



SUMMIT IMPLEMENTATION REVIEW GROUP (SIRG)

Third Regular Meeting of 2008

September 18-19, 2008

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JOINT SUMMIT WORKING GROUP – JSWG

INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE

(Human Prosperity, Agriculture and Food Security: Strategic Issues)

Human Prosperity, Agriculture and Food security: strategic issues

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Inter-American Institute for Cooperation on Agriculture

Third Regular Meeting of the Summit Implementation Review Group (SIRG)
September 18 -19, 2008, Barbados

Human Prosperity at the Fifth Summit of the Americas¹

“...Human Prosperity integrates various elements...important in human well-being and happiness...based on the UN ...broader definition of human welfare.

Our focus is on specific areas:

- Democracy, good governance and respect for human rights.
- Economic development and growth.
- Good education and decent employment.
- Reducing poverty, inequality and crime.
- **Ensuring food security and adequate nutrition, improving health status.**
- Environmental quality.”

¹ XLI Meeting of the Summit Implementation Review Group - SIRG
Trinidad and Tobago, 28-29 February 2008

A fundamental distinction

“**Food Security exists** when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.” (World Food Summit Plan of Action)

Food security:

- A global and long term challenge
- Multidimensional y multisectorial
- Considered in hemispheric and global agreements
- Considered as a key issue in:
 - the Medium Term Plan of IICA since 2002, and
 - the AGRO 2003-2015 Plan Hemispheric Ministerial Agreement

Soaring commodity prices

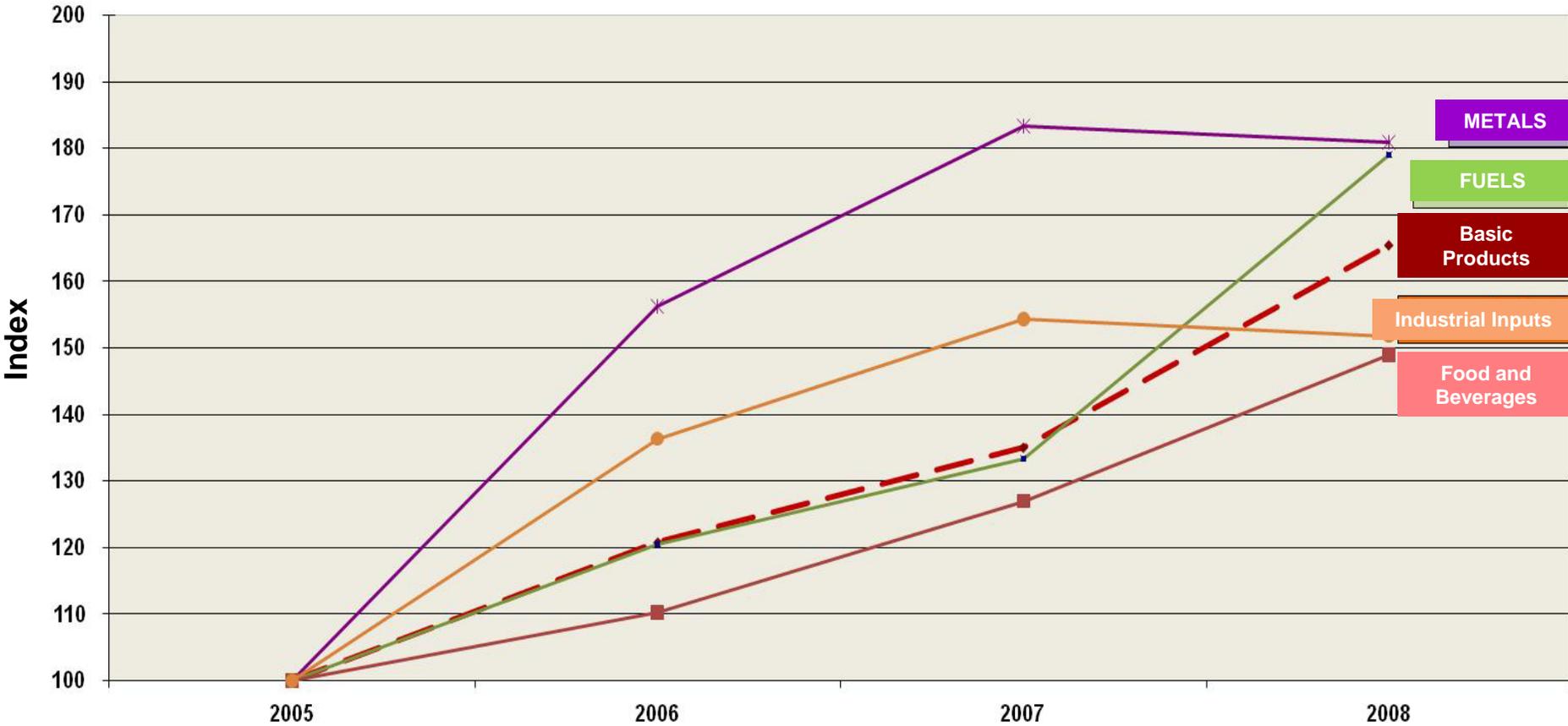
- A current situation
- Affects access to food for the most vulnerable sectors of society and potentially the food security of net importing countries and regions
- Offers both a challenge as well as a great opportunity to enhance agriculture and rural life

