



Hemispheric Ministerial Process 2006 - 2007

REGIONAL STRATEGIES WITHIN THE FRAMEWORK OF AGRO 2003-2015 PLAN: Elements for Developing Coherence

Working document prepared by the Secretariat of the Central American
Agricultural Council (CAC) with the support of the Secretariat of the Ministerial
Process and Ministerial Meetings "Agriculture and Rural Life in the Americas"
Version 2 – March 2007

Table of Contents

- **Introduction**
- **Conceptual basis**
- **Regional integration processes**
- **Intersectoral relations**
- **Regional strategies: elements to be considered for their adjustment**

Introduction

Within the framework of the Summit of the Americas process, Ministers of Agriculture, in their Second Ministerial Meeting “Agriculture and Rural Life in the Americas” held in Panama in 2003, adopted a shared, long-term agenda for improving agriculture and rural life in the Americas: the **AGRO 2003-2015 Plan**. This substantial Hemispheric Ministerial Agreement (HMA) Panama 2003 was endorsed by the Heads of State and Government in the Nuevo Leon Declaration of the Special Summit of the Americas (Monterrey 2004).

Aware of the importance of the implementation and follow-up of the AGRO Plan, the Ministers defined its implementation by means of six biennial agendas and agreed to draw up progress reports which would be used to update the biennial Hemispheric Agenda. With the HMA Guayaquil 2005, the Ministers reaffirmed their commitment to the AGRO 2003-2007 Plan and updated it with complementary strategic actions for the biennium 2006 – 2007 and with new measures for its implementation and follow-up. The Heads of State and Government reiterated their endorsement of the HMA Guayaquil 2005 in the Plan of Action for the Fourth Summit of the Americas (Mar del Plata 2005).

As established in the document “Foundations work program for the Ministerial Delegates,”¹ the Ministerial Process has two components: (i) the two strategic guidelines of the HMA Guayaquil 2005 (the promotion of National Policies for Agriculture and Rural Life; and making adjustments to regional strategies within the framework of the AGRO Plan; and (ii) the development of an information system for follow-up and evaluation of the AGRO Plan and its regional strategies.

Based on the foregoing, this document provides a conceptual methodological contribution for considering the Regional Strategies (RS) and appreciating their coherence vis-à-vis AGRO 2003-2015 Plan. It starts with a chapter presenting the most relevant aspects of the AGRO-Matrix, a basic instrument for understanding and studying the influence of agriculture at all levels, especially at the regional level, which is the focus of this document. In the following chapter, reference is made to regional integration processes. Further on in the document, the issue of intersectoral relations and the relevance for the formulation of regional strategies are addressed. This is followed by a discussion of those elements to be taken into account in addressing and adjusting the regional strategies, based on factors raised in the preceding chapters.

¹ Bases for a work program for Ministerial Delegates, *On the Road to Guatemala 2007 “Working together for the Agro of the Americas”*. September 2006. Fourth Ministerial “Agriculture and Rural Life in the Americas.”

The conceptual basis and its role in developing coherent strategies

A. *The AGRO-Matrix concept*²

The AGRO-Matrix is a tool that provides a renewed concept of agriculture and rural life and responds to the need to improve the effectiveness of national and regional strategies and policies for agriculture and rural life. It brings together the systemic concept of agriculture with the sustainable development approach, and links both with the objectives of the AGRO 2003-2015 Plan.

This tool has a set of components laid out in a three-column matrix (3 systems under the systemic concept) and four rows (4 dimensions of sustainable development) which represent the main relationships involved in the sustainable development of agriculture and the rural areas. An additional row and column are used to clearly establish the objectives and how they relate to the systemic concept and the sustainable development approach.

The AGRO-Matrix, which has been designed to facilitate an understanding and study of the influence of rural life and agriculture, makes it easier to appreciate the complexity of the relationships among the actors involved. Each of the aspects contemplated in this tool must be taken into account in order to obtain the endorsement and commitment of the groups directly involved with the strategies and policies and their implementation, including those regional strategies addressed in this document. Hence, it becomes imperative to take a look at its main characteristics.

B. *Main characteristics of the AGRO-Matrix*

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

² See document "Improving the effectiveness of strategies and policies: An instrument for analysts, public decision makers and leaders of interest groups in agriculture and rural life" (2006)

In essence, there are two aspects that need to be differentiated in the AGRO-Matrix: (i) the two pillars of its structure; and (ii) the three elements of the desired situation.

