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Positioning agriculture and rural life on the Inter-American agenda

- Institutional change
in agricultural research

Factors of success

From Quebec 2001 to Monterrey 2004 Positioning agriculture and rural life on the Inter- American agenda

The visionary effort of the ministers of agriculture of the hemisphere to reassess the importance of agriculture and rural life in the Americas began in Miami in 1994, found fertile ground in Quebec in 2001 and was consolidated in Monterrey in 2004

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Second Ministerial Meeting on Agriculture and Rural Life 2003.

Efforts to position agriculture in the Summit of the Americas process began in December of 1994. At that time, a group of Ministers of Agriculture meeting in Miami read the Declaration and Plan of Action of the First Summit of the Americas. They were very surprised to find that agriculture and rural life were not considered strategic issues for the integral development of the countries.

The implications of this presidential message motivated the ministers to launch an effort to include agriculture and rural life on the inter-American agenda of the highest-level political forum of the Americas. To this end, they requested the Director General of the Inter-American Institute for Cooperation on

Agriculture (IICA) to support their efforts to address that challenge.

From then on, the ministers, with IICA support, adopted as their strategic objective the decision to position agriculture on the inter-American agenda. They understood that one way to do so was by publicizing agriculture's contributions to improving living conditions in the rural setting and the role of both agriculture and the rural milieu in strengthening democracy, promoting prosperity, eradicating poverty, and fostering sustainable development, all of which are key objectives of the Summit process launched in Miami.

It is this determination that drove renewal by the leaders of agriculture of the mandate to the Director General of IICA, after the Second Summit of the Americas held in Santiago in 1998, to make a hemisphere-wide effort to acknowledge the contribution made by agriculture to development and the goals of the Summit, and consequently, to promote its inclusion in the documents that the Presidents would supposedly adopt at subsequent Summits.

The hemispheric effort: before and after the AGRO 2015 Plan

This strategic and visionary interest of the Ministers of Agriculture was translated into a sustained effort to achieve the positioning of

The Third Summit of the Americas was a historical milestone for agriculture and rural life. On that occasion, the Heads of State and Government recognized the importance of agriculture and rural life in combating poverty and promoting sustainable development in their countries.

agriculture and rural life in the highest level political forum of the Americas.

This hemispheric effort took place between November 2003 and January 2004. This period is marked by two historic meetings. First, the Ministers of Agriculture, at the Second Ministerial Meeting (Panama 2003), endorsed and validated with their signatures, the work of Ministerial Delegates, which enabled them to reach agreement on the AGRO 2015 Plan. Then, the Heads of State and Government of the Americas, during the Special Summit held in Monterrey, Mexico, in 2004, gave their political endorsement to the decision of the ministers and agreed to support the implementation of the AGRO 2015 Plan.

In this way, to achieve the political positioning sought by the Ministers of Agriculture immediately after Miami 1994, the hemispheric effort described in this document has two reference points: the Summit of the Americas process and the ministerial process "Agriculture and Rural Life in the Americas."

A political framework that reassesses agriculture and rural life: The Mandates of Quebec 2001 and Monterrey 2004

The ministers' strategic and visionary interest in positioning agriculture and rural life in the highest level hemispheric political forum found fertile ground at the Third Summit of the Americas (Quebec, 2001).

Agriculture and rural life in Quebec 2001: two definitions and two mandates calling for their reassessment

The Third Summit was a historical milestone for agriculture and rural life. On that occasion, the Heads of State and Government recognized the importance of agriculture and rural life in combating poverty and promoting sustainable development in their countries.

This potential was recognized when defining the double role of agriculture:

- as way of life for millions of rural inhabitants; and,
- as a strategic sector in the socioeconomic system for generating prosperity in the rural areas.

To realize this potential, the Plan of Action of the Third Summit contains two mandates for the Ministers of Agriculture, one at the hemispheric level and another at the national:

- To promote **hemispheric joint action** among the stakeholders of the agricultural sector with a view to bringing about sustainable improvements in agriculture and rural life that will contribute to implementation of the Plans of Action of the Summits of the Americas.
- To promote medium-and long-term **national strategies** for the sustainable improvement of agriculture and rural life, based on a dialogue among government ministers, parliamentarians, and different sectors of civil society.

