

LARC/02/REP

REPORT

Havana,
Cuba,
22 to 26 April
2002

Twenty-seventh FAO Regional Conference for Latin America and the Caribbean



FOOD AND
AGRICULTURE
ORGANIZATION
OF THE
UNITED
NATIONS

FAO Member Nations serviced by the FAO Regional Office for Latin America and the Caribbean (April 2002)

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Date and place of the FAO Regional Conferences for Latin America and the Caribbean

First	– Quito, Ecuador, 18-25 September 1949
Second	– Montevideo, Uruguay, 1-12 December 1950
Third	– Buenos Aires, Argentina, 1-10 September 1954
Fourth	– Santiago, Chile, 19-30 November 1956
Fifth	– San José, Costa Rica, 12-21 November 1958
Sixth	– Mexico City, Mexico, 9-20 August 1960
Seventh	– Rio de Janeiro, Brazil, 17-27 November 1962
Eighth	– Viña del Mar, Chile, 13-29 March 1965
Ninth	– Punta del Este, Uruguay, 5-16 December 1966
Tenth	– Kingston, Jamaica, 2-13 December 1968
Eleventh	– Caracas, Venezuela, 12-20 October 1970
Twelfth	– Cali, Colombia, 21 August - 2 September 1972
Thirteenth	– Panama, Panama, 12-23 August 1974
Fourteenth	– Lima, Peru, 21-29 April 1976
Fifteenth	– Montevideo, Uruguay, 8-19 August 1978
Sixteenth	– Havana, Cuba, 26 August - 6 September 1980
Seventeenth	– Managua, Nicaragua, 30 August - 10 September 1982
Eighteenth	– Buenos Aires, Argentina, 6-15 August 1984
Nineteenth	– Bridgetown, Barbados, 5-13 August 1986
Twentieth	– Recife, Brazil, 2-7 October 1988
Twenty-first	– Santiago, Chile, 9-13 July 1990
Twenty-second	– Montevideo, Uruguay, 28 September - 2 October 1992
Twenty-third	– San Salvador, El Salvador, 29 August - 2 September 1994
Twenty-fourth	– Asunción, Paraguay, 2-6 July 1996
Twenty-fifth	– Nassau, Bahamas, 16-20 June 1998
Twenty-sixth	– Mérida, Mexico, 10-14 April 2000
Twenty-seventh	– Havana, Cuba, 22-26 April 2002

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**REPORT OF THE TWENTY-SEVENTH FAO REGIONAL CONFERENCE
FOR LATIN AMERICA AND THE CARIBBEAN**

(Havana, Cuba, 22 to 26 April 2002)

**FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS**

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CONTENTS

	Paragraphs	Pages
SUMMARY OF THE MAIN CONCLUSIONS AND RECOMMENDATIONS	1 - 55	1
INTRODUCTORY ITEMS	56 - 71	9
Organization of the Conference	56	9
Inaugural Ceremony	57 - 62	9
Election of Chairperson and Vice-Chairpersons, and appointment of Rapporteur	63	9
Adoption of the Agenda and Timetable	64	9
Statement by the Director-General	65 - 71	10
SUMMARY OF DELIBERATIONS	72 - 125	11
FAO activities (2000-2001). Trends and challenges in agriculture, forestry, fisheries and food security in the region, and action taken on the main recommendations of the twenty-sixth FAO Regional Conference for Latin America and the Caribbean.....	72 - 85	11
Preparations for the <i>World Food Summit: five years later</i> - regional dimensions.....	86 - 96	13
Reports of the Regional Commissions	97 - 101	14
General debate on trends and challenges in agriculture, forestry, fisheries and food security in the region	102 - 119	15
Presentation of the World Agricultural Information Centre (WAICENT)	120 - 123	16
The International Treaty on Plant Genetic Resources for Food and Agriculture	124 - 125	17
REPORT OF THE TECHNICAL COMMITTEE	126 - 159	19
Opening of the Technical Committee meeting.....	126	19
Election of Chairperson and Vice-Chairpersons of the Technical Committee, and appointment of Rapporteur	127	19
Adoption of the Technical Committee Agenda and Timetable.....	128	19
Balance between food security and the sustainable management of natural resources in Latin America and the Caribbean.....	129 - 136	19
Partnerships for food security and rural development.....	137 - 141	20
Effects of subsidies and market restrictions on agriculture and fisheries production and market access	142 - 150	21
Other matters	151 - 152	22
Intergovernmental Consultative Forum on Seeds for Latin America and the Caribbean.....	153 - 156	22
Meetings, consultations and analysis among delegations	157	23
Adoption of the Technical Committee report.....	158	23
Closure of the Technical Committee meeting	159	23

	Paragraphs	Pages
FINAL ITEMS	160 - 163	24
Date, place and agenda of the twenty-eighth FAO Regional Conference for Latin America and the Caribbean	160	24
Adoption of the report	161	24
Closure of the Conference	162 – 163	24

APPENDICES

- A. Statement by the Director-General
- B. Agenda of the Technical Committee
Agenda of the Plenary Sessions
- C. List of Documents

SUMMARY OF THE MAIN CONCLUSIONS AND RECOMMENDATIONS

Preparations for the World Food Summit: five years later. Regional dimensions

For the attention of Governments

The Conference:

1. Endorsed the claim that food security was an individual right and a collective responsibility, as well as an essential condition for combating poverty.
2. Decided to propose that the *World Food Summit: five years later* establish an intergovernmental working group in FAO as a formal mechanism which, in coordination with relevant agencies of the United Nations, would formulate a Voluntary Code of Conduct on the Right to Food within a period of two years.
3. Took note of the proposal to create a Global Alliance against Hunger to ensure the targets of the World Food Summit were achieved; and indicated that this coalition should not only elicit action from governments and states, but also harness the creativity and moral energy of the societies and peoples of Latin America and the Caribbean.
4. Suggested that a specific financial commitment would be needed if the Global Alliance against Hunger was to function effectively; in other words, a specific percentage of developed countries' gross national products should be earmarked for fighting hunger. Aid for this purpose should be channelled through FAO, in order to avoid political conditions being attached. Resources would be allocated to regions and countries, according to their poverty levels. The use of these resources would be supervised by FAO, and would be strictly audited, and their impact on reducing hunger would be evaluated. Beneficiary countries would undertake to provide counterpart resources.
5. Emphasized that agricultural subsidies in developed countries, and the international trade barriers those countries put in place, were seriously hampering progress towards the goals of the World Food Summit.
6. Underlined that to achieve the targets of the World Food Summit, it was essential to eliminate agricultural subsidies in developed countries, and introduce far-reaching changes in the world trading system, in order to remove the obstacles currently raised by an unfairly globalized world, bearing in mind the interests of food-importing developing countries and least developed countries.

For the attention of FAO

The Conference:

7. Suggested the need for a more in-depth analysis of the causes of the unfavourable trend of undernutrition in certain subregions of Latin America and the Caribbean, in order to address existing problems more efficiently.
8. Suggested that, with a view to advancing food security in the region, projects geared towards income generation should also be considered, including areas such as agrotourism or rural tourism, as these tended to enhance access to food.
9. Commended efforts made to quantify the gross investment volumes needed to meet the targets set at the World Food Summit, and suggested that the analysis should be extended to provide a

more detailed breakdown of these amounts, including information on potential sources and their possible distribution between different allocations or ends.

General debate on trends and challenges in agriculture, forestry, fisheries and food security in the region

For the attention of Governments

The Conference:

10. Acknowledged the importance of taking the decentralization process further and ensuring the widest possible participation in agricultural and rural development activities. It expressed the view that this process required more than a political decision to decentralize and channel financial resources; it was also essential to strengthen human resource training and management capacity in the decentralized bodies. The Conference also expressed its concern that the decentralization of programmes could run the risk of dispersion of actions and political exploitation by local elites; decentralization needed to be accompanied by greater civil-society involvement, ensuring participation by all the different interest groups.

