It will also include actions related to the Institute's new role with its strategic partners to execute the broader development agenda of the Americas, and mechanisms to link national and regional actions with hemispheric initiatives.

The new priorities identified at each level will provide the basis for defining projects and actions that are consistent with this Plan. Quota resources will be used as seed capital and will be allocated accordingly to execute the agendas. Additional funds secured from external sources will complement IICA's quota resources, and will be used to leverage other technical cooperation actions at the national, regional or hemispheric levels.

## 4.2 Corporate Governance and Management

IICA must have an effective institutional structure and an integrated management framework if it is to meet the challenge of providing more efficient and effective services to its Member States and other clients. Changes in the environment, new demands on the Institute and modern management combined require a closer relationship between the General Directorate and the Member States. Efforts were initiated in this direction in 1999 with the redefinition of the roles of the IABA and the Executive Committee and the establishment of the Special Advisory Commission on Management Issues (SACMI). The General Directorate will strengthen its relationship with the SACMI to obtain inputs on management issues on an ongoing basis for enhancing corporate governance and effective management. In addition, strengthening the existing regional fora of ministers of agriculture, which are viewed as valuable mechanisms for consultation and for the discussion of strictly regional issues, will enrich the deliberations of the IABA and the Executive Committee.

Operationalizing the Plan The Institute's Operations

Within the General Directorate, the new administration will consolidate the initiatives already begun and strengthen various areas of management. Two key aspects are the implementation of a new and flatter organizational structure and the establishment of an integrated management framework. The new structure will reduce bureaucratic levels, bring down costs and make the Institute more responsive in service delivery. For its part, the new management framework will more effectively link the processes of strategic direction, programming and budget, execution of technical cooperation agendas, and evaluation and review of management's performance. The new structure also includes mechanisms to support better articulation among IICA professionals on thematic issues, places emphasis on improved methods of teamwork, and fosters the adoption of technologies that contribute to improving efficiency and achieving technical excellence. The Regional Centers were reformed to forge a closer, more effective working relationship between Headquarters and the Offices in the countries. At Headquarters, the new structure will facilitate more effective lines of communication for the delegation of authority.

Appropriate internal committees will be formed to facilitate strategic planning, support decision-making, ensure adequate discussion of corporate issues, and facilitate the exchange of information. These committees will cover a range of management, administrative and strategic issues for which a constant review and evaluation is necessary for continuously adjusting the Institute's operations.

### 4.3 Style of Technical Cooperation

Another key aspect of the new structure is the institutional changes that will be made to contribute to elevating the Institute's technical excellence and facilitating a more effective style of technical cooperation. One of these is the restructuring of the technical areas, such that technical cooperation will focus on the strategic areas described earlier. Another is the mobilization of technical capabilities through subject-specific networks in which IICA professionals collaborate with those from other national and international organizations. A third is the facilitating of horizontal cooperation among IICA Member States, in order to foster solidarity in cooperation, promote the exchange of information on successful experiences among the countries, and strengthen capacity building both within IICA and in its Member States.

The new style of technical cooperation will include working with the Member States and strategic partners to develop national, regional and hemispheric agendas for cooperation. This will provide flexibility in the implementation of the Institute's technical work program, focus IICA's efforts on priorities of its Member States, and maximize the use of its limited quota resources. It will also strengthen the role of the stakeholders in decision-making and foster a greater feeling of ownership of the projects and programs by its Member States.

The new approach will ensure full participation of national authorities in the conceptualization, implementation, and evaluation of IICA's technical cooperation actions. It will also seek to maintain a balance between regional and national activities to ensure that demands at the national level are not compromised by multinational actions that do not respond to actual mandates. Regional initiatives will be organized so as to add value and be relevant to national activities. The approach will contribute to making the Institute a more effective network of hemispheric cooperation that fosters an ongoing exchange of information, technology and experiences among the countries.

