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AGRICULTURE AND RURAL LIFE
IN THE AMERICAS IN THE
21ST CENTURY

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WHAT IS IICA?

The Inter-American Institute for Cooperation on Agriculture (IICA) is a specialized agency of the inter-American system, and its purposes are to encourage and support the efforts of its Member States to foster agricultural development and rural well-being in their territories.

With more than six decades of institutional life, the Institute is responding to new mandates issued by the Heads of State and Government of the Americas, the General Assembly of the Organization of American States (OAS) and the ministers of agriculture of the Americas, to reposition itself so that it can meet both the new challenges facing agriculture and the requests for support it receives from its member countries.

As it pursues its vision and mission, the Institute has competitive advantages it can draw on to carry out its new role. It has accumulated a wealth of knowledge regarding agriculture and the rural sector, the diversity of peoples and cultures, and the agroecological diversity of the hemisphere, all of which are important for crafting creative solutions to a wide variety of problems and challenges.

Its presence in all of the Member States gives the Institute the flexibility it needs to move resources between countries and regions, in order to design and adapt cooperation initiatives intended to address national and regional priorities, facilitate the flow of information and improve the dissemination of best practices.

The Institute has its Headquarters in Costa Rica, and Offices in 34 countries of the Americas, as well as an Office for Europe located in Madrid, Spain. The Directorate for Strategic Partnerships works out of the IICA Office in Washington, D.C.

Chelston Whitley Da Costa Brathwaite, a citizen of Barbados, is known for his administrative, technical and institutional leadership in international agricultural development, having worked in the USA, Italy, Kenya, Jamaica, Barbados, Trinidad and Tobago, Mexico and Costa Rica. He was elected Director General of IICA on November 26, 2001 and has initiated a process of institutional reform at IICA to make the Institute an institution of excellence with clearly defined priorities, decentralized operations, modern management and an institution that promotes partnership with its member states for the benefit of the peoples of the Americas.



He holds a Doctorate in plant pathology from Cornell University; a Master of Science degree in agricultural science from the University of the West Indies, St. Augustine, Trinidad and Tobago; and a Diploma in agricultural development, with distinction, from the University of London. He also completed courses in administration and marketing at the Central American Institute for Business Administration (INCAE).

Brathwaite started his career as an employee of the Food and Agriculture Organization of the United Nations (FAO) in 1970.

From 1971 to 1975 he served as Research Fellow at the University of the West Indies in Trinidad and Tobago. From 1975-1980, he was Lecturer and Senior Lecturer in the Faculty of Agriculture of the University of the West Indies. In 1978, he served as an external examiner in the University of Nairobi in Kenya. He joined IICA in 1981.

Recent Awards:

Companion of Honour of the Government of Barbados, second highest award of his national government, November, 2003.

Doctorate Honoris Causa from National University of Asuncion, Paraguay, 2004.

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INTRODUCTION

Let me begin by expressing my thanks to the organizers of the York Distinguished Lecture Series and to Professor Carlton Davis for inviting me to the University of Florida and for giving me the opportunity to share with the academic community of this distinguished Centre of learning and knowledge my vision for agriculture and rural life in the Americas in the 21st Century.

The Inter-American Institute for Cooperation on Agriculture (IICA) is the specialized agency for agriculture of the Inter-American system, linked to the Organization of American States (OAS). Founded over 60 years ago, the current objectives of the Institute are to promote sustainable agricultural development, food security and prosperity in the rural communities of its 34 Member States in the Americas. The Institute is governed by the Inter-American Board of Agriculture, which is made up of the ministers of agriculture of the Institute's Member States. In addition, there are 18 Permanent Observers, including several European countries, and Spain as an Associate Member.

My presentation today will cover four main topics:

I shall start with the topic of food security in the twenty-first century and the state of rural poverty.

I shall then discuss a new concept of agriculture and introduce the subject of its true contribution to development.

Then, I shall turn to the subject of agriculture, trade, the inter-American agenda and the challenge of the modernization of agriculture. Finally, I shall comment on the role of IICA in this context.