Also, the Heads of State and Government of the Americas designated IICA as an institutional partner of the Summit of the Americas process. As such, IICA is responsible for:

- supporting the ministers of agriculture in carrying out those two mandates;
- participating in the mechanism established for following up on two mandates, which is coordinated by the Summit Implementation Review Group (SIRG – forum of Ministers of Foreign Affairs and National Summit of the Americas Coordinators); and
- forming part of the Joint Summit Working Group, coordinated by the Summit of the Americas Secretariat and comprising, originally, the OAS, PAHO, IICA, IDB, ECLAC and the World Bank, expanded later to include the regional banks (CABEI, CAF and CDB) and other U.N. organizations such as the ILO.

Openness and transparency: essential in carrying out the two mandates for the legitimacy of the strategies

In general, the Quebec 2001 mandates reflect a conviction of the need for openness and transparency, mentioned in the Declaration of Quebec City itself, as vital to building public awareness and legitimizing the purposes and tasks of the Summit of the Americas process.

Specifically, both mandates underscore the need to promote dialogue among the actors in the agricultural sector, and particularly, the government, parliament and civil society; as the main vehicle for building consensus and commitment to the strategies for agriculture and rural life.



A strategic framework for agriculture and rural life.

Greater public interest and understanding:
agriculture and rural life, strategic issues for development

Recognition of the importance of agriculture and rural life, and the Quebec 2001 mandates to improve it, triggered a new dynamic in the Americas which has kindled interest and an understanding in the public about the contribution of agriculture and the rural milieu to development. The following have contributed to this reassessment:

- (i) the ministerial process “Agriculture and Rural Life in the Americas,” with its national dialogues and hemisphere-wide efforts to build consensus, launched in 2001. That process has given rise to two hemispheric ministerial agreements for the improvement of agriculture and rural life: the Ministerial Declaration of Bavaro and the AGRO 2003-2015 Plan of Action, endorsed by the Presidents at the Special Summit of the Americas (Nuevo Leon, Monterrey, 2004);
- (ii) the growing presence of these strategic issues on the regional agendas of the presidents and Ministers of Agriculture, generated in:
 - the regional meetings of Heads of State and Government in the framework of the Andean Community of Nations; the Caribbean Community, the Central American Integration System, and MERCOSUR.
 - the meetings and regional mechanisms of the Ministers of Agriculture (the Caribbean Alliance for the Sustainable Development of Agriculture and the Rural Milieu, the Central American Agricultural Council, the Southern Agricultural Council); and
- (ii) up-to-date and innovative information on the importance of agriculture and the rural milieu disseminated through the global and hemispheric reports of international organizations that participate in the Summit of the Americas process.

At the request of the Ministers of Agriculture, IICA initiated in 2003 studies entitled “More than food on the table: Agriculture’s true contribution to the economy.” The first report was presented at the Second Ministerial Meeting “Agriculture and Rural Life in the Americas” held within the context of the Summit of the Americas process. The document focuses on showing the linkages agriculture generates in the economy. The report indicates that the contribution made by agriculture exceeds the traditionally stated estimate based on its contribution to the Gross Domestic Product. Some of the findings of the study are:

- The linkages of agriculture with the rest of the economy are of considerable importance. Agriculture is a major source of inputs for other production activities. In several countries, 74 per cent of primary agricultural output is used as input for related production activities.
- Agriculture is a major source of value added, accounting for 53 cents of every dollar produced.

Responding to a similar concern to reassess the value of the rural milieu, in January 2005 the **World Bank** presented its report “*Beyond the city: The rural contribution to development*,” which provides new information on many important topics, including the contribution of the countryside to development, the magnitude of the rural environment, and the persistent anti-rural bias of policies.

