AIDE MEMOIRE

COUNTRIES/FAO/IDB MEETING

FOOD SECURITY AND RURAL DEVELOPMENT INITIATIVES IN LATIN AMERICA AND THE CARIBBEAN

1. This aide mémoire reflects the outcomes of a meeting held between the United Nations Food and Agriculture Organization (FAO) and the Inter American Development Bank (IDB) held at the IDB Headquarters, November 11 and 12, 2002. The meeting was arranged as one of the follow up actions to the World Food Summit: five years later, where FAO’s member countries presented proposals at a side event on “Regional Food Security at Work”. At the Summit it was agreed that FAO would organize meetings with the respective regional financial institutions to discuss the proposals and investigate modalities for collaboration between the financial institutions and FAO, focused on reducing food insecurity and promoting rural development. This was the meeting for the Latin American and Caribbean region (LAC). Agenda of the meeting is attached as Annex 1.

2. The meeting in Washington was opened by the Director General of FAO, Jacques Diouf and Enrique V. Iglesias, President of the Inter American Development Bank (IDB) and was attended by Ministers of Agriculture from several LAC countries, Heads of the Sub Regional organizations for Central America, the Caribbean, the Andean Zone, and Mercosur Plus. Technical officers of FAO and IDB supported the deliberations of the meeting. A full list of participants is attached as Annex 2.

3. Mr. Enrique V. Iglesias, President of the Inter American Development Bank (IDB) noted the seriousness of the crisis of food insecurity and poverty in the region by referring to the recent ECLAC report suggesting that the first decade of the new century could be a semi lost decade with similar reversals of the 1980’s. He indicated that the statistics are clear and as a result food insecurity and poverty have taken centre stage in deliberations in the region. Agri-food development was described as a window of opportunity that remains dormant and requires sound policies and significant investment. The need for a strategic view of agriculture, including a shared approach was emphasized. He cited the recent program suggested by Brazil entitled “Zero Hunger” as an example of a comprehensive and integrated strategy. A serious decline in rural investment was identified in the IDB Annual General meeting in New Orleans and it was agreed that the trend needed to be reversed. To promote that change of focus interagency cooperation was seen as fundamental hence the creation of the Inter Agency Group that now includes 8 agencies. IDB is committed to working jointly with the other institutions present to reduce the food insecurity and poverty in the LAC region.

4. Mr. Jacques Diouf, the Director General of FAO, mentioned the limited levels of response to tackling world hunger, the continuing importance of food security to member countries, and the importance of focusing simultaneously on production, access, and equity for the producer in the global market place. This latter aspect is particularly important for Latin American countries that are heavily involved in agricultural trade. He underlined the role of the two phases of the Special Program for Food Security in contributing to reducing food insecurity. He expressed the hope that the regional food security projects of LAC will be carried out collaboratively with IDB. He stressed the importance of legally binding agreements to ensure continuity and the need for the decentralization of efforts and widest participation of civil
society. He acknowledged that there were no magic formulas, but with this shared recognition and a commitment to the convergence of interests and with a decisive approach much can be accomplished. He concluded by emphasizing that while charity is a child of love, development is a child of solidarity and justice.

5. The USAID, WB, IICA representatives gave presentations in which they concurred with the seriousness of the food security crisis in the region and expressed their commitment to working through the Interagency Working Group. It was generally agreed that the resources and the technology were available and more institutional and political efforts should be directed at resolving rural sector problems. The World Bank outlined aspects of its rural development program and indicated that it had committed to working with FAO, especially in Brazil, Ecuador and Haiti, emphasizing food production by small farmers, decentralized community driven development, sustainable resource management, rural infrastructure and improved municipal governance, while targeting the poorest of the rural poor.

6. The importance of promoting trade and competitiveness was widely emphasized. Two aspects of the approach and results to date were questioned. Firstly, the extent to which the agriculture sector in industrialized countries continued to be subsidized thereby reducing opportunities for developing countries was highlighted. Secondly, the concern that opening markets in the developing countries was destroying small farm agriculture and undermining food security was considered a central issue that needed to be addressed in designing trade promotion strategies generally and especially in the context of the Doha development round. The fundamental question surrounded how to avoid increased trade leading to great polarization and inequity.