1. FOOD SECURITY IN THE 21ST CENTURY

How will we feed the world population in the near future?

One of the greatest concerns of our time from a social, environmental and technological perspective will be how to feed the world's population in the near future.

According to the 2004 World Bank report, the world population is expected to increase from 6 billion in 2000 to 7.2 billion in 2015.

In addition:

- The availability of arable land is declining;
- Soil degradation and desertification processes are advancing;
- Water for agriculture is increasingly scarce;
- A vigorous process towards urbanization continues; and
- Most rural populations live in vulnerable conditions.

These facts pose a challenge for the ability of the world system to produce food.

Also, the precarious conditions under which the majority of our rural dwellers live limit their access to food supplies and keep them in a state of insecurity.

At the beginning of the twenty-first century, thanks to better education and communication and higher income, there is increased awareness of the importance of balanced nutrition for good health and overall well-being.

The challenge of our agriculture is, therefore, not only to produce food, but also to produce food that is of good quality and safe, consistent with market demands, in addition to

creating jobs and generating income for the population so that it has access to this food. But, we must remember that poverty continues to be a scourge in Latin America and the Caribbean.

In fact, according to statistics from the Economic Commission for Latin America and the Caribbean (ECLAC), 44% of the population, that is to say, 225 million people in 2003, live in poverty, and 20% of the population lives in extreme poverty, i.e., 100 million people.

Recent reports from the FAO estimate that during the period 2000-2002, malnutrition decreased slightly. However, close to 10% of the population in Latin America and the Caribbean (approximately 53 million inhabitants) is under-nourished. World Bank statistics confirm that this region —where the richest 10 % earns almost one-half of the income, whereas the poorest 10% earns a mere 1.6%—is the most inequitable in the world.

This is why one of the Millennium Development Goals adopted by world leaders at the United Nations is to halve by the year 2015 levels of poverty and hunger prevailing in 1990.

2. SUMMIT OF THE AMERICAS PROCESS: FORCES OF INTEGRATION AND TRADE

Over the last decade, there has been a clear trend in the Americas to promote regional and hemispheric integration and trade in the hemisphere. The emergence of MERCOSUR, NAFTA, the G-3, the Andean Pact, the Agricultural Council of the South, and the strengthening of CARICOM into a single market and economy, as well as efforts to build the Free Trade Area of the Americas (FTAA), all clearly express the destiny of this hemisphere to move towards integration.

To come to grips with the new integration processes, the countries of the Americas have been seeking greater hemispheric integration and initiated a new process for defining cooperation strategies at the highest political level - the so-called Summit of the Americas Process. It began with the 1994 Summit in Miami, where the countries decided to stimulate economic integration through trade.

Three regular summits and one special summit have been held so far to discuss an inter-American agenda that includes issues that are important to member countries.

Trade among the countries of the Americas has increased more significantly than has world trade. World trade in the last decade has shown an annual increase of approximately 8% while regional groupings in the Americas have recorded higher increases: 20% in the Andean Pact, 12% in NAFTA and over 20% in CARICOM.

This trend suggests excellent prospects for regional trade in the future which will underpin the formation of the Free Trade Area of the Americas.

The Third Summit of the Americas, held in Quebec City, Canada, in 2001, produced a Declaration and a Plan of Action that clearly define the strategies and programs to be followed for creating greater economic prosperity, expanded economic opportunities, and stronger international relations among the countries in the foreseeable future. The commitment to creating the Free Trade Area of the Americas 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 State and Government of the Americas emphasized the importance of agriculture and rural life for strengthening democracy, creating prosperity and realizing the human potential of the peoples of the Americas.

The proposed Free Trade Area of the Americas will create a global market of over 800 million people. This market will provide unprecedented opportunities for trade in agricultural products and an opportunity to establish the largest agribusiness community in the world. Our hemisphere is emerging not only as the fastest growing sub-region of the world, but also as the sub-region with the greatest potential for future growth.