For the attention of FAO

The Conference:

11. Expressed its support for focusing projects on the family economic unit rather than the productive nucleus alone. This would make it possible to consider survival strategies within the household economic system and identify appropriate instruments for agents with distinct roles in the development of the family economy, such as rural women. It would also help to identify specific problems, such as women's access to assets and incomes, or the implications of outmigration by specific groups.
12. Recommended that child labour and rural education should be made priority issues for FAO's work in the region.
13. Called upon FAO to support the development of programmes targeted on women and rural youth.
14. Stated that risk management was an important issue in the analysis of agricultural development in the region, and called upon FAO to support the exchange of experiences with innovative policy instruments that have been developed in this area by several of the region's countries.
15. Underlined the importance of FAO support in the development of agricultural information systems. These should give broader support to information flows both horizontally between countries and vertically towards users.
16. Requested technical support from FAO to develop national capacities for building, analysing and using statistical systems. It suggested that cooperation activities should be held on this issue.
17. Stated the need to evaluate projects and that evaluation should focus on overcoming problems in programme execution, as well as measuring their impact in achieving their objectives. Although programme targeting normally meant higher intermediate costs, one of the elements to quantify was the proportion of funds actually reaching the final beneficiaries.

18. Requested FAO support to improve instruments and methodologies for evaluating agricultural development policies and programmes.
19. Recommended that FAO provide technical assistance and training in areas of regional interest, such as biosecurity, intellectual property rights and the management of autochthonous plant genetic resources.
20. Asked for consideration to be given to the problems arising in development projects as a result of cooperation failures; and for support to be given to better organization of public policies, drawing on lessons learned from experiences in projects implemented in the various countries.
21. Indicated that technical cooperation from international organizations should be guided by demand from individual countries, and be flexible enough to adapt to rapidly changing conditions. It acknowledged the efforts being made by FAO to send programming missions to work with governments on defining multi-year cooperation programmes with a medium- and long-term outlook.
22. Advocated compiling a database of technical cooperation projects affording accessible and efficient consultation, with a view to enhancing the design of new projects. It recommended that a project monitoring system be set up, making sure that projects were firmly anchored in national institutional structures and adequately coordinated with agriculture ministries. It also stressed the importance of projects having a clear exit strategy, in order to ensure permanent effects and prevent the benefits from disappearing when the project ended.
23. Suggested that, where appropriate, preference be given to regional projects which exploit cooperation between countries, and promote and stimulate the creativity of national capacities.
24. Recommended greater cooperation between international organizations to avoid duplications in their work. South-south cooperation also needed to be intensified, particularly through the Special Food Security Programme (SFSP), and existing commitments needed to be implemented. Efforts should also be made to reduce intermediation costs so that a larger proportion of funds could be used in direct actions with beneficiaries.

Balance between food security and the sustainable management of natural resources in Latin America and the Caribbean

For the attention of Governments

The Conference:

25. Highlighted the problems of managing natural resources and food security in the absence of a regulatory structure consistent with conditions in each country.
26. Stated the need to establish permanent national policies of prevention, mitigation and restoration of the impacts arising from the use of production systems and techniques that encouraged environmental degradation processes, especially in soil resources.
27. Highlighted the potential offered by appropriate biotechnologies for solving production problems.

For the attention of FAO

The Conference:

28. Called upon FAO to support a comprehensive long-term strategy for natural resource sustainability, involving government policies with broad social participation.
29. Suggested that FAO should help governments in the region to establish legal and regulatory structures supporting natural resource sustainability, and to develop genuine regulatory capacity.
30. Asked FAO to support the development of information systems on natural resource use, establishing sustainability indicators and environmental deterioration monitoring mechanisms, to enable timely actions to be taken with a long-term outlook.
31. Recommended that FAO support the development of trustworthy information systems for measuring the availability and deterioration of natural resources.
32. Called upon FAO to continue exploring mechanisms of payment for environmental services, since these gave local populations greater incentive to conserve natural resources, while enabling them to share in the benefits.

Production partnerships for food security and rural development

For the attention of Governments

The Conference:

33. Acknowledged the importance of establishing strategic alliances to enable agricultural producers to integrate better into productive chains; and to more effectively address problems of market access, financing difficulties, infrastructure shortcomings, limited access to technological development and deficient institutional capacity. Production partnerships could bring farmers closer to consumers, thereby promoting greater participation by agricultural producers in the value-added chain.
34. Stated that, notwithstanding the advantages offered by production partnerships, it was essential to ensure they were capable of harmonizing interests and genuinely solving disputes, since the latter generally involved highly asymmetric negotiations, in which farmers and fishermen were nearly always at a disadvantage.
35. Stressed that cooperative organizations could sometimes be an appropriate mechanism, while recognizing that diversity among countries, and between productive sectors and market conditions, called for flexibility in the forms of association and partnership mechanisms implemented in each situation.

36. Urged the region's governments to implement consistent policies in forming production partnerships, assisted by FAO.

For the attention of FAO

The Conference:

37. Recommended that FAO help countries in the region to develop productive chains, through workshops, meetings and events with stakeholders from the governmental and business domains, and with participation from small-scale producers.
38. Recommended that FAO promote business and investment opportunities among organized small-scale producers, to enhance competitiveness through business forums and trade fairs, and to encourage the establishment of business management centres among associations of small-scale producers and/or agribusinesses, focusing particularly on technical training and the strengthening of negotiating capacity among productive agents themselves.

Effects of subsidies and market restrictions on agriculture and fisheries production and market access

For the attention of Governments

The Conference:

39. Acknowledged the fundamental importance of this issue for the countries of Latin America and the Caribbean, and stated that a freer and fairer trading system could boost economic development in the region, and thus help solve problems of food insecurity.
40. Expressed its frustration at the disparity between commitments made in the Uruguay Round and results achieved so far. Not only had old problems not been resolved, but new tariff and para-tariff protectionist measures were emerging in developed countries, with seriously distorting effects on markets, resulting from trade practices involving exclusion and discrimination that made international trade even more unfair. In addition, export credits in developed countries could represent another form of unfair competition.
41. Identified agricultural subsidies in developed countries as the main cause of distortions in agricultural product markets. Such subsidies resulted in lower international prices, undermined competitiveness and productive capacity, and reduced employment possibilities in developing countries, thereby aggravating conditions of poverty and food insecurity. The Conference also expressed its concern that trade distortions were generating overproduction and overexploitation of natural resources.
42. Argued that developed countries needed to eliminate indiscriminate subsidies on agriculture, forestry and fishing activities, as these were undermining competitiveness, distorting the exploitation of natural resources, aggravating poverty and making it more difficult to achieve food security.
43. Stated that the conditions of globalization and market integration posed new challenges for health controls.
44. Recommended strengthening technical cooperation on issues of agricultural plant and livestock health between the countries of the region, by exploiting existing capacities, exchanging experiences and running training programmes in the public and private sectors.

45. Stressed the need to develop regional projects for the prevention and eradication of transboundary plant and animal diseases that had a major effect on the region's agricultural trade.
46. Highlighted its concern at the excessive capacity of fishing fleets from certain developed countries; and the arrival in the region of fishing units from those countries, using predatory fishing methods that led to overexploitation of the region's fishery resources.

For the attention of FAO

The Conference:

47. Called upon FAO to encourage the development of national, subregional and regional capacities, both technical and in terms of laboratory services and other health tools, in order to more effectively address requirements of food safety, equivalences and other health aspects affecting trade. It recommended implementing cooperation projects in these areas, including actions coordinated with specialized international bodies.
48. Asked FAO to support cooperation between the countries to combat transboundary diseases.
49. Asked FAO to provide information and assistance to the region's countries in preparing their negotiating positions in WTO and other trade frameworks.
50. Requested that FAO support the countries of the region in conducting prospective studies of different scenarios arising from the new round of WTO negotiations. This would help offset the disadvantage resulting from the preparatory studies made by developed countries and reduce the level of information asymmetry in the negotiations.
51. Called upon FAO to conduct studies on market opening and the impact of liberalization on trading possibilities, and also on the price of food, purchasing power and food security in net food-importing developing countries, and the least developed countries.
52. Suggested that FAO should analyse the emergence of hidden trade barriers which, in the name of safety, set consumers against producers.
53. Asked FAO to undertake studies to evaluate the impact of indiscriminate subsidies that led to overexploitation of the region's fishery resources, with serious consequences for vulnerable groups in Latin America such as small-scale fishing communities.