- “Rural” is larger than what official statistics say. For the region in general, the most surprising finding is that the rural population accounts for approximately 42 per cent of the total population versus the official estimate of 24 per cent.
- The contribution of agriculture and related activities to national Latin American and Caribbean development is about twice its GDP share. This means that the relative long-term reduction in the size of the agricultural sector in Latin America and the Caribbean is a sign of strength and is due, at least in part, to the positive effects of agricultural growth in the rest of the economy.
- Regional or territorial policies hold promise to enhance national development, but those applied so far have not reduced regional disparities in Latin American and Caribbean. Many and varied are the

regional development policies that have been tested in the countries of Latin America and the Caribbean. These range from fiscal incentives to the promotion of private investment in specific regions, to attempts by the central governments to coordinate an endless number of incentives. The fact that the majority of countries are still struggling with notorious inter-regional disparities in income and employment suggests that experiments with regional development policies in most of the countries, dating back many decades, have not been entirely satisfactory.

- Biases in public policies in Latin America and Caribbean thwart rural development. The report gives a thorough analysis of two types of biases that are at odds with the rural economies of the region. The first has to do with rural policies that are unduly focused on the delivery of subsidies to agricultural producers to promote development in rural areas rather than on the delivery of “public goods.” The second has to do with national policies, including those that deal with international trade and national government spending, in terms of how allocations are distributed between rural and urban economic activities.

ECLAC, in its report “*Social Panorama of Latin America 2004*,” indicated that in the rural areas of Latin America alone, at least 75 million people live below the poverty line, 46 million in extreme poverty. The report also emphasizes that the incidence of poverty and extreme poverty in rural Latin America continues to be higher than in urban areas. Indeed, 62% of the rural population is poor.

Also, and very much in the context of the motto for the Fourth Summit of the Americas, the ILO focuses the “World Employment Report 2004-2005” on the relationship between job creation, productivity growth and poverty reduction. The report devotes Chapter 3, consisting of more than 55 pages, to explaining why agriculture still matters. The view is that “Agriculture should not be ignored if the focus is on poverty reduction.” Therefore, it goes on to say, it is in the interest of many developing countries to promote the growth of productivity and employ-

ment in agriculture, which will require, among other things, measures such as the following at the national and international levels:

- Improving access to markets
- Diversifying production
- Investing in public goods such as water supply, health, education, agricultural research
- Promoting non-agricultural activities

In essence, one of the important contributions of the studies has been to demonstrate that the traditional approach which forms the basis of official statistics, the definitions and the indicators used, minimizes the true contribution of agriculture and the countryside to development, which has an impact on the policies being promoted and the position afforded to agriculture and rural life.

International organizations that participate in the Summit of the Americas process, such as IICA, ECLAC, World Bank and ILO, have generated up-to-date and new information on the importance of agriculture and the rural milieu.

Agriculture and rural life at Monterrey 2004:
a renewed commitment

The Institute, as it did in the 2001 and 2003 ministerial processes, is supporting the ministers and their delegates, alternate delegates and technical teams in achieving the results expected from the 2005 ministerial process.

Thus, in Monterrey 2004, when the Heads of State and Government endorsed the AGRO 2015 Plan, the first mandate emanating from the Quebec 2001 was fulfilled, and the positioning of agriculture pursued as a goal by the ministers since the Miami Summit in 1994 became a reality.

Heads of State and Government of the Americas support the implementation of the AGRO 2015 Plan

We commit to maintain a sustained effort to improve living conditions for inhabitants of rural areas, by promoting investment and creating a favorable environment to achieve sustainable improvements in agriculture that will contribute to social development, rural prosperity, and food security. In this context, we support the implementation of the AGRO 2003-2015 Plan of Action for Agriculture and Rural Life of the Americas, adopted at the Second Ministerial Meeting on Agriculture and Rural Life, held in Panama in November 2003.

*Special Summit of the Americas, 2004
Mandate 43, Declaration of Nuevo Leon*

The ministerial meetings and the SIRG: key mechanisms in the strategy to position agriculture and rural life

In the Declaration of Quebec City (Third Summit of the Americas), the Heads of State and Government of the Americas stated that the ministerial meetings produced significant results in support of Summit mandates. In this regard, they stated that they would continue to support the meetings, considering that they are important pillars of hemispheric cooperation.

Another key mechanism for building the new “institutional architecture” of the Summit process is the Summit Implementation Review Group (SIRG), which is made up of the ministers of foreign affairs and their National Summit Coordinators.