In response to the mandates of the Summit process, and following lengthy discussions and consensus building among the 34 member countries of the Institute, the Ministers of Agriculture signed the “AGRO 2003-2015 Plan of Action for Agriculture and Rural Life in the Americas,” a hemispheric strategic framework to be used in drafting and implementing national and regional strategies. The Heads of State and Government endorsed the Plan at the Special Summit held in Nuevo Leon, Mexico, in January 2004.

There is widespread recognition of the importance of agriculture as a way of life for the majority of the population in the relatively less developed countries and of the limited ability of those nations to share effectively in the benefits of free trade. Accordingly, action is required to build up private enterprise and promote agribusiness.

However, if it is to compete in an increasingly globalized world with more open economies, and contribute more effectively to the development of the countries, agriculture in Latin America and the Caribbean must be modernized. This modernization of agriculture requires action on various fronts, including:

- A new concept of agriculture
- A transition from agriculture to agribusiness
- More investment in the rural economy
- New technologies

- An agribusiness and production chains approach
- New human resources
- Modernization of national institutions and international cooperation
- Promotion of intersectoral linkages
- A new role for government and the private sector

I shall now address briefly each of these areas.

3. A NEW CONCEPT OF AGRICULTURE

We are convinced that agriculture can be a key instrument in reducing rural and urban poverty and ensuring food security and sustainable development. Indeed, the three challenges for agriculture of the future are poverty alleviation, sustainable management of the environment and competitiveness in an era of free trade. However, we must view, understand and manage agriculture differently, from an integral perspective.

IICA proposes a new broader and more systemic view of agriculture, one that goes beyond the traditional way of seeing it as farms, crops and animal production.

In the new vision we believe that agriculture should be viewed as two cross-cutting systems: a rural system comprising territories that are a natural resource base, where agricultural production is conducted and the agri-food system made up of agri-food chains,

ranging from the primary producer to consumers, and bringing into play all actors involved in production processing, distribution, down to the final consumer, whether national or international.

3.1 From Agriculture to Agribusiness

There is a prevailing misconception in the development literature that agriculture's importance in an economy declines as a country moves from developing to developed status. This misconception is only true if we see agriculture as primary production, however, if we see agriculture as agribusiness with all its linkages to other sectors of the economy, then the sector contribution to development increases.

This new concept of agriculture makes it possible to define comprehensive policies to achieve the strategic objectives defined in the **AGRO 2003-2015** Plan, signed by the Ministers of Agriculture during the Second Ministerial Meeting, held in Panama in November 2003, and endorsed by the Heads of State and Government during the Special Summit, held in Monterrey, Mexico, at the beginning of 2004.

These strategic objectives are:

- Competitiveness
- Equity
- Sustainability
- Governance
- Food security
- Rural prosperity

To meet these objectives, we must have an agricultural sector that is modern and prosperous.

But modern agriculture and a prosperous rural sector are not possible if we underestimate their true contribution to development and if they are not given the necessary political priority.

Agriculture must be viewed for what it is: the bedrock of society and the cornerstone of all economies. But for agriculture and rural development to take their rightful place in economic development, the real contribution of agriculture to national development must be recognized by decision-makers.

Official statistics often show agriculture as contributing single digit percentages to the gross domestic product (GDP). Our research suggests that when all the backward and forward linkages in the commodity chain are considered, agriculture's contribution to national development is significantly higher than the percentages reported in national statistics. Chart 1 demonstrates this clearly.

This is because the traditional way of measuring the contribution of agriculture through official statistics is limited to recording data on harvests and sales of raw materials, especially crops and livestock and omitting its connection to the rest of the economy.

What happens, however, when an economy develops and diversifies is that the primary sector as a share of GDP decreases. At the same time, strong linkages develop with the rest of the economy where agricultural output is mainly used as inputs for other industries. This is what IICA demonstrates in its recent study of eleven countries in the Americas, which has been included in the publication entitled: "More than Food on the Table: The True Contribution of Agriculture to the Economy".

The conclusions of that research show that if we view agriculture more broadly, that is to say, if we add to the contribution of primary agriculture the livestock and food industries

which are more intrinsically linked to primary agriculture, its contribution to the economy increases significantly.