Food Security is much more than prices...

“Food crisis”: What’s So New About It?

- ≈ 840 million people in the world already are, and have been for years, in the middle of a mayor “food crisis” i.e. lacking adequate access to food.
- Of these total, about 50 million live in the Americas and the Caribbean
- The recent sudden increase in food prices may place more people at risk
 - ECLAC estimates that a food price increase of 15% would result in 16 million persons falling into extreme poverty

Soaring commodity prices



J. Paz and H. Benavides, COMUNIICA, January-April 2008 – based on data from the World Economic Outlook IMF, April 2008

Soaring commodity prices: Impact

At the national level, these price increases will tend to benefit net food exporters and hurt net food importers.

At the family unit level, those that are “net food producers” will benefit while those that are “net food consumers” will be seriously affected. The negative impact could be even higher in the measure that international prices are not fully transmitted to the smaller producers.

...there are winners and losers

Soaring commodity prices: main causes

- Low levels of world grains stocks.
- Unfavorable weather conditions.
- Quantitative and qualitative increase in food demand.
- Increase in input prices affecting food production, manufacturing and distribution costs.
- Increased demand for biofuels.
- Increased speculative investment on commodities.

The perfect storm...

IICA's response to rising food prices ...

- Updating of the National and Regional IICA's technical cooperation agendas in coordination with the Member States
- International workshop with other International Organizations (July 2008)
- Support national and regional initiatives and projects as requested by the Member States
- Diverse documents and technical reports produced / being developed

However in the long term for Food Security...

World population increases:

- 3 billion in 1960
- 6.7 billion in 2008
- By 2050, >9 billion people

UN estimates

Arable land has not changed much since the 1960s at about 1.7 billion acres.

- Although large deforestation is being experienced in certain areas, degradation has taken other acreages out of production.
- Production kept up with population increases based on increased productivity as a result of science and technology innovations

Obstacles to the adoption of new technologies

Insufficient priority given to National Policies for sustainable development

Progress has been made...

- Between 1960 and 2000 world malnutrition was cut from 40% to 20%, thanks largely to the Green Revolution (GR).
- Global, regional and national initiatives.

...but

- The GR was based on expensive inputs and fossil fuels with a high environmental impact.
- Many of the initiatives being developed address the immediate food price situation not the long term food security challenges

That require a multidimensional and multisectorial approach...

Understanding food security requires a multidimensional approach...

