



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*




Agricultural
Outlook
Forum
2012



*Moving
Agriculture Forward*

Perspectives on Agriculture and Rural Development in Latin America and the Caribbean (LAC)



*Víctor Villalobos A.
Director General IICA*

February 24, 2012



Inter-American Institute for Cooperation on Agriculture

Promoting competitive and sustainable agriculture for the Americas



A view from LAC region: Positive results in terms of prosperity and stability

- **Since 1990's Inflation has fallen from triple digits to an average of close to 7 per cent.**
- **Foreign debt has dropped from 28 % of GDP to 7 per cent**
- **Per-capita income has doubled**
- **LAC is a more open region to trade; average external tariff has dropped from 45% to a round 9 %.**
- **Many positive social indicators**
- **Great potential for continued and sustainable growth in agriculture**

The Outlook for Agriculture and Rural Development in the Americas:

A Perspective on Latin America and the Caribbean

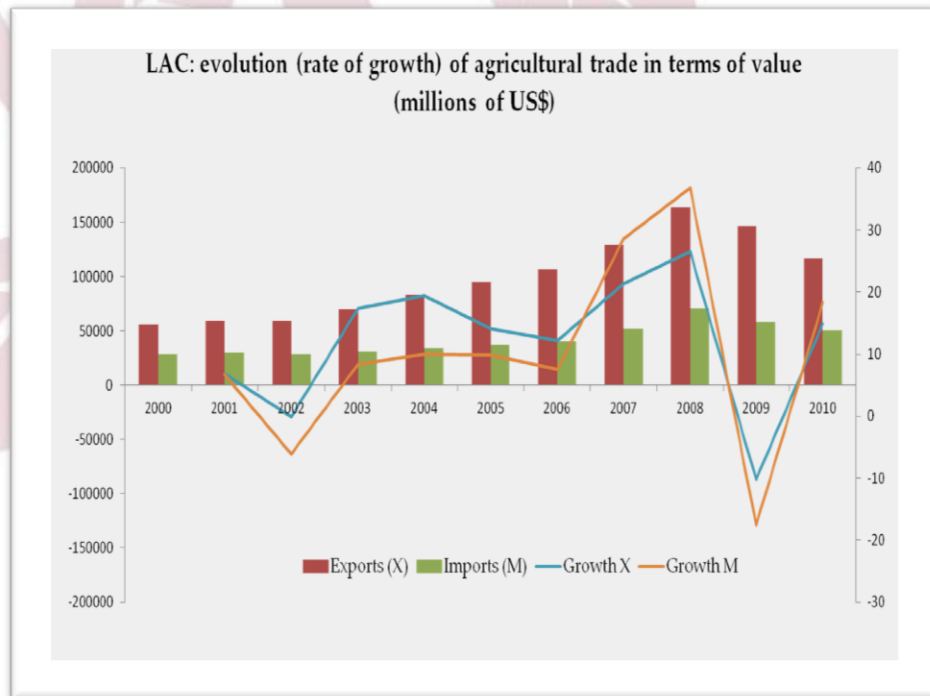
2011 - 2012



Sectoral Analysis

**Growth of agriculture in the region has been positive
Agriculture contributes to the recovery of the LAC
economies**

- **High prices for agricultural commodities have spurred LAC growth (real AVA grew at an annual average of 3.2%).**
- **The growth of the adjusted AVA was greater (3.8%), but with regional differences: 4.5% in the Southern Cone, and 2.5% in all other regions.**
- **Real income grew more than the volume of production.**





Expectations are high, but...

- Emerging agricultural health and food safety challenges.
- Investment in R+D+I is inadequate.
- Agriculture needs to perform even better.
- Pressures related to land ownership.
- Energy and food prices are moving in the same upward direction.
- Some countries do not benefit from this trend in prices.



Opportunities will depend on innovation

Livestock:

- Meat production and consumption has increased
- Meat exports grew higher than its production increase
- Outlook: Increase of pastoral livestock production systems, Higher prices, increased dairy production.

Forestry:

- LAC forests make up 23.6% of the world's forests
- The contribution of the forestry sector to the GDP of the region increased steadily
- Increased efforts to improve the sustainable management of forests will be observed
- Efforts to keep biological diversity will continue
- More actions to restore degraded land and strengthen the management of river basins

Aquaculture:

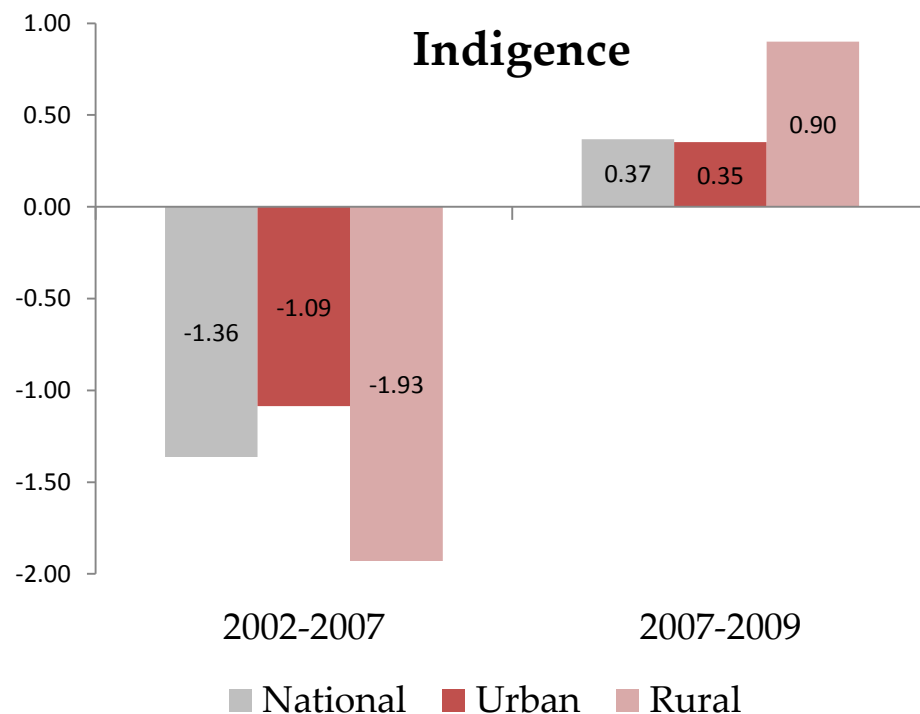
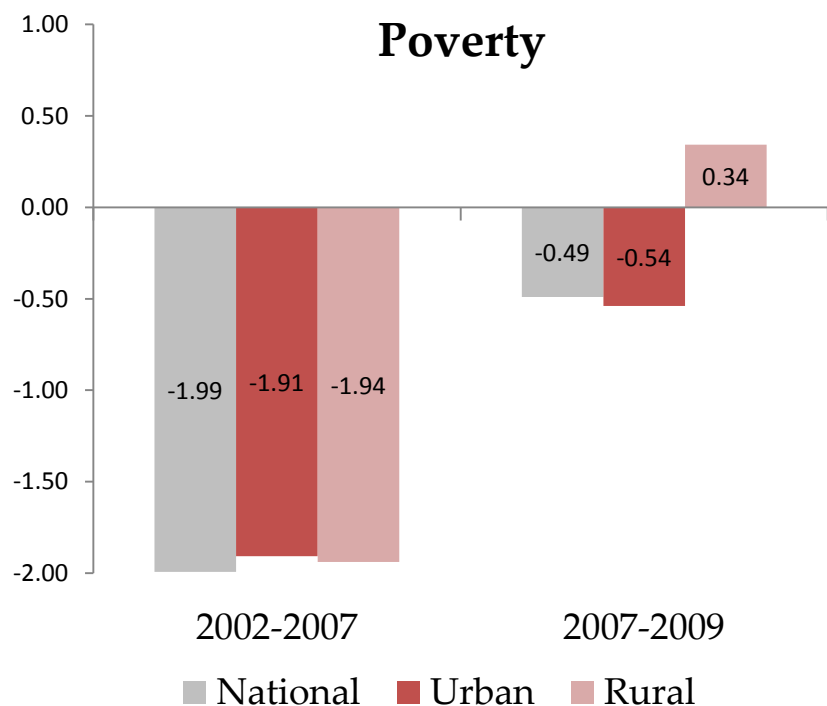
- Remains the fastest-growing activity in food production in the region
- South America is the regional leader in commercial fishing and aquaculture