For example, if we compare the traditional figures in column 1 to the figures recalculated in column 2, the figures show that for Brazil agriculture's contribution to development moves from 4.3% to 26.2%.

The IICA study shows that the same is true for other countries. The figures for Chile are 5.6% and 32.1%, for Mexico 4.6% and 24.5%, for Costa Rica 11.3% and 32.5%; Venezuela 4.0% and 20.5%, and for the United States less than 1% and 8.1%.

The increase in the sector's share of GDP ranges from a minimum of three times more in the case of Costa Rica, to over 11 times more in the case of the United States.

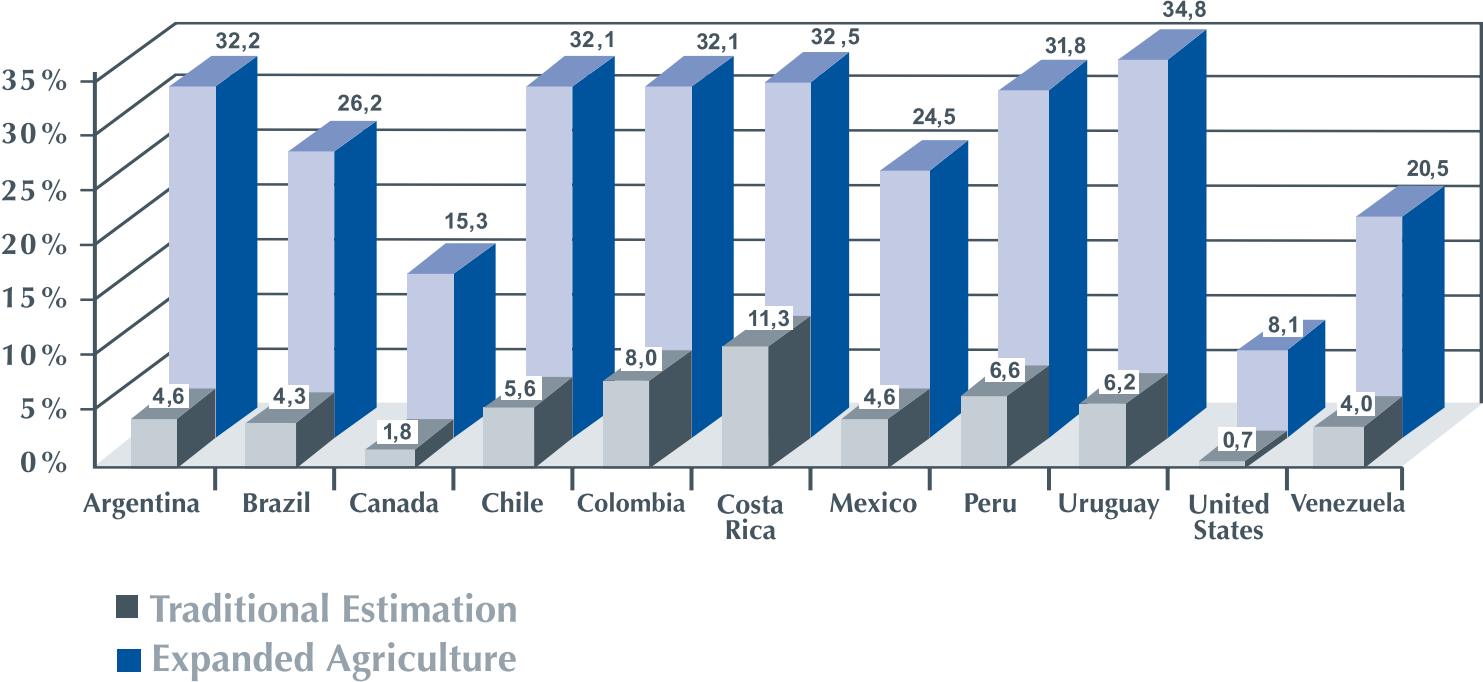
Perhaps the most important fact revealed by the research on the linkages developed with agriculture, however, is that almost 75% of primary production is not used for personal consumption. Rather, it is used as input for other industries.