CATEGORIES DIMENSIONS	Rural Territories	Agricultural Production- Trade Chains	National and International Context	STRATEGIC OBJECTIVES
Production – Trade	prices, stocks, production, productivity...			→ Competitiveness
Ecological – Environmental				→ Sustainability
Sociocultural - human				→ Equity
Political - institutional				→ Governance
STRATEGIC OBJECTIVES	Rural Prosperity + Food Security + International Positioning			SUSTAINABLE DEVELOPMENT OF AGRICULTURE AND RURAL MILIEU

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Political - institutional	working together public, private and social stakeholders...			→ Governance
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IICA promotes a wider approach...

Medium Term Plan (MTP) 2002-2006 and 2006-2010

- Strategic institutional framework
- Approved by the 34 Member States (Inter-American Board of Agriculture)

Since 2002, IICA Vision and Mission include:

as strategic complementary components:

- Food Security
- Rural Prosperity
- Sustainable development of agriculture and rural milieu

Placing Agriculture and Food Security as top priority items on the National development agendas ...

Chelston W.D. Brathwaite

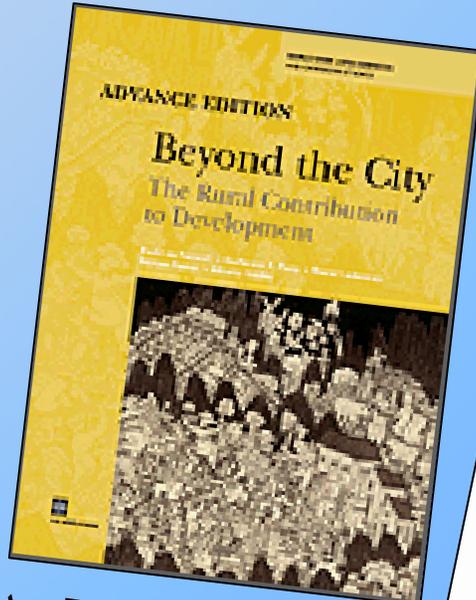


More than food on the table (IICA 2003)

Why agriculture still matters

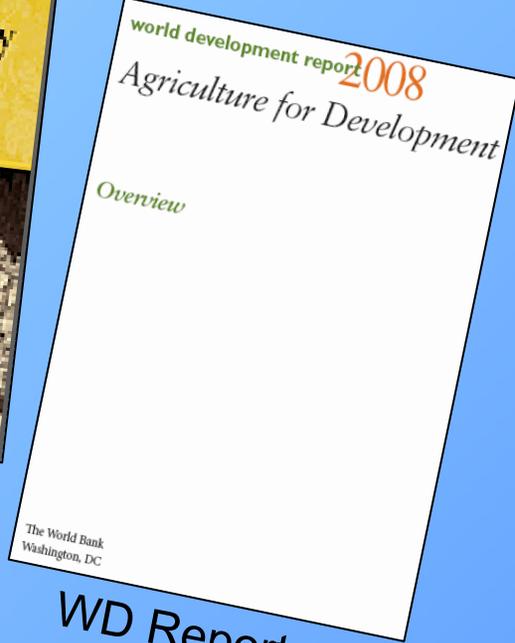
3.1. Introduction

In developing countries especially, the performance of the agricultural sector often depends on conditions outside policy-makers' reach. The weather, world prices (depending on how much the world demands of agricultural products and how much the rest of the world produces), external trade barriers and market access all play a role in determining agricultural outcomes. As a result, the agricultural sector is arguably more vulnerable and more dependent on a fair global market than any other sector. At the same time, most development economists and development agencies agree that neglecting the agricultural sector during the process of industrialization can constrain the development process. This view is supported both analytically and empirically. Economic development needs industrialization but, in many economies, industrialization also requires the development of the agricultural sector. This is certainly true for those developing economies in which agriculture is the main source of employment. The task of formulating sound policy is therefore to find the right balance in fact