International Treaty on Plant Genetic Resources for Food and Agriculture

For the attention of Governments

The Conference:

54. Acknowledged that approval of a binding International Treaty on Plant Genetic Resources for Food and Agriculture, at the thirty-first session of the FAO Conference, provided the region and the international community in general with an important legal instrument dealing with resources on which food security depends.
55. Recommended that countries of the region take steps to ratify the Treaty as soon as possible, hopefully even before the *World Food Summit: five years later*, to be held in June this year, in order to ensure good regional representation in the first meeting of the Governing Body.

INTRODUCTORY ITEMS

Organization of the Conference

56. The twenty-seventh FAO Regional Conference for Latin America and the Caribbean was held in Havana, Cuba, from 22 to 26 April 2002. The Technical Committee met on 22 and 23 April. The Conference was attended by delegations from 29 FAO Member Nations in the region, together with observers from countries from other regions, and representatives of United Nations agencies, intergovernmental organizations, and international and national non-governmental bodies. The list of participants is given in Appendix C.

Inaugural Ceremony

57. The Conference was opened in the presence of the Minister of Agriculture and other authorities from the Government of Cuba, the Director-General of FAO, members of the delegations, the diplomatic corps accredited to Cuba and observers from various agencies.
58. The ceremony began with the statement by the Director-General of FAO, followed by a speech by the Minister of Agriculture of Cuba inaugurating the Conference.
59. The Minister of Agriculture, Mr. Alfredo Jordán Morales, welcomed delegates on behalf of the Government of Cuba, expressed its pleasure at hosting the Conference, and commended the work of FAO in support of countries' efforts to combat hunger and malnutrition and to promote rural development.
60. He stated that Latin American and Caribbean countries had sufficient resources and productive capacities to meet their populations' food requirements. Nonetheless, social differences, conflicts and difficulties arising from the international arena were hampering progress towards the goals of the World Food Summit. He underlined the need for developed countries to make good on their commitment to earmark 0.7% of their gross national products for official development assistance.
61. He explained the changes that had taken place in Cuban agriculture and the adjustments made to the country's agricultural development strategy following the global changes of the past decade. These included the introduction of flexible modes of organizing production and the development of low-input technologies, in addition to an expansion of urban and periurban agriculture and other innovative forms of production.
62. Minister Jordán Morales concluded by officially inaugurating the twenty-seventh FAO Regional Conference for Latin America and the Caribbean.

Election of Chairperson and Vice-Chairpersons, and appointment of Rapporteur

63. The Conference unanimously elected its presiding officers whose names are listed in appendix C.

Adoption of the Agenda and Timetable

64. The Conference adopted the agenda and timetable included in appendix B.

Statement by the Director-General¹

65. In opening the twenty-seventh FAO Regional Conference for Latin America and the Caribbean, Mr. Jacques Diouf, Director-General of FAO, thanked President Fidel Castro, together with the Government and people of Cuba, for hosting the Regional Conference. He also praised the excellent organization and the traditional generosity and hospitality of the Cuban people.
66. The Director-General then referred to the rapidly changing economic, social and political framework in which Latin American and Caribbean agriculture was operating. He stated that over the next few years, globalization and the liberalization of agricultural markets, together with capital movements and technological development, would pose challenges for developing countries in improving their populations' living standards. It was essential that the new round of negotiations taking place in WTO offered developing countries greater opportunities to participate in a fairer international trading environment. He reaffirmed FAO's ongoing commitment to make available to its Member Nations the analyses and information needed to strengthen their capacity to participate in trade negotiations.
67. He then described the recent evolution of world agriculture and that of Latin America and the Caribbean in particular. He pointed out that the agricultural sector had a far greater strategic importance than its relative share of gross national product would suggest. In addition to being the main activity in rural areas with a profound influence on possibilities for alleviating poverty and malnutrition, it also had close linkages with other economic activities of major importance for gross national product and trade in the region.
68. He mentioned that this session of the Regional Conference would examine fundamental issues reflecting priorities also identified in other regions, such as food security, natural resource sustainability, international trading conditions, and the formation of production partnerships for rural development. There would also be an opportunity to discuss preparations for participation by the region's countries in the *World Food Summit: five years later*, to be held next June.
69. He stated that five years after the World Food Summit, the number of undernourished people in the region was not falling fast enough to achieve the target set for 2015. At the current rate of progress, there would still be 45 million people undernourished in that year, compared to a target of just 29 million.
70. The *World Food Summit: five years later*, had two main thrusts: firstly to strengthen political will, involving all sectors of society; and secondly, to channel private and public funds towards agricultural and rural development. In this regard, FAO had established a Trust Fund for Food Security and Food Safety, which was expected to play a catalytic role in increasing investments, through pilot projects and income generation in rural communities.
71. The Director-General concluded by wishing the Conference success in its deliberations.

¹ LARC/02/INF/4: "Statement by the Director General". The complete text of the statement is available in appendix A.

SUMMARY OF DELIBERATIONS

FAO activities (2000-2001). Trends and challenges in agriculture, forestry, fisheries and food security in the region; and action taken on the main recommendations of the twenty-sixth FAO Regional Conference for Latin America and the Caribbean.

72. The Conference received a report from Mr. Gustavo Gordillo de Anda, Assistant Director-General and Regional Representative of FAO for Latin America and the Caribbean, on the principal actions taken by FAO during the 2000-2001 biennium, in follow-up to the recommendations of the twenty-sixth Regional Conference. His detailed description of these activities, which covered all the recommendations, is contained in document LARC/02/INF/5.
73. In the second part of his statement, the Assistant Director-General and Regional Representative of FAO for Latin America and the Caribbean drew the Conference's attention to three food security projects that contained a number of innovative features.
74. The Assistant Director-General explained that projects in the Special Programme For Food Security (SPFS) were currently under way in Bolivia, Ecuador, Haiti, Guatemala, Honduras and Nicaragua, and similar programmes were being prepared for Cuba and Peru. The three projects highlighted, however, related to Venezuela, Mexico and the Dominican Republic, and were scheduled to begin in 2002. The innovative features of the Special Food Security Programme were more clearly visible in those projects: a shift in focus from the sectoral to the territorial, from agricultural employment to multiple employment, and from the productive nucleus to the household economic unit. In addition, they put forward differentiated policies and a view of production encompassing the whole productive chain. Another important contribution made by these projects was their emphasis on evaluation and monitoring systems as an integral part of the implementation of food security programmes and projects.
75. Such projects represented a strategy for supporting family agriculture, providing appropriate instruments to improve the competitiveness of the most vulnerable population groups in the present context. They provided rural income support without being tied to specific production items, and took the form of an integrated package of instruments, including financing systems, infrastructure programmes, productive intensification and diversification, access to assets, payment for environmental services and organizational strengthening. In addition, they also provided interesting experiences relating to the legal framework, territorial and institutional domains of participation and production partnerships.
76. The Conference expressed its approval of the information received, and welcomed the reflections arising from the analysis of the three projects.
77. The Conference agreed that the decentralization of agricultural and rural development activity should be taken further. Nonetheless, this called for more than a policy decision to decentralize and channel financial resources; human resource training needed bolstering, and management capacity in decentralized bodies also needed to be strengthened.
78. The Conference expressed its concern that the decentralization of programmes could run the risk of dispersion in actions and political exploitation by local elites. It was important to match decentralization with greater civil-society participation, ensuring the presence of all the different interest groups.