## 4.4 Financial Prudence and Resource Management

A key aspect of re-engineering the Institute is to improve financial prudence and management of the Institute's resources. IICA is committed to the principle of financial prudence and this will be promoted throughout the Institute to ensure that its limited resources are used as efficiently as possible to meet Institute objectives. Give the context of increased demand for services and a frozen quota budget, greater financial prudence will be stressed in all activities undertaken. A fundamental aim will be to link the allocation of limited financial resources with the search for technical excellence and greater efficiency. This will require a drastic change in the management and administrative methods and procedures currently in use.

All the Institute's resources will be managed in a responsible manner, in strict compliance with established rules and procedures. Basically, the goal is to manage the resources efficiently and minimize costs. IICA will accelerate its efforts to adopt new technologies to facilitate increased efficiency and effectiveness of management and administrative procedures and cost reduction.

The Institute continues to operate in an environment of limited financial and budgetary resources. The Member States have continuously called on international agencies to be more efficient in the use of their resources. In this regard, IICA's goal is for its Member States to view their quota contributions as investments that they can recover through the tangible benefits of the Institute's technical cooperation services. An operating principle to be adopted in managing and using financial resources will be to use quota funds increasingly as seed capital to leverage additional resources for investment in IICA's Member States. Another will be to develop strategic partnerships in order to complement functions and activities, and share responsibilities and costs. The Institute's financial/accounting and administrative operations have become much more diverse and complex due to the increased management of externally funded projects and the significant rise in the volume and complexity of various financial aspects of the Institute. In this regard IICA will re-assess and upgrade the capabilities of its financial and administrative systems and procedures on an ongoing basis, incorporating technological advances and system enhancements as a way of doing business and refining its policies. These initiatives will be consistent with the Institute's re-engineering process and will ensure that staff is properly trained to improve financial management and reporting capabilities on institutional performance.

### 4.5 Capacity Development

Successful implementation of the MTP ultimately depends on the quality and commitment of the Institute's personnel. Emphasis will be placed on human resource development and capacity building at all levels, not only in terms of technical and professional development, but also to reflect the principles and values that characterize the Institute. Critical issues related to the institutional culture will be addressed to foster greater commitment to IICA's vision and to implementing its strategy, and to the achievement of high ethical standards and productivity.

High priority will be given to staff training in the different areas of strategic importance for the Institute's development. An induction and development program will be implemented to upgrade the capabilities of IICA's Representatives. The Institute will orient its staff to base their actions on the principles of tolerance, flexibility, accountability and commitment. Similarly, staff will be exposed to and provided with opportunities for upgrading their skills on an ongoing basis. Appropriate support and incentives will be provided to make the staff genuinely multilingual so as to increase the effectiveness of IICA's work in this multilingual and multicultural hemisphere. Opportunities will also be sought to include more professional women in the Institute's work so as to ensure greater gender equity in decision-making and program implementation.

For the Institute to be an organization of technical excellence, its professional staff must have the necessary technical capabilities to understand, interpret and provide the requisite recommendations to its clients on the implications of changes in the environment. Accordingly, IICA will upgrade and strengthen the technical capacity of its professionals in the core strategic areas so that they can provide the necessary support to its Member States in identifying and analyzing the critical issues facing agriculture and the rural sector. In this way, with IICA support, the countries will be able to structure their cooperation needs so as to articulate their national agendas with the larger, regional and international frameworks.

### 4.6 A Results-Based Institute

The Institute will transform itself into a results-based organization so that its Member States can perceive its value and recognize the benefits they derive from its services. A commitment to results, based on a mechanism of ongoing monitoring and evaluation, is essential if IICA is to become an institute of excellence that is respected by its partners and valued by its Member States. In this regard, the internal management structure of the Institute will be strengthened and streamlined in order to enhance the Institute's governance, efficiency, transparency and accountability.

A performance-based management system will be adopted to provide greater accountability of the Institute's actions. A Directorate of Performance Management and Evaluation will be established, and it will have the responsibility for continuous monitoring of management performance and for evaluating programs and actions at the hemispheric, regional and national levels. Evaluation of IICA's technical actions in the field will be strengthened, appropriate performance standards will be developed, and measures to evaluate performance will be implemented with appropriate corrective actions. To ensure transparency and accountability, stakeholders and strategic partners will be actively involved in the formulation, implementation and evaluation of IICA's technical cooperation agendas at the national level.