7. Information System strengthening with particular attention to management, monitoring, prevention, and risk management was emphasised. A regional system for knowledge management that promoted increases in productivity and sustainability in the use of rural resources, stressing the utilisation of the system in developing timely responses was underlined.

8. The creation of a policy framework that provides an environment and incentives encouraging investment and the development of strategic alliances was seen as essential to the realization of the rural transformation goals. Attention in this context should be paid to ensuring clarity and consistency in policies and their communication at all levels, macro, meso and micro.

9. Integrated approaches strengthening agriculture health and food safety systems were requested. In an era of increased trade liberalization attention to the quality of exports and imports is simultaneously critical to accessing market opportunities as it is to protecting consumer and agricultural sector health. One aspect dealing more with food health related issues as diets and consumption patterns change, the other with protecting agricultural production systems.

10. Rural education and human resource development was repeatedly identified as perhaps the most crucial variable in the rural transformation process at the micro level. The need to evaluate current educational and human resource development approaches to ensure that they have adapted to adequately prepare rural residents to function in the drastically changed national and international economic environments.

11. High levels of migration was seen as a critical problem undermining rural area development. Understanding the factors determining rural area out migration was proposed as an essential step in reducing the flow of resources out of these areas. Recognising the importance of remittances as a source of rural income and designing programs that use these resources to promote value added activities is percieved as a critical component in the strategy to promote sustainable rural area development.

12. Strengthening of the institutional frameworks is required at all levels: to support decentralization and the strengthening of local governance; to facilitate the capacity of civil society to assume its role in constructing rural sustainability; to promote rationalization of
international agency support for national strategies and the capacity of national governments to both define and execute programs and projects.

13. The meeting received presentations from each of the sub-regions detailing the major challenges related to food security in the respective sub region and included proposals and strategies with regard to how the food security situation might be improved. FAO shared the four technical cooperation project (TCP) proposals that were under consideration for FAO funding as a first step in tackling the food security challenges that have arisen out of the recent deliberations.

14. Several areas for ongoing collaboration between FAO (RLC) and IDB were identified in order that the region might benefit from interrelated and integrated activities drawing on the respective comparative advantages of each institutions foci and capacities. These are presented below in the following categories: a) Collaboration on Procedures and Themes b) Collaboration in Specific Sub Regions and Countries.

15. Institutional Collaboration on Procedures and Themes :

   a) By the end of January 2003 the final approved versions of the regional TCPs will have been circulated to and reviewed jointly by the relevant Latin American and Caribbean Regional Coordinating Organizations and FAO.

   b) Before the end of January 2003 official contact points between FAO/RLC and IDB will have been established to promote joint missions for project preparation, feasibility studies and evaluation exercises in the areas related to food security and rural development, with the objective of linking TCP financial initiatives to the IDB pipeline.

   c) At the end of February 2003 a joint FAO and IDB regional cooperation program will have been defined and agreed upon, detailing the role of FAO in food security and rural development field project management for the implementation of IDB funded rural development projects in member countries.

   d) A summary of progress on the above mentioned issues will be presented at a workshop in the forthcoming annual IDB meeting of March 2003.

16. Project Profile Follow up Timetable

   - Circulation of the Aide Memoire to all participants by Friday 22nd of November.
   - Agreement on outline of project profiles between actors by the end of November.
   - Preliminary project profiles to be ready by the end of January 2003.
   - Feedback from participating institutions.
   - Final version project profiles ready for Milan meeting (March 21st).