Beyond the City
The Rural Contribution to Development

World Employment Report (ILO 2004)



world development report 2008
Agriculture for Development

Overview

The World Bank
Washington, DC

WD Report (WB 2008)

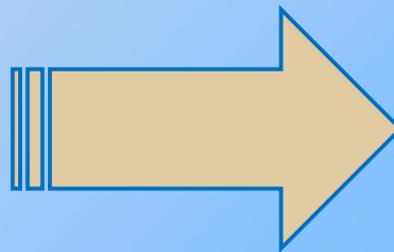
The AGRO 2003-2015 Plan and the Ministerial Process “Agriculture and Rural Life in the Americas”

AGRO 2003-2015 Plan is:

- the Ministerial response within the Summits of Americas Process
- it was built based on the national proposals and approved by hemispheric consensus

•AGRO Plan includes actions which contribute to these Strategic Objectives:

- Food Security
- Rural Prosperity
- Competitiveness
- Equity
- Sustainability
- Governance



Sustainable
development of
agriculture and
the rural milieu

A frame of reference for policy development

Food Security: an strategic objective of the AGRO Plan

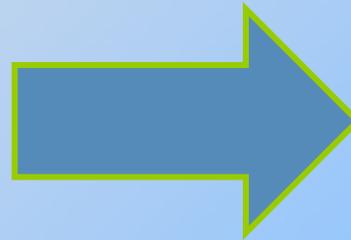
Systemic Concept	Rural Territories	Agricultural Production-Trade Chains	National and International Context	STRATEGIC OBJECTIVES
Sustainable development approach				
Production – Trade	I. Promoting competitive rural enterprises	II. Integrating chains and strengthening their competitiveness	III. Promoting an environment conducive to competitive agriculture	→ Competitiveness
Ecological – Environmental	IV. Being environmentally responsible in the rural areas	V. From farm to table: promoting integrated environmental management	VI. Participating in building an institutional environmental framework	→ Sustainability
Sociocultural - human	VII. Quality of life in rural communities: creating know-how and opportunity	VIII. Advancing learning and expertise in the chain	IX. Promoting policies to create capabilities and opportunities for the rural communities	→ Equity
Political - institutional	X. Strengthening public and private sector participation and coordinated action between them in the territories	XI. Strengthening dialogue and commitments among actors in the chain	XII. Promoting national policies and regional and hemispheric cooperation for agriculture and rural life	→ Governance
STRATEGIC OBJECTIVES	Rural Prosperity ~ Food Security ~ International Positioning			<u>OVERARCHING GOAL</u> SUSTAINABLE DEVELOPMENT OF AGRICULTURE AND RURAL MILIEU

FOOD SECURITY

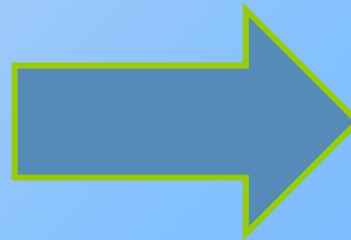
Promoting a new strategy...



Two strategic orientations inspired the Hemispheric Agreement Guatemala 2007



To promote with other stakeholders a broad base approach to thinking and acting in agriculture and the rural milieu



Working together to improve agriculture and rural life in the Americas

IICA commitment with the Summit of Americas Process and their mandates

“We commit to developing new national and regional approaches under AGRO Plan 2015 and instruct Ministers of Agriculture to adopt strategic actions to facilitate the implementation of this Plan based on the consensus of their 2007 Hemispheric Meeting in Guatemala”
(Draft Declaration of Commitment of Port of Spain)

Ladies and Gentlemen:

It is our commitment that this will be done with the full support of the Inter-American Institute for Cooperation on Agriculture (IICA) working together with other relevant institutions in the road towards the Jamaica 2009 Hemispheric Ministerial Meeting, and beyond...

www.iica.int/cumbres