The strategy followed since 1994 by the Ministers of Agriculture to position agriculture and rural life had two principal thrusts:

- i)** In the Summit of the Americas process: to participate in the dialogues with the National Summit Coordinators, within the framework of SIRG meetings, providing information that reassess the contribution of agriculture and rural life to integral development; and
- ii)** In the hemispheric ministerial process: to support the ministers in positioning the ministerial meetings “Agriculture and Rural Life in the Americas” within the Summit process.

The Ministerial Process “Agriculture and Rural Life in the Americas”: dialogue, consensus and commitment

This political framework resulting from the Quebec 2001 and the Monterrey 2004 mandates gave rise to a new ministerial process in the context of the Summits of the Americas, a process that culminates in the ministerial meetings, Agriculture and Rural Life in the Americas. The principles of openness and transparency were embodied in this process through broad national, regional and hemisphere-wide dialogue.

A solid response to the first mandate Quebec 2001: the hemispheric effort continued in Bavaro 2001, Panama 2003 and Guayaquil 2005

In 2001, immediately following the Third Summit, the ministers took action. With the support of their ministerial delegates, they reached consensus on the “*Ministerial Declaration of Bavaro for the Improvement of Agriculture and Rural Life in the Americas*” (MDB), which they approved at their first Ministerial Meeting (*Bavaro 2001*).

In that Declaration and pursuant to the decisions of the Heads of State and Government of the Americas, the ministers agreed that it was of key importance that significant progress be made to achieve sustainable development in agriculture and the rural milieu, improve food security, and reduce rural poverty. They also stated that the sustainable development of agriculture and the rural milieu should be based on the objectives of

The Ministers of Agriculture, with the support of their ministerial delegates, reached consensus on the “Ministerial Declaration of Bavaro for the Improvement of Agriculture and Rural Life in the Americas,” which they approved at their first Ministerial Meeting (Bavaro 2001).

greater competitiveness, equity, sustainable management of natural resources, and democratic governance (Paragraph 7 of MDB).

To this end, they pledged to reach consensus on a shared hemispheric agenda that would be used by their countries to develop future national and regional plans of action (paragraph 18 of the MDB).

Moreover, they requested IICA, other partner institutions of the Summit of the Americas process, international financial institutions and cooperating governments to coordinate their support strategies, taking into account the above (paragraph 20 of the MDB).

In 2003, pursuant to their commitments under the MDB and in preparation for the Special Summit of the Americas, the Ministers of Agriculture reaffirmed their commitment by confirming appointment of their ministerial delegates and promoting a broad participatory process that led up to the Second Ministerial Meeting “*Agriculture and Rural Life in the Americas*” (Panama 2003). During that meeting they adopted the “*AGRO 2003-2015 Plan for Agriculture and Rural Life of the Americas*” (AGRO 2015 Plan), in keeping with their commitment to a shared hemispheric agenda.

The ministerial meeting culminated a broad process of consultation, dialogue and consensus-building at the national and hemispheric levels among ministerial delegates. One of the key moments was the 2003 meeting of the (GRICA), which met several times to consolidate the hemispheric consensus.

In 2005, the Third Ministerial Meeting (Guayaquil 2005) will provide a new opportunity to review the progress of the AGRO 2015 Plan, update the Hemispheric Agenda for 2006-2007 and the Ministerial Proposal to the SIRG to consolidate an enabling environment for the sustainable improvement of agriculture and the rural milieu.

In this way, the first mandate Quebec 2001 (to promote hemispheric joint action), ratified in Monterrey 2004, is being fulfilled through agreements at the hemispheric ministerial meetings.

Progress on the second mandate Quebec 2001: promoting national strategies based on national dialogues and consensus

This mandate is also found in paragraph 18 of the MDB, where the Ministers of Agriculture identified the regional and national levels for implementation of the shared hemispheric agenda (AGRO 2015 Plan).

The countries are pursuing national strategies for the improvement of the agricultural sector. As one of the tasks of the 2005 ministerial process, and bearing in mind the timetable for the review of the mandates by the Summit Implementation Review Group (SIRG), the countries prepared reports on national actions to implement the AGRO 2015 Plan, based on their respective national strategies.