In LAC, the negative impact of the crisis was less than expected

Changes in poverty and indigence rates 2002-2007 vs. 2007-2009



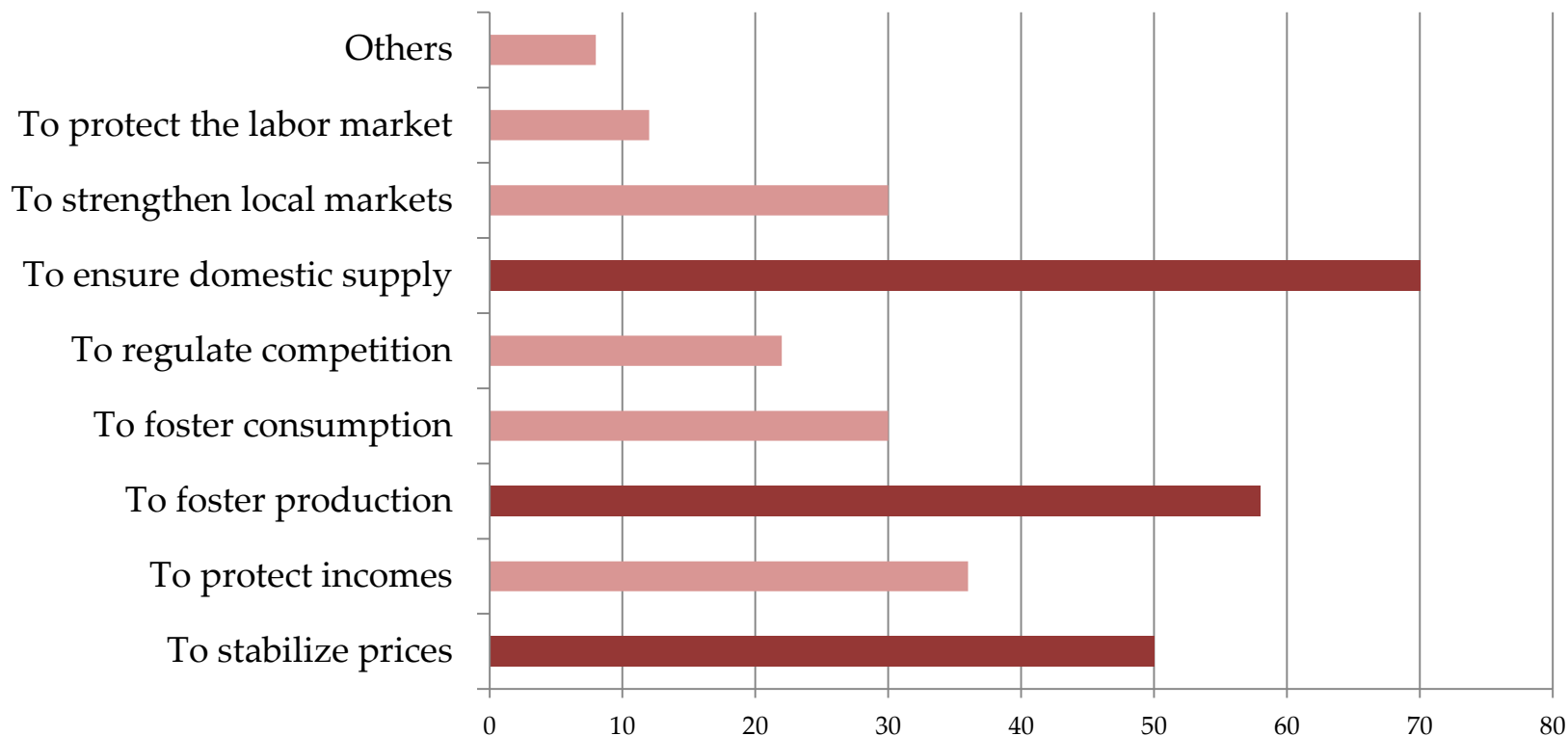
Source: CEPAL, 2010.





Policies and institutional framework: Modernization with a long-term vision

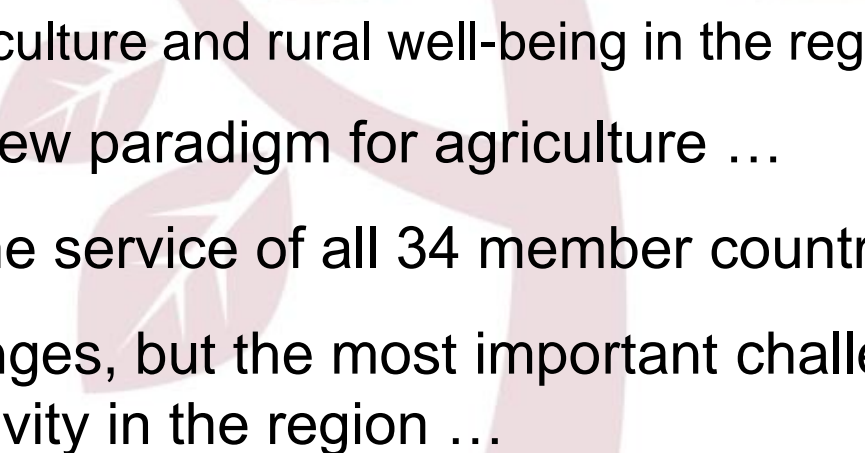
Objectives of the policies implemented (% of replies)





Future vision of LAC Agriculture, IICA role

70 years promoting competitive & sustainable agriculture for the Americas

- ✓ We work to promote agriculture and rural well-being in the region ...
 - ✓ We work based on a new paradigm for agriculture ...
 - ✓ Our experience is at the service of all 34 member countries...
 - ✓ We face many challenges, but the most important challenge is to increase productivity in the region ...
- 



IICA, a leading agricultural organization and facilitator

IICA, the leading agricultural organization in the Hemisphere, offers technical cooperation to its member countries to:

1. Improve productivity and competitiveness in the agricultural sector;
2. Strengthen agriculture's contribution to the development of territories and to rural well-being;
3. Improve agriculture's capacity to mitigate the effects of, and adapt to, climate change, and make better use of natural resources;
4. Improve agriculture's contribution to food security.



Final remarks

- Agriculture is one area of major concern in the international debate mainly because of food security, energy potential, climate change and sustainability issues.
- IICA is an active participant in promoting competitive and sustainable agriculture in the Americas, through country capacity building, technical cooperation, fostering innovation and sharing knowledge within the region.
- IICA helps to implement practical solutions to increase production and productivity according to country needs.
- IICA is participating in the creation of a new model of collaboration in the international community.



Inter-American Institute for Cooperation on Agriculture

Promoting competitive and sustainable agriculture for the Americas



Thank you

www.iica.int