# CHAPTER V

# STRATEGIC ALLIANCES AND PARTNERSHIPS

This chapter discusses the external dimension of IICA's strategy to execute its national, regional and hemispheric agendas. Its focus is on the execution of these agendas through joint actions with strategic partners and the development of new alliances. It also identifies institutional mechanisms through which such partnerships and alliances can be developed for achieving the Institute's vision and mission

## 5.1 Commitment to Joint Action

The Quebec Summit mandates and the ministerial agreements set out in the Bavaro Declaration recognize the importance of agriculture and rural life in the overall economy, providing new challenges for leaders in the sector. As a result, a change in the traditional perception of agriculture and the approach to agricultural development is needed, which should include an appraisal of the links to rural economies and rural-urban linkages. This gives rise to two key questions. How can the importance of agriculture as a critical source of national development be transformed into concrete action? How can the necessary leadership be provided for articulating these actions, generating new resources and facilitating joint actions, both internationally and nationally, so as to increase opportunities for rural communities to foster sustainable development?

An adequate response to the above requires genuine commitment and joint efforts among national and international organizations. Obviously, the support needed to foster development and prosperity transcends the institutional possibilities of individual governments and organizations such as IICA. This is evident from projections of how the new global economy will affect agriculture and the rural economy. These scenarios demand a new approach that must include the establishment of alliances and joint efforts among strategic partners if there is to be more meaningful dialogue and consensus building among key stakeholders and beneficiaries, and effective mobilization of resources for successfully addressing the challenges of creating prosperity and reducing poverty. IICA is committed to this approach and will work with its existing partners and forge new alliances to benefit its Member States. To this end, the Institute established a Directorate of Strategic Partnerships, situated in Washington, D.C., to strengthen its alliances and coordinate its actions with different institutional partners.

# 5.2 A New Institutional Platform

To leverage its limited resources and consolidate efforts, IICA proposes to build a hemispheric platform for dialogue, strengthen alliances and facilitate investments. To accomplish this, new linkages and institutional mechanisms must be developed and sustained that allow knowledge and resources to flow from the local and national levels through regional and hemispheric ones to be included in issues of global concern. Building a hemispheric institutional platform that is capable of addressing these multiple levels of action provides an opportunity to develop new modalities of technical cooperation that facilitate the participation of different organizations.

The hemispheric platform has four important objectives:

- To link the greater Agricultural and Rural Community to the knowledge-based society on a global scale
- To orient and augment the flow of national and transnational public and private investments toward agricultural and rural development
- To promote IICA as an international organization that is recognized and respected as a reliable strategic partner for

contributing to prosperity and hemispheric and global governance

 To develop new leadership and new institutional arrangements that articulate thematic issues at the national, regional, hemispheric and global levels

The Institute will consolidate existing relationships and build new ones with international and national strategic partners through four key institutional actions. These actions constitute the basis of a hemispheric institutional platform in which agriculture and the rural economy are a central part of national development strategies and the management of international public goods. A brief discussion of each action is provided below.

### 5.2.1 Development of a Common Knowledge Base

This action involves the construction of a common base of knowledge and information on agricultural and rural development which will make it possible to create new possibilities and manage the complexities of globalization. Efforts will be directed to creating a knowledge-based network for development.

The wealth of local and indigenous knowledge and endogenous knowledge systems are recognized as important sources of capital for solving problems faced by national governments. At the global and hemispheric levels, the Institute will establish strategic partnerships with institutions including ECLAC, IDB, IFPRI, World Bank, FAO, IFAD, OAS, PAHO, to generate knowledge and information on agriculture and rural development that are important for policymaking and program development. National organizations such as the USDA's Economic Research Service (ERS) and other national research centers, private enterprises and NGOs are also important sources of knowledge and will be included as strategic partners of IICA.