Pillars of the structure of the AGRO-Matrix. The AGRO 2003-2015 Plan³ establishes that it is based on a systemic concept of agriculture and rural life and the sustainable development approach.

Systemic concept. The three central columns of the AGRO-Matrix express this systemic concept in terms of three categories or fields for action (rural territories, agricultural value chains, and national and international context) each of which corresponds to one of three systems (rural, agrifood or policy). This concept overrides the traditional view of agriculture as a primary production sector, as well as the various broader understandings of agriculture that have served as the basis for defining policies and strategies.

The sustainable development approach. The four rows of the AGRO-Matrix represent the four dimensions of sustainable development. These dimensions are called: production-trade (technical and economic processes where goods and services are produced, transformed and exchanged), ecological and environmental (impact of human action/activity on the quality of natural resources and the environment), socio-cultural-human (social interaction between members of society), and political and institutional (defines the regulatory and governmental framework, how society is organized for economic activity and social interaction, including the creation of systems for the use of natural resources and an equitable distribution of wealth). These dimensions represent the four types of actions that take place within each of the three systems of the systemic concept.

Elements of the desired situation. The elements of the desired situation for advancing the Shared Vision 2015 are set out in three (3) hierarchical levels: an overarching goal, seven (7) strategic objectives, and twelve (12) purposes.

Overarching goal: The sustainable development of agriculture and rural communities. This appears in the lower right-hand corner of the AGRO-Matrix at the juncture where the row and the column that contain the strategic objectives intersect. This highlights the subordination of these strategic objectives, as well as the two ways of viewing and obtaining this sustainable development of agriculture and rural communities.

Strategic objectives: The strategic objectives related to each dimension of the sustainable development approach appear as an additional column in the AGRO-Matrix, and those that relate to the systemic concept systems appear as an additional row. The objectives linked to the dimensions of the sustainable development approach are: competitiveness (production and marketing/trade), sustainability (ecological and environmental objectives), equity (social, cultural, human objectives) and governance

³ See second paragraph of page 58 of the document “AGRO 2003-2015 Plan for Agriculture and Rural Life: Bavaria 2001 - Panama 2003 – Guayaquil 2005”.

(political and institutional objectives). The three objectives related to systemic concept are: rural prosperity, food security and international positioning.

Purposes: The 12 purposes for achieving the desired situation are presented with the greatest degree of specificity. Each goal corresponds to the point at which a dimension of the sustainable development approach coincides with one of the systemic concept systems. These objectives have given rise to strategic actions for improving agriculture and rural life as set forth in the AGRO 2003-2005 Plan and the complementary biennial agendas.

C. The use of the AGRO-Matrix

Providing information on regional strategies using the AGRO-Matrix facilitates a global vision of the initiatives underway or being defined, which will in turn allow for a clearer identification of adjustment needs. Structuring the information in this way is crucial to facilitating an appreciation of the fact that agriculture and rural life are complex phenomena with multiple actors and diverse interests, which is also apparent at the other two geographical levels (the national and hemispheric levels). Consequently, the recommendations offered in this document emphasize the use of the AGRO-Matrix as the most appropriate instrument for analyzing existing information and generating proposals for adjusting RS.

D. The concept of region

It has also been deemed appropriate to clarify the scope of the term “region”, which is frequently used in this report and for which there are several interpretations. This term is usually used to designate each of the large territorial divisions within a country; groups of countries with shared characteristics or interests (such as countries with integration processes); or larger geographical areas (e.g. Latin America and the Caribbean, or the Americas as a single entity). In this case, this term will be used to refer to subgroups of countries in the Americas linked through integration processes, such as NAFTA, SICA, CAN, CARICOM and MERCOSUR.

Regional integration processes

According to ECLAC, aspirations and initiatives for achieving integration and cooperation in Latin America date back to the independence movements and the consolidation of independent nation States at the start of the nineteenth century. Nevertheless, economic cooperation and integration became an explicit policy objective of the countries in the region around the end of the 1950s, which led to the establishment of integration agreements.