This under-estimation of the importance of food and agribusiness industries in economic development has resulted in a lack of recognition of the contribution of agriculture and agricultural professionals to national development; under-financing of agricultural research, training and education; low interest in agribusiness as a profession among youth; under-financing of rural infrastructure and investment in the sector; an urban bias in the allocation of national resources; and the continued dependence of some countries of the Americas on imported food.

Within this context, we are convinced that the extended agricultural sector, which extends beyond the parameters of primary agricultural production, is crucial in the search for economic growth and rural welfare.

CHART 1

Contribution of Agriculture to Gross Domestic Product (GDP)



Agriculture contributes to four fundamental aspects of development: employment, national food security, national social stability, and environmental protection for this and future generations. Agriculture is important for the promotion of rural prosperity because we can no longer accept the migration of rural poor to cities as a solution for rural poverty. The associated social and economic difficulties continue to threaten social stability and the progress being made toward democratic governance. We must reverse this rural-urban drift.

3.2 More Investment in the Rural Economy

New and bigger investments in the rural economy are needed to stimulate it, improve infrastructure and make agriculture more profitable. We must abandon the perverse current model of public investment where most investment is channeled towards major urban centers, especially to solve the problems of the cities, leaving fewer and fewer resources for rural areas. This concentration of resources merely exacerbates the imbalances between the countryside and the city, creating more rural poverty and triggering migration to the cities to escape from it. This, in turn, sparks explosive growth in urban centers and a consequent rise in poverty belts, crime, marginalization and social decay, and pressure on public services.

This all translates into more pressure for new investments in the cities to solve their problems and reinforces the vicious circle of investment.

During the decade of the 1990's policy makers and development banks neglected the agricultural sector and concentrated their efforts on manufacturing and services sectors. The main reasons given for this neglect were decline in commodity prices, impact of agricultural subsidies on market access and generally high risks of investment in agricultural enterprises. However, if we are to meet the Millennium Development Goal of

reducing poverty by 50% by the year 2015, investment in the rural economy must be a critical component of our strategies. Although many developing economies are becoming urbanized, according to the United Nations Population Division, 75% of the poor live in rural areas and agriculture is their main source of employment.

Governments in Latin America and the Caribbean and multilateral banks should realize that not only is investing in the countryside good business, but also it is imperative in order to preserve good governance and agriculture as a way of life and ensure freedom from social unrest.

3.3 New Technology

In the 21st century, agriculture in Latin America and the Caribbean must be competitive, environmentally sustainable, and produce goods with greater value added to respond to an increasingly more critical demand for food.

To be competitive, we must be more productive.

Dr. Norman Borlaug, a central figure in the green revolution and the winner of the Nobel Peace Prize 1970, argues that technology is the most important tool for raising agricultural productivity. Results obtained from the use of genetically modified seeds in soybean and corn production, and the highly successful introduction of soybean cultivation in more tropical regions are examples of the importance of introducing new technologies in agriculture.

Michael Porter, the competitiveness guru and professor of economics at Harvard University, says that there are only two ways to be competitive: through prices or through

differentiation. Differentiation is the route that developing countries should take, and to do this we need new technologies.

Agricultural investment is also essential to reduce social inequalities and disparities. The new agriculture calls for new, knowledge-intensive technology. Unfortunately, the majority of the countries of Latin America and the Caribbean are investing very little in technology in comparison with the more developed countries.

Brazil is emerging as a world agricultural powerhouse

Brazil's experience over the last two decades highlights the role that investment in science and technology plays in increasing production and enhancing competitiveness.

Brazil's agribusiness sector, which was worth US\$140 billion in 2003, accounts for almost 34% of GDP, and generates 37% of rural employment (17.7 million rural workers), has become a major driving force for the country economic development. Its annual rate of growth of 8.37% is higher than that of the rest of the economy. Brazil's agricultural exports topped US\$30.7 billion (44% of all exports) and several products are world leaders in terms of production and exports. For example, the country is the world's biggest producer and exporter of sugar cane, orange juice and coffee; the second-biggest producer and largest exporter of soybeans (outdoing the United States), meat (outstripping Australia) and roasting chicken; and the third largest producer of corn and fruits.