79. The Conference supported the policy of focusing projects on the family economic unit rather than just the productive nucleus. This made it possible to consider survival strategies within the household economic system, including the different income sources. Secondly, it made it possible to identify instruments suitable for agents that play different roles in the development of the family economy – such as rural women – and to identify specific problems, such as women’s access to assets and incomes, or the implications of outmigration by different groups.
80. The Conference asked FAO to consider analysing problems arising from cooperation failures in agricultural and rural development projects, and to foster better organization of public policies, drawing on lessons learned from experiences in projects implemented in a variety of countries.
81. The Conference agreed on the need to strengthen and broaden the evaluation of programmes and projects, which would improve resource allocation and provide for more appropriate intervention modalities. Evaluation should focus on overcoming problems in programme implementation, as well as measuring the impact of objectives achieved. While programme targeting normally implied higher intermediate costs, one element that needed evaluating was the proportion of resources actually reaching final beneficiaries. The Conference requested FAO support to improve instruments and methodologies for evaluating agricultural development policies and programmes.
82. The Conference asked FAO to continue exploring mechanisms of paying for environmental services, as these would increase incentives for local populations to conserve environmental resources and enable them to share in the benefits.
83. The Conference considered that risk management was an important issue in the analysis of agricultural development in the region. The chances of countries gaining access to intervention mechanisms enabling them to deal better with climatic, technical and market risks, would be enhanced if FAO were to support the exchange of experiences with innovative policy instruments developed in various countries of the region.
84. The Conference asked FAO to help develop programmes targeting women and rural youth. The generation of rural development alternatives in farming and non-farming activities was economically more efficient and socially more sound, than investing in the cities to resolve problems arising from rural outmigration fuelled by a lack of economic prospects in the countryside.
85. The Conference repeatedly referred to the importance of FAO support in developing agricultural information systems. These should facilitate a broader flow of information both horizontally between countries and vertically towards users. The Conference requested FAO technical support to develop statistical systems, to build national capacities for compiling, analysing and using statistics, and to undertake cooperation activities between countries on this issue. The Assistant Director-General and Regional Representative informed the Conference that the FAO Regional Office for Latin America and the Caribbean, in Santiago, Chile, would have a regional statistics officer on its staff as of this year. This would make it possible to strengthen actions and intensify technical support for the region’s countries on this issue.

Preparations for the World Food Summit: five years later. Regional dimensions

86. The Conference was informed of the preparatory work done for the organization of the *World Food Summit: five years later*, from the regional perspective of Latin America and the Caribbean (document LARC/02/5).
87. With a view to advancing food security in the region, the Conference suggested that projects geared towards income generation should also be considered, since these also tended to improve access to food, besides contributing positively to socioeconomic development. In this connection, FAO was asked to support projects in areas such as agrotourism and rural tourism.
88. The Conference expressed its concern over the disparity between recent undernourishment trends in the region (particularly in certain subregions) and what was required to meet the goals of the World Food Summit. It expressed its appreciation of the objective monitoring that was being carried out, and suggested the need for a more in-depth analysis of the reasons behind the unfavourable trend in the subregions identified, in order to tackle existing problems more effectively.
89. The Conference commended the efforts made to quantify the volume of gross investment required to meet the goals of the World Food Summit. It suggested that analyses should be extended to provide a more detailed breakdown of the sums required, with information on potential sources and possible distribution between different allocations or ends.
90. The Conference suggested that FAO should support efforts made by the countries of the region to use food insecurity measurement systems and indicators, and that these should also include the impact of income concentration.
91. The Conference argued that an increase in both private and public development funding was needed if food security targets were to be achieved. Greater private domestic financing could be encouraged through a stimulus to investment arising from improved market access. In the case of external financing, it was important to smooth out the procyclical nature of capital flows; and public financing needed to be scrutinized to promote greater expenditure efficiency.
92. The Conference stressed that agricultural subsidies in developed countries, and the trade barriers these countries put in place, were seriously hampering progress towards the goals of the World Food Summit. The production surpluses that resulted from the subsidies drove agricultural prices down, which in turn discouraged investment in the sector and led to slower growth, smaller incomes and more difficult access to food. The situation was further aggravated by the additional problems the countries of the region faced when participating in highly protected developed-country markets. The Conference insisted that, to attain the goals of the World Food Summit, it was essential for agricultural subsidies in developed countries to be eliminated and far-reaching changes to be made in the international trading system, in order to remove the obstacles currently erected in an unfairly globalized world, and take account of the interests of food-importing developing countries and least developed countries.
93. The Conference acknowledged the importance of increasing investment in research and development to enhance productivity and competitiveness, within a strategy that embraced both the public sector and civil society.
94. The Conference asked FAO to help the countries of the region conduct an up-to-date analysis of production cost systems in order to identify elements and forms of intervention that would increase competitiveness. It called upon FAO to implement mechanisms to monitor production costs in the countries that are the world's most efficient producers of the products most important to the region's agricultures. In addition, it requested that FAO undertake up-to-date

studies to quantify the impact of developed countries' subsidies on production costs and on the international prices of the products of major interest to the region.

95. The Conference mentioned the importance of supporting business development as a strategy to bolster the advancement of the rural sector and to combat poverty.
96. The Conference stated the need for food security programmes to address not only primary production but linkages throughout the production chain. Attention also needed to be paid to tie-ins with other production activities that would generate higher income and thus facilitate access to food. This was particularly relevant in the case of tourism in the Caribbean.

Reports of the Regional Commissions:

The Western Central Atlantic Fishery Commission (WECAFC), the Latin American and Caribbean Forestry Commission (LACFC), and the Commission on Livestock Development for Latin America and the Caribbean (CLDLAC).²

97. The reports of the Regional Commissions were presented in plenary session in order to draw the Conference's attention to the main recommendations emanating from the FAO commissions in the region; highlight their importance and their action and coordination capacity; and make proposals for enhancing and broadening the forums they represent.
98. The Conference suggested that analyses of the region's low competitiveness in major areas of production should consider the incidence of distortions in international markets that reduce economic incentives for investment and productivity development.
99. The Conference suggested that the 2002-2003 work plans of the Western Central Atlantic Fishery Commission (WECAFC) should pay special attention to the problems of overexploitation of fishery resources, and examine the possible impact on this of the arrival in the region of large-capacity fishing fleets from developed countries.
100. The Conference acknowledged the progress made in recent sessions of the Latin American and Caribbean Forestry Commission (LACFC), and welcomed the holding of a Regional Conference on Sustainable Development of Mountains for Latin America and the Caribbean, to be held in Havana, Cuba, from 25 to 31 May this year, as part of the celebration of the International Year of Mountains
101. The Conference recognized the work being done by the Commission on Livestock Development for Latin America and the Caribbean, specifically in defining its functions. It recognized the need to continue strengthening cooperation and to foster the exchange of experiences in the regional domain, especially in relation to protection against transmissible diseases and other technical issues affecting the sector.

General debate on trends and challenges in agriculture, forestry, fisheries and food security in the region

² LARC/02/INF/6: Report of the tenth session of the Western Central Atlantic Fishery Commission (WECAFC). LARC/02/INF/7: Report of the twenty-first session of the Latin American and Caribbean Forestry Commission. LARC/02/INF/8: Report of the Commission on Livestock Development for Latin America and the Caribbean.