Some countries have clearly aligned their strategies with this second mandate Quebec 2001, taking care to design them in a way that shows the key characteristics of the second mandate: dialogue and the involvement of government, parliament, and different stakeholders of civil society. Chile, Honduras and Canada have reported that they have undertaken efforts to develop State policies for agriculture and the rural milieu, while Bolivia, Costa Rica, Peru, and Mexico have reported broad-reaching participatory processes to develop their strategies.

As regards action at the regional level, initial steps have been made in some regions to comply with the second mandate Quebec 2001.

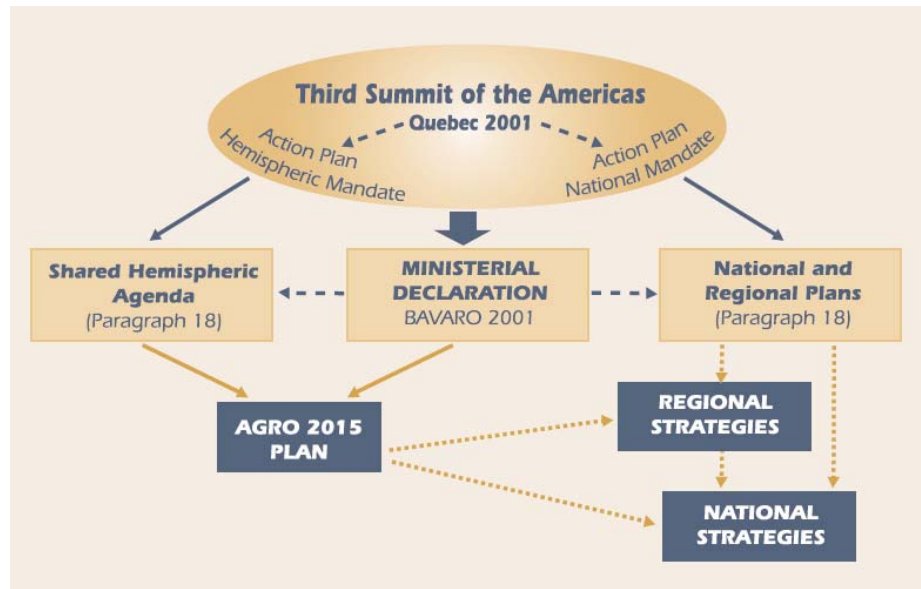
The “institutional architecture” being built: key role of the ministerial delegates and the ministerial meetings

The Ministers of Agriculture want to consolidate the positioning achieved in the Summit process. To do so, it is necessary to consolidate the “institutional architecture” currently being developed, which includes:

- i) appointment of the ministerial delegates for agriculture, who coordinate implementation of the mandates in their respective countries and the preparation of the progress reports,
- ii) the forum of ministerial delegates (GRICA), which works to build hemispheric consensus on strategic actions and makes proposals to the ministerial meeting and to the National Summit Coordinators for creating and consolidating an enabling environment,
- iii) the ministerial meeting, which is informed of the progress reports on compliance with the mandates and agreements, and will adopt the strategic actions for the coming biennia, and
- iv) the Secretariat of the ministerial meetings, exercised by IICA, which supports the ministerial process, works to ensure its continued operation and facilitates linkages with the Summit of the Americas process.

IICA as Secretariat of the ministerial process: a new responsibility since Quebec 2001

