

Sectoral Review Meeting of the Group of 77 on Food and Agriculture, Georgetown, Guyana, 15 – 19 January 1996

- Final Report

Introduction and Organisational Matters

1. The Group of 77 (G-77) was created in 1964 on the occasion of the First United Nations Conference on Trade and Development (UNCTAD-I) which met in Geneva that year. The Group of 77 is a primary instrument of developing countries for mobilizing their strengths for the purpose of negotiations within the United Nations system. In this regard, the Group has represented developing countries at various United Nations fora. In May 1981, the Group of 77 met and adumbrated the Caracas Programme of Action, which recommended economic cooperation in eight sectors including trade, technology, food and agriculture, energy, raw materials, finance, industrialization and technical cooperation among developing countries. In accordance with the provisions of the Caracas Programme of Action (May 1981) on economic cooperation among developing countries, the First Sectoral Review Meeting on Food and Agriculture of the Group of 77 was held in Georgetown, Guyana, from January 15 – 19, 1996, hosted by the Government of the Co-operative Republic of Guyana.

A. Attendance

2. The meeting was attended by the following member countries of the G-77: Brazil, China, Colombia, Costa Rica, Democratic People's Republic of Korea (DPRK), Guyana, India, Indonesia, Malawi, Namibia, Philippines, Republic of Korea, St. Kitts and Nevis, Suriname and Venezuela.

3. The following international and regional organizations were observers at the meeting: United Nations Development Programme (UNDP), Food and Agricultural Organisation (FAO) of the United Nations, World Food Programme (WFP), Organisation of American States (OAS), Inter-American Development Bank (IDB), European Union (EU), Inter-American Institute for Cooperation on Agriculture (IICA), Caribbean Agricultural Research and Development Institute (CARDI), Caribbean Community (CARICOM) and the Tropical Agronomical Research and Training Centre (CATIE). Observers from governmental and non-governmental organizations in Guyana also attended the meeting.

4. The Chairman of the Group of 77 was represented by H.E. Mr. Jose M. Gutierrez, Ambassador and Deputy Permanent Representative of Costa Rica to the United Nations.

B. Opening Session

5. The Minister of Agriculture of Guyana, Hon. Reepu Daman Persaud, welcomed all delegates and wished them an enjoyable stay in Guyana. He urged the conference to move from noble ideas and visions to tangible achievements and maintained that South-South cooperation was critical in achieving this. He further indicated that there was a great need to address the problem of the debt burden and poverty while simultaneously striving for competitiveness and sustainability.

6. The Minister of Agriculture cited the continued relevance of the original 1981 Caracas Conference mandate, where the need for agricultural sector growth and food security was underlined as a prerequisite to national and collective self-reliance. He was of the view that the possibility of decreasing preferential margins in foreign markets, increasing penetration of domestic markets, coupled with subsidized imports, threaten to undermine continued agricultural development.

7. The Minister of Agriculture gave a brief overview of Guyana's agricultural development. He singled-out the rice and sugar sectors and referred to their impressive growth rates during the past five years. Mention was also made of the positive growth trends within the non-traditional 'other crops' and livestock subsectors. The Minister emphasized that these significant growth trends had been achieved within a framework of the Government's adjustment programme, which ensures that the private sector becomes the engine of growth. Improved drainage and irrigation systems and the reorganization of the land administration were cited as areas, which are receiving special attention. The Minister pointed-out that there are many opportunities for investment in Guyana's agriculture and welcomed joint ventures with countries of the South.

8. The Minister of Foreign Affairs, Hon. Clement Rohee, joined the Minister of Agriculture in welcoming the delegates. He challenged the meeting to come up with innovative ways to grow food more efficiently. He stated that countries of the North are astute and consistent protectionists. The countries of the North encourage the South to remove their protection while the North continues to subsidize its own agricultural sector.

9. Given the reduction in financial development assistance, the Minister of Foreign Affairs suggested that if the current trade trends continue the South would become net importers of food, and as agricultural producers lose their means of livelihood they would be forced into growing high-priced crops such as marijuana and coca. The Minister made it clear that his was not a call for protectionism, but for fair trade.

10. The Minister of Foreign Affairs said that the agenda of the Caracas Plan of Action is still relevant and that this accord should be used as the basis for greater South-South cooperation. This cooperation should be seen as complementary to continued North-South cooperation. He took the opportunity in his concluding remarks to thank all of the agencies that had collaborated with his Ministry in organizing the conference.