102. The Conference endorsed the proposal to create a Global Alliance against Hunger to ensure compliance with the targets of the World Food Summit. This broad alliance needs not only to elicit action from governments and states but also to harness the creativity and moral energy of the societies and peoples of Latin America and the Caribbean.
103. The Conference suggested that a specific financial commitment would be needed for the Global Alliance against Hunger to function effectively; in other words, a specific percentage of developed countries' gross national products should be earmarked for fighting hunger. The size of the commitment should be commensurate with the scale of the problem. Aid for this purpose should be channelled through the United Nations, specifically FAO, to avoid political conditions being attached. Resources would be allocated to regions and countries according to their poverty levels. The use of these resources would be supervised by FAO, and would be strictly monitored through suitable mechanisms. Their impact on reducing hunger would also be evaluated. Beneficiary countries would undertake to provide counterpart funding.
104. The Conference endorsed the claim that food security was an individual right and a collective responsibility, as well as an essential condition for combating poverty.
105. The Conference reiterated the need for developed countries to make good on their commitments to earmark 0.7% of their gross national products for official development assistance, eliminate agricultural subsidies and open agricultural product markets, in order to prevent the costs of globalization falling on the poorest countries.
106. The Conference stressed that the fundamental right of each person to be free from hunger required special attention from FAO. It decided to propose that the *World Food Summit: five years later* establish an intergovernmental working group in FAO as a formal mechanism which, in coordination with relevant agencies of the United Nations, would formulate a Voluntary Code of Conduct on the Right to Food within a period of two years.
107. The Conference asked FAO to support a comprehensive strategy for natural resource sustainability, as part of a long-term vision involving government policies with broad social participation.
108. The Conference argued that developed countries needed to eliminate indiscriminate subsidies on agriculture, forestry and fishing activities, as these were undermining competitiveness, distorting the exploitation of natural resources, aggravating poverty and hindering food security.
109. The Conference asked FAO to support the countries of the region in conducting prospective studies of different scenarios arising from the new round of WTO negotiations. This would help offset their disadvantage *viz-à-viz* the preparatory studies carried out by developed countries, and reduce the level of information asymmetry in the negotiations.
110. The Conference asked FAO to support efforts to build local capacities for multilateral trade negotiations, and help countries strengthen their bargaining capacity and reduce their disadvantage *viz-à-viz* developed countries.
111. The Conference asked FAO to support cooperation between countries to combat transboundary diseases.
112. The Conference recommended that FAO should support the development of technical assistance systems aimed at rural communities and small-scale producers, using appropriate and appropriate technologies with a gender focus.

113. The Conference recommended that child labour and rural education should be made priority issues for FAO's work in the region.
114. The Conference indicated that technical cooperation from international organizations should be guided by demand from individual countries, and be flexible enough to adapt to rapidly changing conditions. It acknowledged the efforts being made by FAO to send programming missions to work with governments to define multi-year cooperation programmes with a medium- and long-term outlook.
115. The Conference suggested that, where appropriate, preference should be given to regional projects exploiting cooperation between countries, that promote and stimulate creativity in national capacities. Efforts should also be made to reduce intermediation costs so that a larger proportion of funds could be used in direct actions with beneficiaries. In addition, greater cooperation was needed between international organizations to avoid duplications in their work; south-south cooperation also needed to be intensified, particularly through the Special Food Security Programme (SFSP), and existing commitments needed to be implemented.
116. The Conference also called for project monitoring systems to be set up, making sure that projects were firmly anchored in national institutional structures, especially agriculture ministries.
117. The Conference advocated compiling a database of technical cooperation projects, affording accessible and efficient consultation, with a view to enhancing the design of new projects.
118. The Chair of the Second Regional Consultation of Non-Governmental and Civil Society Organizations (NGO/CSO), held prior to the Regional Conference on 19 to 21 April 2002, informed the Conference of its work and conclusions. The Final Declaration of this Consultation and its Plan of Action were circulated to Conference participants as an Information Note.
119. The delegations of observers, such as the General Secretariat of the Permanent Commission for the South Pacific (CPPS), the Regional International Organization for Plant Protection and Animal Health (RIOPPAH), the International Office of Epizootics (IOE) and representatives of the Holy See and Spain, informed the Conference of their activities, and on possibilities for tie-ins with technical cooperation work for agricultural development and food security in Latin America and the Caribbean.

Presentation of the World Agricultural Information Centre (WAICENT).

120. The Conference received a report on FAO's corporate programme for agricultural information management (WAICENT). The WAICENT field and external projection programme for Latin America and the Caribbean is a major tool for strengthening national capacities in the region to manage and disseminate agricultural information. The Conference was also informed about the intergovernmental consultation on agricultural information management (COAIM), which acts as the forum for examining and reviewing agricultural information policies, and establishes the WAICENT operating framework.
121. The Conference suggested that countries should register national WAICENT focal points with the COAIM secretariat, in order to coordinate the regional activities of the consultation process.

122. The Conference recommended implementation of the WAICENT field programme in the region to provide assistance and training to develop countries' capacities in the strategic management of agricultural information.
123. The Conference suggested the formulation of a regional project for implementation of the WAICENT models, in order to improve linkages between research and extension systems, and to further the communication and exchange of useful knowledge between rural communities, thus helping to improve their quality of life. It stressed that, in today's world, the research and extension model should be based on the use of modern information and communication systems appropriate to local users' demands and requirements. It was important to support management and decision-making with timely availability of quality information on issues such as prices, markets, technologies, quality standards and other variables that needed to be accessible to agricultural development actors.

International Treaty on Plant Genetic Resources for Food and Agriculture

124. The Regional Conference recognized that the binding International Treaty on Plant Genetic Resources for Food and Agriculture, adopted at the thirty-first FAO Conference, provided the region and the international community in general with an important legal instrument dealing with the resources on which food security depended.
125. The Conference recommended that the countries of the region ratify the treaty as soon as possible, hopefully even before the *World Food Summit: five years later*, to be held in June this year, in order to ensure good regional representation at the first meeting of the Treaty's Governing Body, where a series of fundamental regulatory and financial provisions would be defined.

REPORT OF THE TECHNICAL COMMITTEE

Opening of the Technical Committee meeting

126. The Assistant Director-General and Regional Representative of FAO opened the session of the Technical Committee. He welcomed the delegates and observers and thanked the Government and people of Cuba for hosting the event and for their hospitality.

Election of Chairperson and Vice-Chairpersons of the Technical Committee, and appointment of Rapporteur

127. The Committee unanimously elected presiding officers for the Technical Committee, whose names are listed in appendix C.

Adoption of the Technical Committee Agenda and Timetable

128. The Committee adopted the agenda and timetable, after including the Inter-Governmental Consultative Forum on Seeds under the heading "Other issues". The agenda and timetable are contained in documents LARC/02/1 and LARC/02/INF/2 (see appendix B).

Balance between food security and the sustainable management of natural resources in Latin America and the Caribbean.³

129. The Committee agreed that the links between food security and sustainable natural resource management were a crucial issue in the region's development. Nonetheless, the problem went beyond technical aspects. Firstly, the use of natural resources for production depended also on market access possibilities, and therefore on solving existing restrictions and distortions in developed countries' agricultural markets. Secondly, the main obstacles to food security in the region were underdevelopment and poverty, which resulted in the poorest population groups lacking the purchasing power needed for physical and economic access to food. Consequently, approaches to dealing with the balance between food security and natural resource sustainability needed to be integrated into national policies and receive support from the international community. In particular, developed countries needed to make good on their undertaking to earmark at least 0.7% of their gross national products for official development assistance.
130. The Committee stated that in the region generally, and particularly in many areas with fragile ecosystems, the population had serious difficulties in achieving food security while conserving natural resources at the same time. Integrated policies and strategies were needed to slow down the degradation of natural resources caused by intensive farming in vulnerable areas; and survival alternatives needed to be generated emphasizing social investment and human capital development. The strategy should include employment and income possibilities arising from agricultural activities, as well as non-farming alternatives, viewing community organization as the hub in a territorial development approach.
131. The Committee expressed its agreement with the lessons drawn from the technical cooperation projects presented, the need to ensure their sustainability over time, and their multidisciplinary nature. It also stated the importance of projects having a clear exit strategy in order to ensure permanent effects and prevent the benefits from disappearing when projects ended.

³ Document presented by Mr. Juan Izquierdo, Plant Production Officer.