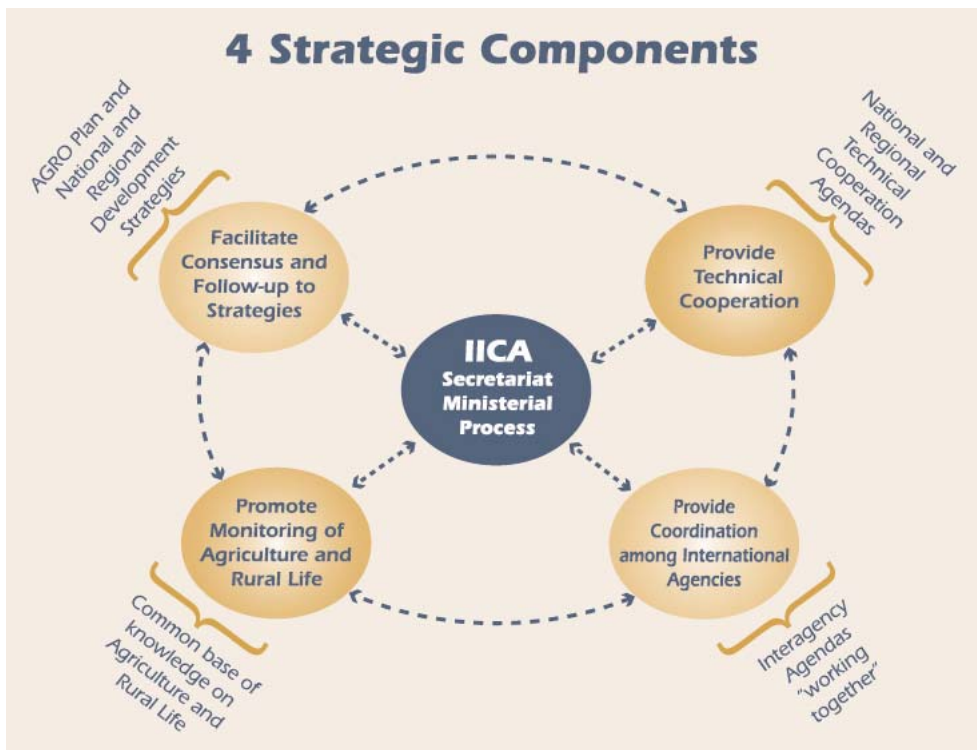
At the Third Summit of the Americas, IICA was included by the Heads of State and Government of the Americas as a partner institution of the Summit of the Americas process, together with the OAS, ECLAC, IDB, PAHO, and World Bank. Since then, it has served as Secretariat of the Ministerial Meetings “Agriculture and Rural Life in the Americas.”



In general IICA has had a dual role to play in support of the implementation of the presidential mandates. On the one hand, in the ministerial process, promoting broad national, regional and hemispheric dialogue to support ministerial meetings. Also, in the Summit of the Americas process, participating in the OAS-led Summit review and monitoring mechanisms. By these means, it sought to ensure that the positioning attained by agriculture and rural life at the Third Summit was consolidated at the Special Summit.

To help maintain that positioning, IICA promotes efforts to:

- (i) To facilitate the continuation of the ministerial process, which implies:
 - Support the Member States in implementing the mandates, with a renewed style of technical cooperation that begins with consultation with the key stakeholders of agriculture to define jointly the Institute’s Technical Cooperation Agendas at the national, regional and hemispheric levels. Those agendas are revised at least once a year for the purpose of bringing them into line with the needs expressed by the countries and in relation to the challenges they face in implementing the AGRO 2015 Plan.
 - To promote the monitoring of agriculture and rural life and, on the basis of same, to promote reflection and dialogue among the stakeholders of agriculture and rural milieu on the current situation of and outlook for agriculture and rural life.



- To support the Ministers of Agriculture and the Ministerial Delegates in organizing and holding the ministerial meetings. In this regard, efforts are made to facilitate dialogue among the stakeholders of agriculture and rural life and the building of consensus on hemispheric, regional and national strategies for sustainable improvement in agriculture and rural life. Also, support is provided for the continuation of the ministerial process, facilitating the monitoring of those strategies.
 - To coordinate actions with other international organizations working to improve agriculture and rural life in the Americas.
- (ii) To facilitate articulation of the ministerial process with the Summit of the Americas process, which implies:
- Report to the Summit Implementation Review Group (ministers of foreign affairs of the hemisphere and their National Summit Coordinators) on the

countries' progress to implement the presidential mandates, the ministerial process itself, and the Institute's and other international organizations contributions to same.

- Participating in the Joint Summit Working Group, coordinated by the OAS Summit of the Americas Secretariat.
- Maintaining close communication with the OAS Summit of the Americas Secretariat.

As for the 2001 and 2003 ministerial processes, the Institute is supporting the Ministers of Agriculture, alternate delegates and technical teams in their work to achieve the results expected for 2005. It will also continue to promote joint action with the partner institutions of the Summit of the Americas process for supporting the countries in implementing and monitoring the AGRO 2015 Plan in the regions and countries.