The key to success

The factors that have contributed to this success have more to do with increased productivity than the growth of the amount of land under cultivation. The productivity of

grains has almost doubled in a little over a decade.

The key to this success has been the State's role through the Brazilian Agricultural Research Corporation (EMBRAPA) and sustained investment in research that has made it possible to adapt the development of crops up to the arid borders of the Cerrado (the plains of Matto Grosso), where soybean is produced competitively in arid, dry soils. Thus, Brazilian researchers have managed to overcome the resistance of nature in the hot tropical regions and adapt crops successfully.

Brazil is a large country of 851 million hectares. Of the country's total surface area, 388 million hectares are suitable for agricultural production and only 282 million hectares (73%) are currently under production. This means that the agricultural frontier can still be expanded by around 30% (105 million hectares).

The above facts leave us in no doubt that Brazil will not only continue to be a world agricultural powerhouse, but also become a key country for ensuring global food security in the future.

3.4 The Agribusiness and Production Chains Approach

Third, agribusinesses and rural enterprise have a crucial role to play in creating prosperity and employment, and promoting economic growth in the countries in the hemisphere.

This means introducing farmers to the market, i.e., making agricultural entrepreneurs out of them. We must equip them with the knowledge and information they need to operate in more open and competitive markets, produce quality goods and produce responsibly, have the flexibility to adapt to changes in demand, and develop strategic partnerships to strengthen their competitive positions.

Agribusinesses must be run on business principles, using innovative technologies and market-based management information and communication systems for decision-making. They must be demand-driven, i.e., produce what the market demands.

In a globalized world, policies to open up trade must go hand in hand with other policies that promote improved competitiveness in agrifood chains.

This calls for comprehensive policies that focus on all links in agrifood chains. Given the pressure exerted by the process to open up trade, we must concern ourselves with every link in the agrifood chain.

3.5 New Human Resources

To modernize the sector, the new agriculture calls for more qualified professionals with more expertise and skills. They must have a business approach, respect for the environment and ethical values.

Rural dwellers also need to be better educated, as this will give them more job options and lead to better health standards. There are considerable intergenerational returns on greater educational achievements, which is very important for the implementation of rural development and poverty alleviation policies.

More education not only makes human resources more productive but also gives them tools for improving their lot and raising their income.

Many studies show that the better educated a person is, the less likely he or she is to be poor.

In other words, improving the coverage and level of education is a key factor in combating rural and urban poverty.

However, over the last two decades governments in Latin America and the Caribbean have failed to invest sufficiently in human capital formation.

This is why the AGRO 2003-2015 Plan of Action calls for agricultural and rural training programs and recommends that the pertinent authorities evaluate and accredit agricultural education programs.

Knowledge- and information-based economies and interconnected networks are based on the education and training of people. Therefore, allow me to speak briefly about a new agricultural education curriculum for sustainable agricultural development.

Educational institutions in the region have been slow in adjusting their curricula to new circumstances, which include changing employment opportunities in agriculture; rapid scientific progress and technical change; increased awareness of gender issues and the role of women in agriculture; the need to include population issues in agricultural education; and the need for an inter-disciplinary approach to agricultural education, research and extension.

There is a need to revisit the approach to education in general. Current research suggests that what is needed today in an agricultural graduate at the first-degree level is to place more emphasis on business principles, on the ability to communicate with diverse rural groups and to support these groups in collective problem solving, and to assist small family farms advance from subsistence agriculture to commercial production. This transition must be addressed in a curriculum that uses practical examples to emphasize the holistic nature of the agricultural production process throughout the entire food chain and that exposes students to real life situations that are relevant to modern agriculture.

Agricultural education in the region must respond to the market's demand for graduates and must take national policies and strategies into account. The new curriculum must assist in unlocking the talent and creativity of the youth of our nations so that they can contribute to finding innovative solutions to the complex problems facing our world.