132. The Committee highlighted the problems of managing natural resources and food security in the absence of a regulatory structure suited to conditions in each country. It advocated FAO support for the development of trustworthy information systems for measuring the availability and deterioration of natural resources. In addition, it suggested that FAO could help the region's governments to establish the necessary legal and regulatory frameworks and develop genuine regulatory capacity.
133. The Committee stressed the need to establish permanent national policies for prevention, mitigation and restoration of the impacts caused by the use of production systems and techniques that encouraged environmental degradation, especially in soil resources. Such production systems and techniques caused continuous deterioration of the physical, chemical and biological properties of natural resources, and undermined agricultural production capacity, thereby impacting on the socioeconomic environment. The Committee particularly highlighted the need to develop and apply appropriate biotechnologies for solving production problems.
134. The Committee underlined the importance of investing in irrigation works and raising the technological level of irrigation systems, as a way to intensify and diversify production, and control the effects of unfavourable water regimes that produced sequences of flood and drought. For this purpose, access to specialized information and additional financial resources were needed in addition to technical cooperation.
135. The Committee recommended strengthening technical cooperation between the countries of the region, using existing capacities, exchange of experience and training programmes in the public and private sectors, focusing on food security and sustainable natural resource use. It placed special emphasis on developing regional projects to prevent and eradicate transboundary plant and animal diseases of major impact on the region's agricultural trade.
136. The Committee pointed out that narcotics trafficking had been becoming an increasingly serious problem in various countries of the region, provoking violence, population displacement, food insecurity and natural resource degradation. Both the production and the eradication of the corresponding illicit crops led to forest clearance and water poisoning, through the use of chemical precursors and herbicides that deteriorated ecosystems still further. The Committee called upon FAO to help governments formulate policies to eliminate drug production and consumption.

Partnerships for food security and rural development.⁴

137. The Committee recognized the importance of establishing strategic alliances to integrate agricultural producers more effectively into productive chains, and to better address the problems of market access, financing difficulties, lack of infrastructure, limited access to technological development and institutional shortcomings. Production partnerships can bring farmers closer to consumers and thus elicit greater participation by agricultural producers in the value-added chain.
138. Notwithstanding their advantages, the Committee considered it essential to ensure production partnerships were capable of harmonizing interests and resolving disputes in a real sense, since these generally involved highly asymmetric negotiations in which farmers and fishermen were nearly always at a disadvantage. On this point, the Committee stressed that cooperative organizations might sometimes be an appropriate mechanism. But it also recognized that diversity between countries, and between productive sectors and market conditions, called for

⁴ Document presented by Mr. Guilherme Schuetz, Marketing and Credit Officer.

considerable flexibility in the association forms and productive partnership mechanisms implemented in each situation.

139. The Committee mentioned the need for FAO to help countries undertake prospective studies on actions to develop productive chains, through workshops, meetings and events involving stakeholders from the government and business domains, and with participation from small-scale producers, that encouraged genuine exchanges between the various actors.
140. The Committee stressed the need for FAO to promote business opportunities and investments between organized small-scale producers, to raise competitiveness levels through business forums and trade fairs; and by giving incentives for the establishment of business management centres among associations of small-scale producers and/or agribusinesses, focusing particularly on technical training and the development of negotiating capacities among producers themselves.
141. The Committee agreed to urge governments in the region to work with FAO to implement coherent policies in formulating production partnerships, given the positive synergy generated by different types of alliance when applied fairly.

Effects of subsidies and market restrictions on agriculture and fisheries production and market access.⁵

142. The Committee recognized the fundamental importance of this issue for the countries of Latin America and the Caribbean, and stated that a freer and fairer trading system could support economic development in the region and thus help solve problems of food security, rural development and job creation. The Committee also recognized that international trade was a basic component of development, and that achieving competitive productive systems required flows of financial and technical resources, as well as capacity formation. The latter could benefit greatly from international cooperation, both from specialized agencies and between countries. The Committee stressed the importance of the commitments established in the Doha Ministerial Declaration, particularly paragraph 13.
143. The Committee expressed its frustration at the disparity between the commitments made in the Uruguay Round and results achieved so far. Not only had old problems not been resolved, but new forms of tariff and para-tariff protectionist measures were emerging in developed countries, with seriously distorting effects on markets arising from trade practices involving exclusion and discrimination that made the international trading system even more unfair. In addition, export credits in developed countries might represent another form of unfair competition. The Committee also suggested that FAO should investigate the emergence of hidden barriers to trade, which, in the name of safety, were setting consumers against producers.
144. The Committee emphasized that globalization and market integration conditions were raising new challenges for health controls. It recommended that FAO should support the development of national, subregional and regional capacities, both technical and in terms of laboratory services and other health instruments, in order better to address food safety requirements, equivalences and other health issues with effects on trade. To this effect, it recommended cooperation projects be implemented in those fields, coordinating actions with specialized international bodies.
145. The Committee stated that agricultural subsidies in developed countries were the main cause of distortions in markets for agricultural products. The result was to drive down international

⁵ Document presented by Mr. John Deep Ford, Food Security Officer.

prices, undermine competitiveness and productive capacity and reduce employment opportunities in developing countries, thereby aggravating conditions of poverty and food insecurity.

146. The Committee expressed its concern that trade distortions were causing overproduction and overexploitation of natural resources.
147. The Committee stressed its concern at the excessive capacity of fishing fleets from certain developed countries; at the arrival in the region of fishing units, including factory ships, from those countries; the use of predatory fishing methods; and the application of indiscriminate subsidies that led to overexploitation of the region's fishery resources. This had serious consequences for vulnerable groups in Latin America, such as small-scale fishing communities. The Committee asked FAO to carry out studies to evaluate this impact.
148. Bearing in mind the concerns of net food-importing developing countries, the Committee asked FAO to undertake studies on market liberalization and its impact on food prices, purchasing power and food security in those countries.
149. The Committee highlighted the fact that several countries in the region, in the context of WTO agriculture negotiations, are lobbying for the creation of a development "box" offering additional flexibility for developing countries to guarantee food security, rural development, conservation of employment and other key aspects for their agricultural economy.
150. The Committee recommended FAO to provide information and assistance to countries of the region in preparing their negotiating stances in the context of WTO and other trade frameworks.

Other matters

151. Bearing in mind the concerns of the region, the Committee recommended that FAO provide technical assistance and training in areas of importance to the region, such as biosecurity, intellectual property rights and the management of autochthonous plant genetic resources for the benefit of the peoples of the region.
152. The Committee suggested consideration be given to the possibility of addressing the topic of business development as a poverty reduction strategy, at the next Regional Conference, along with alternatives for agricultural insurance.

Intergovernmental Consultative Forum on Seeds for Latin America and the Caribbean

153. The Committee received a report and proposals presented by the Coordinator General of the Intergovernmental Consultative Forum on Seeds for Latin America and the Caribbean, the creation of which was approved during the Technical Meeting on Seeds held in Mérida, Mexico, in March 2000. The coordinator described the actions of the Interim Committee which is responsible for developing the forum, gave details of its terms of reference, and announced its official launch for next November in Fortaleza, Brazil.
154. Pursuant to the mandate given to the Food and Agriculture Organization of the United Nations (FAO) to facilitate implementation of the recommendations contained in the World Food Summit Plan of Action (1996) and the Global Action Plan for the Conservation and Sustainable Use of Plant Genetic Resources for Food and Agriculture which was adopted by the Fourth International Technical Conference on Plant Genetic Resources (1996); and stressing that the forum could provide major regional support for future implementation of the recently approved International Treaty on Plant Genetic Resources for Food and Agriculture (November 2001); the Committee underlined the importance of the region's having a forum

dedicated to the improvement and development of the seed sector, along with conservation and sustainable use of the biological diversity of cultivated species.

155. Acknowledging the initiative to establish an Intergovernmental Consultative Forum on Seeds for Latin America and the Caribbean (FCS-RLC) related to FAO, the Committee invited all FAO Member Nations from the Latin American and Caribbean region to participate and be present at its launch scheduled for October this year in Fortaleza, Brazil.
156. Considering the suggestions made at the Technical Meeting held in Mérida in March 2000, and the promising preparatory work done by the forum's Interim Coordinating Committee in support of the proposal by the Government of Uruguay and a recommendation by GRULAC, the Committee supported and endorsed the initiative to establish the Intergovernmental Consultative Forum on Seeds for Latin America and the Caribbean (FCS-RLC) attached to FAO, and called upon the Director-General of FAO to take steps to have the question of its form of relationship with FAO discussed and reported on by the Plant Genetic Resources Commission at its next meeting scheduled for October this year.