17. Possible Collaboration FAO-IDB in Specific Sub-Regions and Countries - Project Ideas/Areas

   i) Central America

      a) Food Security – Knowledge Management, identification, systematization and reproduction of leading good practices of the region.
      b) Emergency Management and Reducing Vulnerability (Risk)
      c) Food Security – Promoting Entrepreneurship and Intra-Regional Trade

   ii) Caribbean

      a) Food Security – Market Information and Promotion of Trade to High Valued Outlets (FAO/TCP)
      b) Food Security - Marketing Facilities and Product Quality and Safety Services
      c) Food Security – Increasing Productivity at the Small Farm Level
iii) **Andean Zone**
   b) Food Security – Strengthening of the technical capacities of the Regional and National Institutions involved in the food security activities and the coordination between them.
   c) Food Security – Formulation of regional investments projects to reduce vulnerability to food insecurity

iv) **Mercosur Plus**
   a) Food Security – International Agricultural Trade and AgroIndustry Development (FAO/TCP)
Meeting on Initiatives for Food Security and Rural Development in Latin America and the Caribbean

Inter-American Development Bank
Washington D.C., November 11 to 12, 2002
Andrés Bello Room, 9th Floor.

Agenda

Monday November 11

08:30 – 09:00 Registration of Participants

09:00 – 09:30 Introduction

- Enrique Iglesias, President of the Inter-American Development Bank (IDB)
- Jacques Diouf, Director General, Food and Agriculture Organization of the United Nations (FAO)

09:30 – 10:15 Exchange of Ideas with Mr. E. V. Iglesias and Mr. J. Diouf on Objectives of the Meeting

Moderator: Miguel Martinez, Manager Regional Operations Department II, IDB

10:15 – 10:45 Comments from Heads of Agencies of the Inter-Agency Group for Rural Development in Latin America and the Caribbean

- Michael Deal, Deputy Administrator, US Agency for International Development (USAID)
- Chelston Brathwaite, Director General, IICA
- John Redwood, Director Environmentally and Socially Sustainable Development Sector, Latin America and the Caribbean, The World Bank
- Other to be confirmed

10:45 – 11:00 Coffee
11:00 – 13:00  **CORECA-CAC Presentation and the Food Security Situation in Central America**

Moderator: Bob Kaplan, Division Chief, Environment & Natural Resources, Regional Operations Department II, IDB

Presenters:
- Roger Guillén, Secretary General of the Regional Council on Agricultural Cooperation (CORECA) and the Agricultural Council of Central America (CAC)
- Rodolfo Coto Pacheco, Minister of Agriculture and Livestock, Costa Rica
- Edin Raymundo Barrientos, Minister of Agriculture and Livestock, Guatemala
- Antonio Ruiz, Under-Secretary or Rural Development, México

Commentator:
- Esteban Brenes, Professor of INCAE and former Minister of Agriculture, Costa Rica

13:00 – 14:30  Lunch

14:30 – 16:30  **CARICOM-CARIFORUM Presentation and the Food Security Situation in the Caribbean**

Moderator: Richard Fletcher, Principal Advisor, Strategic Planning and Budget Department, IDB

Presenters:
- Sam Lawrence Adviser, Regional Agricultural Transformation Programme, CARICOM

Commentator:
- Louis Straker, Deputy Prime Minister and Minister of Foreign Affairs, St. Vincent and the Grenadines
- Benito Rodriguez, Director, Agricultural Economics, Agriculture Secretariat of State, Dominican Republic
- Percival Marie, Director of Operations CARIFORUM

17:00  End of Session
Tuesday, November 12

08:30 – 10:30 CAN Presentation and the Food Security Situation in the Andean Zone

Moderator: Gabriel Montes, Principal Agriculture Specialist, Environment and Natural Resource Management Division, Regional Operations Department III, IDB

Presenters:
- Alfredo van Kesteren, Coordinator, Andean Community
- Ricardo Sánchez, Policies Director, Ministry of Agricultura and Rural Development, Colombia
- Eduardo Zegarra Mendez, Director General of Agricultural Information, Ministry of Agriculture, Peru

10:30 – 10:45 Coffee

10:45 – 12:45 MERCOSUR Plus Presentation and the Food Security Situation in the Southern Cone