It must also provide an environment for collaborative efforts so that the new world of cooperation we want to build is inculcated in youth in the early stages of their development. Students must also be taught that leadership of others begins with leadership of self. The basic principles of integrity, impartiality, professionalism, flexibility, loyalty, prudence, responsibility and respect for others as human beings must be addressed in the new curriculum.

3.6 Modernization of Institutions and International Cooperation

The new conditions and changes in economic policy have made most public agricultural institutions obsolete. Many of them were created decades ago when the State intervened in, created and regulated markets, and the private sector sought to influence public policies and access more public funds.

The new agriculture calls for modernization of the institutional framework for agriculture. This implies going beyond the traditional sphere of action of Ministries of Agriculture and involving other ministries and private-sector organizations.

What we suggest is a redefinition of the core competencies of the ministries of agriculture to bring them in line with conditions in the new environment.

A recent study by IICA concludes that, at the beginning of the 21st century, Ministries of Agriculture should regulate and coordinate inter-institutional activities and intervene less in markets.

Private-sector organizations also need to modernize. This is because they must assume responsibilities transferred to them by the State as the influence of the Ministries of Agriculture, their budgets and their technical capabilities dwindle.

3.7 Promotion of Intersectoral Linkages

For the new agriculture, intersectoral linkages must also be promoted.

The vision of expanded agriculture makes it possible to strengthen linkages between agriculture and other activities in the economy, rural society, natural resources and the environment.

There is great potential for developing the links among agriculture, rural communities and the environment, which can serve as the basis for rural prosperity and job creation in rural areas. Examples are agrotourism, ecotourism, environmental services, forest products and food processing.

Interesting examples of the exploitation of these links can now be found throughout the Americas, in activities such as agro-tourism and ecotourism, which have grown rapidly in recent years.

In this regard, IICA promoted a regional agro-tourism linkages centre for agro-tourism, based in Barbados, to explore opportunities for effectively linking the tourism market with locally produced food and promoting the concepts of quality and reliability in food production in the Caribbean. This organized relationship has been financially beneficial for both the farmers and hotels. This result has far reaching implications as, with the necessary governmental and political will and resolve, this model can be replicated in the rest of the hospitality industry and the supermarket chains.

It is important to think of the expanded agricultural sector not only as a source of life, employment, water, food and energy, but also of landscapes and opportunities for recreation and adventure.

Another example relates to agriculture as a source of energy. Faced with a new oil crisis, the countries are again beginning to look at alternative energy sources. Brazil already

produces alcohol-based fuel from sugarcane, and other countries are starting to use grains, especially sorghum, while biodiesel fuel is beginning to be marketed. Agriculture holds great promise for providing sustainable energy for the future.

3.8 A New Role for Governments and the Private Sector

The role of governments in the development of the new agriculture should be to promote private efforts, provide a regulatory framework and guarantee an enabling environment for investments and the development of agribusinesses.

Governments are gradually reducing their intervention in markets and transferring some tasks and services from the public to the private domain. It is the responsibility of the State to promote the development of a services market, so that agriculture can compete in more open and deregulated markets, and to ensure that there are no institutional gaps.

Governments should also promote a medium- and long-range strategic view that looks beyond short-term needs and provides a framework and a direction for the activities of private actors.

With that strategic view, they should promote close coordination and consensus building between the public and private sectors. The aim should be to implement the actions needed to guarantee competitiveness, equity and sustainable agricultural development.

It is also the responsibility of the State to guarantee national food security and coordinate interagency and private efforts, to make rural poverty alleviation efforts effective.

4. IICA'S ROLE IN PROMOTING THE NEW AGRICULTURE

The Heads of State and Government of the Americas have given IICA a key role to play in supporting the Summits process and implementing the AGRO 2003-2015 Plan.

In keeping with these new mandates, and to adapt to the challenges that the new environment poses for agriculture in the Americas, IICA is transforming itself so as to become an organization that is in the forefront of the process of change.