Meetings, consultations and analysis among delegations

157. Pursuant to a request made by delegations during the twenty-sixth Regional Conference, delegations held a variety of multilateral meetings. One of these was used to discuss the document "Trends and Challenges of Agriculture in Caribbean Countries".

Adoption of the Technical Committee report

158. The Committee unanimously adopted the Report.

Closure of the Technical Committee meeting

159. The Chairman of the Technical Committee thanked delegations for their participation and closed the meeting.

FINAL ITEMS

Date, place and agenda of the twenty-eighth FAO Regional Conference for Latin America and the Caribbean

160. The Conference noted with satisfaction offers by the delegations of Guatemala and Nicaragua, respectively to host and provide an alternative venue for the twenty-eighth FAO Regional Conference to be held in 2004. These were unanimously endorsed by the delegations present. The Conference asked the Director-General to take this endorsement into account when deciding the place and date of the next Regional Conference after consultation with the governments of Guatemala and Nicaragua.

Adoption of the Report

161. The Conference adopted the Report after introducing the necessary amendments. It also adopted the Report of the Technical Committee, which is integral to this document.

Closure of the Conference

162. The Conference thanked the Government and people of Cuba for their warm welcome, for having hosted the event and for having provided an environment ensuring all participants a pleasant stay.
163. The Chairman brought the twenty-seventh Regional Conference to a close, thanking delegations for their active participation and for the high level of the deliberations.

STATEMENT BY THE DIRECTOR-GENERAL

Mr. Chairman,

Distinguished Ministers,

Ladies and Gentlemen,

Once again it is an honour and a great pleasure for me to join agricultural leaders from Latin America and the Caribbean to participate in this twenty-seventh Regional Conference. On behalf of the Organization and its staff – and I am sure I may also speak on behalf of the distinguished delegates and observers – I would like to express our gratitude to the Government and people of Cuba for welcoming the Regional Conference to this beautiful city, so rich in history and culture. The warm welcome we have received, the facilities provided and the excellent preparations made for this Conference are testimony to Cuba's traditional and generous hospitality.

This session of the Regional Conference is being held against of global backdrop of rapid economic, social and political change, which is having far-reaching repercussions in particular for Latin American and the Caribbean.

The Ministerial Conference of the World Trade Organization (WTO), held in Doha last November, has established a framework for debating fairer conditions for international trade in agricultural products. During the next few years, globalization and liberalization of agricultural trade, capital movements and technology transfer must enable developed and developing countries alike to improve the living standards of their populations. It is essential, for agriculture in particular, that the new WTO negotiating round offer developing countries greater opportunities to participate in a fairer international trading system. FAO will continue to make available to its Member States the analyses and information needed to strengthen technical knowledge among agricultural trade negotiators.

During the last few years relatively modest results have been achieved in the agricultural sector, which constitutes the economic base of the poorest regions and in which over 70% of the economically active population of least developed countries work. The annual growth rate of worldwide agricultural production fell to its lowest level since 1993.

World cereal production rose to 1.885 billion tons in 2001, 1.3% more than the previous year, thanks mainly to greater production by CIS countries and several Latin American ones. In contrast, output in several Asian countries fell back.

Worldwide cereal consumption outstripped production for the third consecutive year in 2001-2002, and this will cause a sharp run-down in stocks. Global cereal consumption is expected to rise to 1.941 billion tons in 2001-2002, up by 1.5% on the previous agricultural season.

It is important to note, however, that the leading cereal- exporting countries have large surpluses and are in a position to increase food production significantly. In contrast, food production by low-income food-deficit countries (LIFDCs) remains below their needs, and the majority of these countries have limited financial means to make up the shortfall through imports.

Meanwhile, the prices of agricultural products have continued to trend downwards, with cereal prices falling by about 29% over the last five years. The international prices of fats and oils, as

measured by the FAO price index for these products, have fallen by 47% over the last five seasons, although they now seem to be recovering.

There are still some 815 million people in the world suffering from chronic malnutrition, 777 million of them in developing countries, 27 million in transition countries and 11 million in industrialized nations. Thus, the improvement seen in some countries and parts of the developing world, particularly East Asia, is offset by deteriorating situations elsewhere, especially sub-Saharan Africa, Central America and the Caribbean.

The gap between production and needs in food-deficit regions will continue to widen in the absence of greater investment in the rural domain to increase employment, incomes, productivity and production. Unless we succeed in conquering hunger and malnutrition, it will be difficult, indeed impossible, to obtain appreciable and sustainable results in other fields that are crucial to the fight against poverty, such as health and education.

Many countries have continued to suffer from food shortages as a result of natural disasters. In September 2001, there were 34 countries and 62 million people having to deal with food emergencies.

Nonetheless, the figures show that their relative frequency has changed over the last 30 years. Whereas in the 1970s and 1980s, food emergency situations were mostly caused by natural factors, more recently they have increasingly resulted from man-made catastrophes.

The role of FAO in these circumstances is more important than ever, especially when assessing the food and agriculture situation, estimating food aid needs and informing the international community – thanks to the World Information and Early Warning System, which is collaborating in particular with the World Food Programme.

The long-term viability of intensive agriculture in developing countries is a cause for concern and creates problems. Epidemics of bovine spongiform encephalopathy (BSE) and foot-and-mouth disease, along with salmonella in eggs and chickens and medication-resistant mutant E.coli infection, have changed consumers' opinions of the consequences of unfettered attempts to intensify production aimed at maximizing yields and reducing costs.

In other fields, genetic modification of food crops and animals has aroused fierce controversy. Although there currently is no need for genetically modified organisms (GMOs) to achieve the targets of the World Food Summit of 1996, they offer major possibilities for feeding a growing world population. Accordingly, there is a need to scientifically study and supervise their improvement and application within an international framework. Such an approach would make it possible to benefit from the positive aspects of GMOs while avoiding potentially harmful effects on human health and the environment.

Mr. Chairman,

Ladies and Gentlemen,

Although agriculture accounts for just 7.3% of the global economic product of Latin America and the Caribbean, its strategic importance for the economic and social well-being of the countries and populations concerned far outweighs this.

Agriculture continues to be the main economic activity in rural areas, and directly affects the chances of overcoming the huge socioeconomic challenges facing the countryside. At the same time, agricultural development favours growth in other economic activities.

Over last 10 years, growth in the region's agriculture and livestock sector has been weak and unstable, posting a rate of 2.7% in 2000, compared to 4.2% in 1999.

The number of economically active people working in agriculture remained steady at slightly under 44 million. Productivity in the sector increased by 29% between 1999 and 2000, narrowing the gap that exists with respect to other sectors.

During the decade, the relatively higher growth rate of livestock production, compared to crop-growing, has brought the two sectors to virtual parity in terms of output value, with crops accounting for 53% of agriculture and livestock GDP, and livestock products 47%.

Latin America and the Caribbean is home to 24.7% of the world's forests, and the contribution of this sector to the region's economy exceeded US\$ 26 billion in 2000. Forestry resources could be managed more sustainably, given the high annual rate of deforestation in the region.

About 20 million tons of fish are caught in Latin America and the Caribbean each year, or 20% of the world's total. The trend rose steadily until 1994, but has fallen since then.

The most important species have attained their maximum exploitation levels, and recurrent weather phenomena have been affecting the region.

Aquaculture is on a rising trend: total output increased from about 100,000 tons in 1986 to nearly 900,000 tons in 2000; growth looks set to continue in the coming years, albeit more slowly, mainly because of the emergence of diseases and mismatches between production and real demand in the market.

Poverty levels remain high, and malnutrition afflicts the same proportion of the population as it did 20 years ago. In 1999, no less than 44% of the total population of the region was living in poverty, and 18.5% in conditions of indigence.

In Latin America and the Caribbean today there are 211 million people living in poverty, which represents an additional 11 million since 1990.