In general, the countries of the Americas may be grouped according to the integration processes underway. There is one for the North, another for Central America, another for the Caribbean and two for the Southern part of the continent. These coexist with larger integration processes which will not be referred to here. The integration schemes of interest are:

- The **Central American Integration System** (CAIS), established as the institutional framework for the integration of Central American countries. Officially, CAIS entered into effect on February 1, 1993. It was preceded by the Central American Common Market (CACM), which was governed by the Managua Treaty (1960) and its modifying protocols.
- The **Andean Community of Nations** (CAN), successor to the Andean Pact, is a regional organization created with the signing of the Cartagena Agreement on May 26, 1969.
- The **Caribbean Community** CARICOM has as its predecessor the Caribbean Free Trade Association that entered into force in 1965. The Caribbean Community was formed on July 4, 1973 with the signing of the Treaty of Chaguaramas.
- The **Southern Common Market** - Mercosur (in Spanish, Mercado Común del Sur) was created with the signing of the Treaty of Asunción on March 26, 1991. Its creation is considered to date as far back as November 30, 1985, however, with the Declaration of Foz de Iguazu that initiated the process; and
- The **North American Free Trade Agreement**, popularly known as NAFTA has been in force since January 1, 1994.

The objective of the integration schemes was originally to broaden the market for industries that were developing in each country in an isolated manner so as to reap the benefits of cooperation, economies of scale and specialization, and replace imports of industrial goods. This proved particularly valid for the processes that had already been underway for some time. In the context of the new reality imposed by the globalization process, from the 90s onwards, regional integration shifted towards “open regionalism”. The intent was to ensure that progress in the area of trade liberalization could be adapted to or co-exist with efforts to strengthen integration agreements.

Due consideration must be given to the intent and composition of integration schemes when framing adjustment strategies in the regional context. It is therefore indispensable to have an understanding of institutional arrangements in each case (presidential forums, ministerial councils or forums and their secretariats, specialized regional organizations, technical committees, regional private-sector organizations, regional civil society organizations, etc.) and how the mechanisms for dialogue and cooperation work in each case (presidents and heads of government summits, councils of sectoral ministers, joint meetings of councils of ministers, inter-agency teams, joint meetings of secretariats of ministerial councils, meetings between governmental and regional private-sector organizations, etc.).

The regional integration mechanisms are being coupled with sectoral integration efforts which are institutional in nature and define and implement regional strategies in a number of aspects related to agriculture and rural life.

In particular, the Ministers of Agriculture made decisions regarding **meetings and regional agricultural mechanisms**, such as: the Central American Agricultural Council (CAC); the Southern Agricultural Council (CAS); the Caribbean Alliance for Sustainable Development of Agriculture and the Rural Milieu; and the mechanisms established within the framework of the North American Free Trade Agreement and the Andean Community of Nations.

In the Guayaquil 2005 HMA, the Ministers of Agriculture of the Americas decided to strengthen their regional meetings as well as the regional integration mechanisms for agriculture for purposes of consulting, identifying priorities, coordinating actions and adopting regional policies on issues of common interest, to support the implementation of national strategies to improve agriculture and the quality of life in rural communities.⁴ The Ministers' decision substantiates efforts made to adjust the regional strategies to the 2003-2015 AGRO Plan. In this respect, the value of planning instruments that are relevant to the adjustment of regional strategies for agriculture and rural life, according to the scope of the AGRO-Matrix (initiatives, sectoral or inter-sectoral policies or strategies, etc.), should be acknowledged.

Finally, it is important to have a clear understanding of the content and scope of the legal instruments⁵ in force in the integration systems, including declarations, agreements, decisions and resolutions. The proposed adjustments to the strategies should possibly be the subject of one of these instruments, and provisions for processing them should be made.

⁴ HMA Guayaquil 2005, Implementation and Follow-up, Mechanisms and Regional Strategies

⁵ Instruments that create, regulate, order, modify or nullify legal relations

Intersectoral relations

The role of agriculture is expanding and with this comes greater and more complex relationships with other sectors. The growing intersectoral nature of the economy demands that agro-actors undergo an evolution in the way they think, programme development and mobilize in terms of moving beyond the conventional areas of responsibility. Agriculture maintains its traditional connection with rural life, and is intensifying or increasing its relationships with sectors such as the environment (payment of environmental services, green businesses, for example), energy (agro-energy and bio-fuels), tourism (rural tourism, agro-tourism), health and nutrition (links to the production of functional medicine and food), trade (increased through the globalization process), *inter alia*.