### 5.2.2 Joint Actions in Technical Cooperation

Producing knowledge in and of itself will not achieve effective development and reduce poverty; concrete actions are required to apply knowledge through technical cooperation activities that generate real benefits for the Member States. A systematic effort is needed to create an operational network for technical cooperation that facilitates the exchange of best practices and develops innovative capacities to address endemic problems and generate opportunities.

The second action in the platform seeks to foster joint actions in the area of technical cooperation. On the basis of its many years of experience, IICA will seek to improve the synergy between knowledge and action in a more systematic and institutionalized fashion. So far, initial responses from some key partners regarding the consolidation of joint actions have been positive. For example, the IDB continues to be interested in technology innovation and rural development; the Pan American Health Organization, in animal health, food safety and living conditions in rural communities; the OAS Inter-American Agency for Cooperation and Development, in distance education and digital connectivity; and FAO, in trade, agricultural health and food safety, information systems and rural development.

#### 5.2.3 Implementation of the Summit Mandates

The third action seeks to tap the opportunities created by the Summit of the Americas process and the mandates issued in Quebec in 2001. The commitment of the leaders of the hemisphere's nations at the Third Summit to reduce poverty and promote programs for improving agriculture and rural life provides new opportunities for investments that will contribute to offsetting the historic decline in resources allocated to these sectors. The Third Summit Action Plan serves as an overarching guide for determining priorities for institutional resources and creates new possibilities for leveraging additional funds.

IICA will facilitate relationships and new institutional arrangements that link hemispheric, regional and national agendas with local realities. At the hemispheric level, IICA will coordinate its efforts with those of the OAS General Secretariat, especially the Executive Secretariat for the Summit Process, as an active member of the Joint Working Group of Institutional Associates to the Summit of the Americas. The focus of this Joint Working Group is to strengthen collaboration and improve the exchange and flow of information and technical knowledge between multilateral development banks, inter-American organizations and national institutions in order to improve operating efficiency and program effectiveness.<sup>1</sup>

At the regional and national levels, IICA places high priority on the work of regional institutions that promote integration and finance national and regional initiatives. Support will be provided to help these organizations establish useful working relations with representatives of the ministries of agriculture and foreign affairs, with a view to aligning and enriching the national and regional agendas.

# 5.2.4 New Leadership and Institutional Arrangements

The fourth action incorporates the other three and provides operational elements to consolidate a new type of leadership and

<sup>1</sup> The Joint Working Group reports directly to the Summit Implementation Review Group (SIRG), which is composed of national coordinators from the Foreign Affairs Ministries of each country who monitor progress on the implementation of the Summit's action plans.

build an institutional architecture that will respond effectively to the complexities of agriculture and the rural community. Institutionalized forums for fruitful and results-oriented dialogue between leaders of all the stakeholder groups must be inclusive and genuinely participatory. Effective communication among these leaders is critical for building the trust and commitment needed for responding to the urgent problems of agricultural and rural development.

IICA serves as the Technical Secretariat of the Ministerial Meetings on Agriculture and Rural Life within the context of the Summit of the Americas process. It also supports national, regional and hemispheric forums to foster dialogue on strategies for improving agriculture and rural communities. These institutional spaces –involving the ministerial delegates, leaders of the private agricultural sector, IICA representatives and the members of SIRG– need to be strengthened and consolidated.

From this perspective, the inter-American dialogue will be a network of hemispheric, regional, national and thematic forums that make it possible to share knowledge and experience, and explore collaborative arrangements for action. The inclusive nature of these forums will mean greater participation of the private sector, academics and other key stakeholders, who will serve as sources of information, skills and knowledge. IICA will provide the technical support needed by the forums to ensure that concrete results are achieved, consensus is developed among participating stakeholders, and bilateral and multilateral agreements are signed to link capacities, resources and investments in pursuit of common objectives. This publication was printed at the IICA Print Shop in December 2002, with a press run of 300 copies.

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