Moderator: Juan Notaro, Executive Director Uruguay, Bolivia, Paraguay, IDB

Presenters:
- Carlos Mermot, Uruguay
- Jorge Echenique, President, Foundation Chile
- José Graziano da Silva, Brasil

13:00 – 14:30 Lunch

14:30 – 16:00 Rural Development and Food Security Strategies in the Region

Moderator: Gustavo Gordillo, Assistant Director General y Regional Representative of FAO, Latin America and the Caribbean

Presenters:
- Antonio Ruiz, Viceminister for Rural Development, Mexico
- Ricardo Sánchez, Policies Director, Ministry of Agricultura and Rural Development, Colombia
- Eduardo Zegarra Mendez, Director General for Agriculture Information, Peru
- José Graziano da Silva, Brasil
- Benito Rodriguez, Director, Agricultural Economics, Agriculture Secretariat of State, Dominican Republic
- Percival Marie, Director of Operations CARIFORUM

16:00 – 16:15 Coffee

16:15 – 17:15 Conclusions

Moderator: Ruben Echeverría, Chief Rural Development Unit, IDB

17:15 – 17:30 Closing Session
Meeting on Initiatives for Food Security and Rural Development in Latin America and the Caribbean

Washington D.C., 11-12 November 2002

List of Participants

MERCOSUR Plus
(Brasil, Paraguay, Uruguay, Argentina, Chile, Bolivia)

José Graziano da Silva
Professor of Agricultural Economics
Institute of Economics, State University of Campinas (UNICAMP)
Brasil

Carlos Mermot
Asistente Técnico
Unidad de Coordinación Regional
Montevideo

Jorge Echenique
Presidente
Fundación Chile
Santiago

ANDEAN COMMUNITY (CAN)
(Bolivia, Colombia, Ecuador, Perú, Venezuela)

Eduardo Zegarra
Director General de Información Agraria
Ministerio de Agricultura de Perú
Lima

Alfredo van Kesteren
Coordinador CAN
Lima

Ricardo Sánchez
Director de Política
Ministerio de Agricultura y Desarrollo Rural
Bogotá
**Agricultural Council of Central America (CAC)**  
(*Belice, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panamá*)

**Regional Council on Agricultural Cooperation (CORECA)**  
(*CAC, Mexico and Dominican Republic*)

Rodolfo Coto Pacheco  
Ministro de Agricultura y Ganadería  
Presidente de CORECA-CAC  
Ministerio de Agricultura y Ganadería  
San José  

Edin Barrientos  
Ministro de Agricultura, Ganadería y Alimentación  
Ministerio de Agricultura, Ganadería y Alimentación  
Ciudad de Guatemala  

Antonio Ruiz  
Subsecretario de Desarrollo Rural  
Secretaría de Agricultura, Ganadería y Desarrollo Rural  
México D.F.  

Esteban Brenes  
Profesor INCAE  
ex Ministro de Agricultura  
San José  

Roger Guillén Bustos  
Secretario de Coordinación CORECA-CAC  
San José  

**CARICOM-CARIFORUM**

Louis Straker  
Deputy Prime Minister and  
Minister of Foreign Affairs of St. Vincent and the Grenadines  
Kingstown  

Benito Rodríguez  
Director de Economía Agropecuaria  
Secretaría de Estado de Agricultura  
Santo Domingo  

Sam Lawrence  
Adviser, Regional Agricultural Transformation Programme  
Georgetown  

Percival Marie  
Director, Technical Operations  
Georgetown  

Franzia Edwards  
Deputy Program Manager  
Resource Mobilisation and Technical Assistance  
Georgetown
**OTHER ORGANISATIONS**

John Redwood  
Director  
Environmentally and Socially Sustainable Development Sector Management Unit Latin America and Caribbean Region  
The World Bank  
Washington

Mark Cackler  
Sector Manager, Latin America and Caribbean Region  
The World Bank  
Washington

Chelston W.D. Brathwaite  
Director General  
Inter-American Institute for Cooperation on Agriculture (IICA)  
San José