Many of the activities that are gaining in importance, and other new ones that are emerging with great potential, require greater cooperation, dialogue and work with the actors from different sectors. This also reinforces the need to recognize complementarities and to create synergies to facilitate the sustainable development of agriculture and rural life.

A. Intersectoral approach in the complementary strategic actions defined in the Third Ministerial Meeting (Guayaquil 2005)

The key role of intersectoral relations is explicitly recognized in the current Hemispheric Agenda. On August 30 and 31 2005, at their Third Ministerial Meeting “Agriculture and Rural Life in the Americas”⁶, Ministers and Secretaries of Agriculture in the Americas agreed to update the Hemispheric Agenda of the AGRO Plan for the 2006–2007 biennial and adopted measures for its implementation and follow-up⁷. Below are some of the measures that are particularly relevant for the purposes of this document:

- **Inter-institutional and multi-sectoral work:** “To strengthen sectoral and multisectoral coordination to facilitate the implementation of long-term national policies, for improving agriculture and the quality of life in rural communities.”
- **Regional mechanisms and strategies:** “To strengthen regional meetings of ministers of agriculture, mechanisms for the regional integration of agriculture, for consultation, identification of priorities, coordination of actions and adoption of regional policies on matters of common interest, in support of the implementation of the national strategies aimed at improving agriculture and the quality of life in rural communities.”

⁶ Guayaquil, Republic of Ecuador

⁷ Guayaquil 2005 Hemispheric Ministerial Agreement, RM3-AMH4’2005 (31 August 2005) on pages 35-40 of the document “ AGRO-Plan 2003-2015 for Agriculture and Rural Life in the Americas: Bavaria 2001 – Panama 2003 – Guyaquil 2005.

- **Support for international organizations and inter-agency agendas:** To recognize and thank international organizations for their support for the implementation of the AGRO Plan and request that they “continue these efforts, avoiding duplication of actions and strengthening the **inter-institutional and multi-sectoral work**”.

The foregoing, for example, corroborates the importance of coordination and inter-institutional and inter-sectoral work, as well as the relevance of regional meetings among ministers, and between ministers and representatives of regional private-sector or civil society organizations for the implementation or adjustment of regional strategies.

B. Relevance of intersectoral relations at the regional level

Inter-sectoral actions offer multiple advantages to the actors in the sectors and countries involved, as well as for the regional integration processes. Some of the benefits derived from them are presented below:

- They present an option for the handling of complex issues with the richness of a combined regional and inter-sectoral approach.
- They make it possible to address problems in common areas of interest using economies of scale, making the best use of synergies and avoiding the duplication of efforts.
- They support the enforcement of the mandates issued by regional Presidential Summits.
- They strengthen coordination, completion and convergence of policies, which is vital to the success of the regional integration processes.
- They have a favorable impact on access to international cooperation for various reasons. Proposals with multi-sectoral consensus may imply savings and better use of resources. Those involved can be assured that they are contributing to a regional integration process where the sectors involved are in agreement and are addressing the interests of all involved in developing cross-cutting strategic actions. By the same token, presenting a united front gives more validity to their content, and enhances the alignment and the coordination of international cooperation.

It should be mentioned that, in general terms, the selection criterion for inter-sectoral regional treatment are those cases, situations or problems in which the sectors or countries cannot qualify on their own, or there is significant gain to be made in treating a case in conjunction with other countries and additional sectors.

The strategic importance of inter-sectoral approach within the regional context facilitates and justifies the deepening of working relationships among sectors within the framework for the formation (dialogue – agreement – commitment – execution – follow-up –

evaluation – updating) of policies and strategies⁸. Similarly, it raises the need to have a clear vision of the key inter-sectoral initiatives that complement those that stemming directly from the sector.

The pursuit of coherence and unity of direction in strategies, policies or initiatives, among which the key elements required for the sustainable development and improvement of rural life are currently scattered, represents a considerable challenge. For the purposes of this document, this also has serious implications in that steps taken to implement the AGRO Plan should possibly not be limited exclusively to a sectoral agricultural strategy, but should rather integrate other inter-sectoral instruments and mechanisms into the analysis.