Only the southern cone has seen a reduction in the number of people suffering from undernourishment – from 42 million to 33 million. On the other hand, the proportion of malnourished people in Central America has increased in the last few years from 17% to 19%, and in the Caribbean the proportion has risen from 26% to 28%.

This Regional Conference will study fundamental issues relating to food security, sustainable management of natural resources, the creation of production partnerships, the effects of subsidies and trade restrictions on agricultural and fishery production, and the region's preparatory work for the *World Food Summit: five years later*, to be held next June.

The Conference also provides a good opportunity to study changes in traditional approaches to rural development, in the light of the economic reforms carried out over the last 20 years in most Latin American and Caribbean countries.

Structural changes have put most of the region's farmers and forestry producers in a difficult situation, squeezing their competitiveness and putting their very survival at stake in some markets where the key factor is competitive yield.

It is therefore necessary to reflect on what needs to be done to incorporate institutional reform into this new setting.

In previous Regional Conferences, Member States also recommended a number of priorities.

The first of these is food security, in accordance with the objectives established at the World Food Summit of 1996. These cover three main dimensions: increased food production; equitable access to all foods; and guaranteed stability of supply and access.

In this regard, although the Special Programme for Food Security (SPFS) has concentrated primarily on low-income food-deficit countries (LIFDCs), the inherent development strategy is also highly relevant for countries of intermediate development. In fact, the Dominican Republic, Mexico and Venezuela have each decided to join the SPFS using their own funds, which is testimony to the validity of the programme's strategy for all developing countries.

The second priority relates to international agriculture and livestock trade, and is intended to help Latin American and Caribbean countries benefit from the Agriculture Agreement, which has included agricultural commodities in multilateral trade negotiations for the first time. FAO is providing assistance to enhance governments' bargaining capacity, to enable them to participate in multilateral, subregional and regional trade negotiations in the best possible conditions. Another important ongoing programme in this area is the technical assistance being provided for food safety and the strengthening of national Codex Alimentarius Committees in Central America and Panama.

The third priority – sustainable management of natural resources – is of vital importance for Latin America and the Caribbean, where rapid environmental degradation is destroying many opportunities for the future and generating high recovery costs. FAO is providing technical assistance to promote agricultural conservation practices among small-scale farming families, and is encouraging the creation of planning units for the use and management of natural resources in hydrographic microbasins.

With regard to rural development – the fourth priority – FAO has been providing technical assistance for institutional reform, with projects encompassing public expenditure, municipal reform and production partnerships.

Mr. Chairman,

Ladies and Gentlemen,

Five years after the World Food Summit of 1996, the number of malnourished people in the region has not been falling fast enough to meet the 50% reduction target by 2015. At the current rate of progress, by that time there will still be 45 million people suffering from chronic undernourishment in the region, compared to the target of 29 million.

The FAO Governing Bodies have decided to invite Heads of State and Government to meet again at the *World Food Summit: five years later*, to be held in Rome between 10 and 13 June. Political will needs to be strengthened and coordinated, and resources need to be mobilized on a scale consistent with this objective. This requires the establishment of strategic alliances and the introduction of suitable mechanisms and incentives to mobilize public and private financing for two main lines of action:

- Strengthening of political will through alliances for food security and rural development, with participation from all sectors of society – governments, the private sector and civil-society organizations;
- Channelling of private and public funds into agricultural and rural development, in order to reverse the declining trend of bilateral external development assistance (which fell by 43% in real terms between 1990 and 1999), and the shrinking shares of World Bank and regional financial institutions' portfolios, which decreased by 40% over the same period.

In this regard, last year FAO set up a Special Trust Fund for Food Security and Food Safety, which is expected to play a catalytic role in increasing investments in agricultural and rural development, through pilot projects for food production and income generation in poor rural communities: These include:

- Programmes to eradicate transboundary pests and diseases in animals and plants;
- Technology transfer, particularly through south-south cooperation;
- Capacity strengthening to prepare feasibility studies for bankable projects.

So far the Trust Fund has managed to mobilize 20% of its US\$ 500 million target for voluntary contributions.

It is hoped that both developed and developing countries will participate – naturally according to their means and political commitments – in order to ensure that this fund is truly universal.

The *World Food Summit: five years later*, is a top-level meeting that is badly needed to consolidate political will and guarantee the necessary mobilization of funds. Personal participation by Latin American and Caribbean Heads of State and Government is essential to ensure the opinions of one of the most important regions of the world are expressed at the highest political level. Accordingly, I hope to have the pleasure of welcoming you to Rome in June. I am confident that this Regional Conference will contribute substantive observations to the forthcoming summit meeting, and will make a decisive contribution to the political impetus needed for its success.

Thank you very much.

APPENDIX B

AGENDA OF THE TECHNICAL COMMITTEE

(22 and 23 April 2002)

I. PRELIMINARY ISSUES

1. Opening of the Technical Committee session
2. Election of Chairperson and Vice-Chairpersons, and appointment of Rapporteur
3. Adoption of the Agenda and Timetable

II. TECHNICAL ISSUES

4. Balance between food security and the sustainable management of natural resources in Latin America and the Caribbean
5. Partnerships for food security and rural development

6. Effects of subsidies and market restrictions on agriculture and fisheries production and market access
7. Other matters
8. Meetings of consultation and analysis among delegations
9. Adoption of the Technical Committee report
10. Closure of the Technical Committee session

AGENDA OF PLENARY SESSIONS

(24 to 26 April 2000)

I. PRELIMINARY ISSUES

1. Inaugural ceremony
2. Election of Chairperson and Vice-Chairpersons, and appointment of Rapporteur
3. Adoption of the Agenda and Timetable

II. STATEMENTS

4. Statement by the Director-General
5. FAO activities (2000-2002). Trends and challenges in agriculture, forestry, fisheries and food security in the region, and actions taken on the main recommendations of the twenty-sixth FAO Regional Conference for Latin America and the Caribbean
6. Preparation for the *World Food Summit: five years later*. Regional Dimensions.
7. Reports of the Regional Commissions. Western Central Atlantic Fishery Commission (WECAFC), Latin American and Caribbean Forestry Commission (LACFC), Commission on Livestock Development for Latin America and the Caribbean (CLDLAC).
8. General debate on trends and challenges in agriculture, forestry, fisheries and food security in the region
9. Date, place and agenda of the twenty-eighth FAO Regional Conference for Latin America and the Caribbean
10. Other matters
11. Meetings of consultation and analysis among delegations
12. Adoption of the Report (including the Report of the Technical Committee)
13. Closure of the Conference

LIST OF DOCUMENTS

<u>Number</u>	<u>Title</u>
LARC/02/1 Rev 1	Provisional Annotated Agenda
LARC/02/2	Balance between food security and the sustainable management of natural resources in Latin America and the Caribbean
LARC/02/3 Rev 1	Partnerships for food security and rural development
LARC/02/4	Effects of subsidies and market restrictions on agriculture and fisheries production and market access
LARC/02/5	Preparations for the <i>World Food Summit: five years later</i> . Regional dimensions
LARC/02/5 Sup. 1	International Treaty on Plant Genetic Resources for Food and Agriculture
LARC/02/5 Sup. 2	Note on a Global Alliance Against Hunger
LARC/02/INF/1	Information Note
LARC/02/INF/2 Rev 3	Provisional Timetable
LARC/02/INF/3 Rev 3	Provisional List of Documents
LARC/02/INF/4	Statement by the Director-General
LARC/02/INF/5	FAO activities, trends and challenges in agriculture, forestry, fisheries and food security in the region (2000-2001) and action taken on the main recommendations of the twenty-sixth FAO Regional Conference for Latin America and the Caribbean
LARC/02/INF/6	Report of the tenth session of the Western Central Atlantic Fishery Commission (WECAFC)
LARC/02/INF/7	Report of the twenty-first session of the Latin American and Caribbean Forestry Commission (LACFC)
LARC/02/INF/8	Report of the Commission on Livestock Development for Latin America and the Caribbean (CLDLAC)