Felipe Manteiga  
Director  
Directorate for Strategic Partnerships  
Inter-American Institute for Cooperation on Agriculture (IICA)  
Washington

Michael Deal  
Deputy Assistant Administrator, Bureau for Latin America and the Caribbean U.S. Agency for International Development (USAID)  
Washington

Jolyne Sanjak  
Agricultural and Land Policy Advisor USAID/LAC  
Washington

Carol Wilson  
Agriculture Advisor USAID/LAC  
Washington

Tom Hobgood  
Agriculture Advisor USAID/EGAT  
Washington

Abdul Wahab  
Program Officer USAID/LAC  
Washington

Michael Kerst  
Desk Officer (Mexico and Guatemala) USAID/LAC  
Washington

Mike Burkly  
Agriculture Officer USAID/Peru  
Washington
David Bathrick
Chemonics International
Consultant on Strategy Development to USAID/LAC
Washington

Lionel James
Assistant to the President
Caribbean Development Bank (CDB)
Bridgetown

INTER-AMERICAN DEVELOPMENT BANK

Enrique Iglesias
President

Bob Kaplan
Division Chief
Environment & Natural Resources
Regional Operations Department II

Rubén Echeverría
Chief Rural Development Unit

Miguel Martínez
Manager Regional Operations Department II

Richard Fletcher
Principal Advisor
Strategic Planning and Budget Department

Gabriel Montes
Principal Agriculture Specialist
Environment and Natural Resource Management Division
Regional Operations Department III

Juan Notaro
Executive Director Uruguay, Bolivia, Paraguay

FAO

Jacques Diouf
Director General

Gustavo Gordillo de Anda
Assistant Director General
Regional Representative for Latin America and the Caribbean

Charles Riemenschneider
Director
FAO Liaison Office for North America

Roberto Samanez
Chief, Policy Assistance Branch
Deep Ford
Food Systems Economist

Ian Cherret
Rural Development Officer

Fernando Soto
Policy Officer

Selim Mohor
Rural Sociologist
LIST OF DOCUMENTS

Andean Community (Comunidad Andina (CAN))

*Project Proposal:* Estrategia e instrumentos para mejorar la seguridad alimentaria en los países de la Comunidad Andina

*Executive Summary:* Seguridad Alimentaria en los Países Andinos. Hacia una estrategia de desarrollo rural integral y lucha contra la pobreza.

*Strategy Note:* Seguridad Alimentaria en los Países Andinos. Hacia una estrategia de desarrollo rural integral y lucha contra la pobreza.

Agricultural Council of Central America (Consejo Agropecuario Centroamericano (CAC))

*Project Proposal:* Seguridad Alimentaria en Mesoamérica. Preparación de un marco orientador de políticas, un programa y proyectos de inversión.

*Executive Summary:* Seguridad Alimentaria en Centroamérica. Del manejo de crisis en el corto plazo, al manejo de riesgos y reducción de la vulnerabilidad en el largo plazo

*Strategy Note:* Seguridad Alimentaria en Centroamérica. Del manejo de crisis en el corto plazo, al manejo de riesgos y reducción de la vulnerabilidad en el largo plazo

MERCOSUR Plus

*Project Proposal:* Apoyo a la integración del sector agropecuario del Cono Sur para contribuir a las políticas de seguridad alimentaria

*Executive Summary:* La seguridad alimentaria y el acceso a los mercados internacionales de productos agrícolas y agroindustriales

*Strategy Note:* La seguridad alimentaria y el acceso a los mercados internacionales de productos agrícolas y agroindustriales

Caribbean Community (CARICOM)

*Summary*

*Project Proposal:* Food Security in CARIFORUM - Market Information and Institution Development Strengthening

*Regional Programme* for Food Security (RPFS) in Member Countries of the Caribbean Community (CARICOM) CARIFORUM - Vol 1

*Regional Programme* for Food Security (RPFS) in Member Countries of the Caribbean Community (CARICOM) CARIFORUM - Vol 2