⁸ More on the concept of “formation” of policies and strategies in footnote 5 of the document “Promoting a National Policy for Agriculture and Rural Life: introductory notes for gradual inclusive progress”.

Regional strategies: elements to be considered for their adjustment

A. *General considerations*

The scope of the sustainable development of agriculture and of rural communities, due to its multidimensional and inter-sectoral nature, exceeds the normal area of competence of ministers of agriculture. Their legal and institutional capacity, their room for maneuver and their leverage, when it comes to handling the corresponding instruments and carrying out the necessary actions, is often insufficient for the actions of agricultural authorities to have a direct bearing on all the relevant variables.

In spite of this, it is possible for the authorities to exert a decisive influence on aspects that they share responsibility for and even on aspects that fall outside their realm of competence at the regional level. In such cases there must be collaboration, consensus, and coordination of actions or initiatives with other sectors to adjust or propose joint strategies.

The public sector agricultural authorities must also possess the mechanisms for dialogue and collaboration with organized private-sector or civil society groups, preferably, though not necessarily exclusively with those groups that are formally recognized within the regional integration system.

Thus, the AGRO Plan implementation strategy at the regional level requires coordinated intersectoral actions. Some of these actions are: formulating and implementing regional policies or strategies based mainly on area of competence; strategies or policies of an inter-sectoral nature that involve tourism, environment, energy, health and other social sectors. To complement this, recourse can be made to shared agendas, or the institutionalization of joint meetings of groups of ministers. The formation of technical committees and inter-agency working groups are other examples of bi- or regional multi-sectoral modalities for action. Cross-cutting consideration of the issue of the structure and alignment of international cooperation is also recommendable.

Although the foregoing by no means exhausts the possibilities, it would be appropriate when proposing the formulation and adjustment of regional strategies to have a comprehensive vision. Due consideration of the total package of initiatives is fundamental for processing or reprocessing or influencing, depending on the circumstances, the actions geared towards achieving the 12 purposes, 7 strategic objectives and the overarching goal of the AGRO 2003-2015 Plan. It is the appreciation of the total package of initiatives that will make it possible to detect any overlaps, contradictions or loopholes.

B. *Adjustment of regional strategies*

Prior to presenting suggestions for the adjustment of strategies, it would be wise to consider the heterogeneity of the Americas, which stems from the diversity of its

cultures, languages, economic, social, environmental and political realities. The major implication of this is the recognition that there is no single formula or modality applicable to all. It is quite possible that the strategy adjustment process will give rise to particular circumstances in each region that were unforeseen in this analysis. Nevertheless, it is also possible that the majority of the considerations presented here will have some validity or that similarity or equivalents will be encountered.

Another relevant prior consideration is that the regional strategies in the Americas emerge at different periods, including prior to the AGRO 2003-2005 Plan, the Hemispheric Strategy. This is why the adjustment in regional strategies is identified as a key aspect of the HMA Guayaquil 2005 (the second phase of the AGRO Plan). The scope of the AGRO Plan makes it clear that the proposals for the Shared Vision 2015 and its strategic objectives reveal the limitations of the “sector” concept. It also exposes the need to construct a new institutional framework.

In light of the foregoing, it is suggested that the following steps be taken into consideration in proceeding with the adjustment of regional strategies.

1. **Identification of the planning or strategic management tools and existing information.** The response to the AGRO Plan in the regional milieu will not necessarily be reflected in a single planning or strategic management instrument. It is therefore necessary to acknowledge the possible existence of more than one relevant regional policy, initiative or strategy, and to identify them.
2. **Analysis of the information with the help of the AGRO-Matrix.** Once the relevant existing information has been identified, it must be expressed in terms of the AGRO-Matrix. This instrument has the merit of exposing strengths and deficiencies or weaknesses in addressing the strategies. Overloaded or vacant cells in the matrix might reveal overlaps, contradictions, or the need for coordination or alignment, as well as draw attention to aspects that have not been adequately covered.
3. **Determination of needs for the adjustment of RS based on the organization and nature of the integration process.** It will be necessary to:
 - review the mechanisms and potential of the organization of the regional integration process, and
 - as part of the organization process, identify the ways and means by which the regional strategies could be adjusted, such as: forums, pertinent mechanisms for cooperation or opportunities for dialogue, and the types of legal instruments that may eventually be required (declarations, resolutions, agreements, etc).