4.1 IICA's Mission

As the specialized agency for agriculture of the Americas, the Institute has redefined its mission. This mission is now to support 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 development of an agricultural sector that is competitive, technologically prepared, environmentally managed, and socially equitable for the peoples of the Americas.

4.2 IICA's New Style of Technical Cooperation

IICA has established a new style of technical cooperation and is interacting with its Member States in a new way.

The new model of technical cooperation adopted by the Institute is based on four underlying principles: consultation, participation, transparency and accountability. In response to the new mandates IICA received in the Summits process, this Administration

created a new model based on continuous dialogue with the authorities in the countries and with other key actors in the agricultural sector.

The objective was to tailor IICA's activities in the countries to national priorities and development plans, taking into account the Institute's strategic areas of action and its strengths.

Under the new model, the first step consists of wide-ranging, national consultations to prepare the National Technical Cooperation Agendas, with a view to meeting the needs and demands of Member States.

The preparation of these agendas represents a new approach to technical cooperation, one that places emphasis on the concepts of participation, partnership, cooperation and demand-driven efforts.

The National Agendas recognize the unique nature of each Member State and an integrated, inter-thematic approach is used in preparing them.

The National Agenda is prepared after consulting the various actors in the country's agricultural sector and includes a schedule of activities for the year. Once approved, copies are sent to the authorities and other stakeholders.

IICA's strategic planning process is dynamic and continuous, and the National Agendas are evaluated annually to assess the progress made and the results achieved, identify problems, document the lessons learned and, when appropriate, propose changes in the needs and priorities.

The second step in implementing the model involves the preparation of Regional Technical Cooperation Agendas, a process that also includes wide-ranging consultations and consensus building.

Regional mechanisms such as the Agricultural Council for the South (CAS) play a key role in this process.

At the regional level, IICA reports to the respective regional ministerial council, or equivalent mechanism, and organizes an annual seminar to present the results of IICA's regional activities during the year. This seminar also provides an opportunity to study and update the Agendas.

In preparing the National, Regional and Hemispheric agendas, priority is given to inter-thematic actions designed to:

- Facilitate hemispheric and regional integration
- Make agribusinesses more competitive and increase their participation in global trade
- Promote the introduction of technology and innovation in agriculture
- Boost agricultural health and food safety
- Strengthen rural communities
- Develop human capital
- Promote environmental management
- Foster institutional modernization
- Promote horizontal technical cooperation, and
- Strengthen strategic partnerships.

Under the new model, IICA attaches special importance to information, communication and the projection of its institutional image, in order to position itself as an international development agency that is recognized and respected as a strategic partner, one that is capable of making a key contribution to the development of agriculture and the rural milieu in the Americas.

4.3 IICA's Working Together Approach

IICA is engaged in a process of modernizing its organizational structure and the way it operates, and forging new strategic partnerships. IICA is convinced that the approach that we call “working together” is crucial to reaching its objectives.

To this end, the Institute has established a Directorate of Strategic Partnerships in Washington DC to bolster relations with the Inter-American System, PAHO, the IDB, the World Bank, ECLAC, the United Nations, FAO and other organizations.

A new IICA office in Miami serves as the headquarters of the Program for the Promotion of Trade, Agribusiness and Food Safety.

This program has led to closer cooperation between the Institute and the private sector with a view to implementing actions that promote the development and competitiveness of agribusiness.

5. A MODERN IICA

For the 21st century, IICA is promoting an integrated, results-based management framework, attaching special importance to efficiency in our operations, prudent financial management and better use of our human capital.

We are also helping the countries implement their respective work programs under the AGRO 2003-2015 Plan of Action.

As part of this effort, we now permanently monitor the State of Agriculture and Rural Life to provide a point of reference and input for national, regional and hemispheric strategies and actions.

I should like to conclude by saying that we are building a modern IICA that is committed to becoming a beacon of institutional leadership, integrity, performance and technical expertise. The purpose here is to promote modern and competitive agriculture, improve the well-being of rural dwellers and contribute to food security in the Americas.

Thank you very much.



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