11. His Excellency Dr. Cheddi Jagan, President of Guyana, began his address by outlining the extent of the global problems as they relate to population expansion, rural-urban migration, climatic change and growing poverty. These conditions were identified as contributing to global instability and threatening world peace. The need to address the problem of hunger and poverty was particularly emphasized and agriculture was seen as the sector that should play a pivotal role in its eradication and not simply to its alleviation.

12. The President of Guyana, in the context of his proposed New Global Human Order, advocated the following policies and actions for promoting a reduction in poverty in developing countries:

- i) reduction in military expenditure in favor of investment on developmental infrastructure;
- ii) promotion of sustainable growth and equity;
- iii) diversification of production to reduce the vulnerability of monocultural crop-producing countries;
- iv) increased agro-industrial processing to facilitate the more efficient utilization of primary products;
- v) the creation of a special developmental fund, independent of liberal and multilateral sources, to be disbursed in the interest of the borrowing countries;

- vi) greater collaboration between member countries in the areas of science and technology;
- vii) collective lobbying by the South for debt relief;
- viii) creation of a buffer stock of food commodities, and guaranteed prices of primary products;
- ix) greater involvement of women in agriculture, particularly through increased access to credit.

13. The President concluded his remarks by calling on delegates to define specific and practical goals and strategies for a viable programme for future collaboration.

14. Ambassador and Deputy Permanent Representative of Costa Rica to the United Nations, Jose M. Gutierrez, delivered the report on the Caracas Programme of Action on behalf of G-77. He indicated that the Follow-up and Coordination Committee on the Action Plan had held eight meetings since the plan was issued in 1981, and that there had been an energy sector meeting in Indonesia in September 1995.

15. Ambassador Gutierrez called for urgent and concrete measures to increase food production and self-reliance. He pointed particularly to the dilemma faced by developing countries who are called on to increase growth in the agricultural sector, while being encouraged to conserve resources for future generations. The Ambassador urged the conference to revise and update the goals and methods proposed for the eight priority areas in the Caracas Action Plan.

16. After presentation of Ambassador Gutierrez, the Opening Session closed with the viewing of two video films. The films entitled Beautiful Land, Wonderful People and Agriculture of the twenty-first century served to introduce Guyana and to address challenges facing agriculture in the twenty-first century in Latin America and the Caribbean, respectively.

C. Election of Officers

17. Election of Chairperson and Bureau of the Conference

Chairperson

Hon. Timothy Harris, the delegate from St. Kitts-Nevis, nominated Hon. Reepu Daman Persaud, Senior Minister of Agriculture of Guyana. This was unanimously approved.

Vice-Chairpersons

Mrs. Penny T. Akwenye, the delegate from Namibia, nominated Hon. Lizzi A. Lossa, the delegate from Malawi.

Mr. Victoriano B. Leviste, delegate from the Philippines, nominated Mrs. Stuti N. Kacker, the delegate from India. Both nominees were unanimously approved.

Rapporteur

Dr. Sabas Gonzalez, the delegate from Venezuela, nominated Mr. Osvaldo Bolaños Viquez, the delegate from Costa Rica. This was unanimously approved.

D. *Adoption of the Agenda*

18. There being no amendment to the draft, the agenda was unanimously adopted.

Session One: Review of Food and Agriculture by Sub-Region

19. The session started with a Report of the Conference of Ministers of Food and Agriculture of the Non-Aligned Movement on Food Security. The delegate from Colombia, citing the Jakarta Summit and the Cartagena NAM meetings, called for the right to food to be a fundamental human right and a moral imperative of the international community. In particular, each government should make the food security of its people a primary responsibility.

20. The report emphasized the need for international cooperation, through South-South and North-South mechanisms for the removal of current food and agricultural constraints. Over 150 million people in Africa and over 500 million worldwide are suffering from malnutrition. Food insecurity contributes to social, political and economic instability of developing nations. This situation was of special concern to the Heads of State of Non-Aligned Countries at the 1992 Summit in Jakarta, Indonesia, and resulted in the convening of the 1994 Bali Meeting. At the Bali meeting, an Action Programme on Food Security was formulated, with the following elements:

- i) the development of a forum for the exchange of knowledge and experiences between countries of the South, through seminars, training and workshops for policy makers and planners;
- ii) technical assistance from countries with successful food production experiences, stressing the importance of involving the private sector in the implementation of strategies;
- iii) South-South technical cooperation to promote human resource development;
- iv) Alleviation of food shortages in NAM member countries through cooperation between food importing and exporting countries in order to achieve continuity of supply, reasonable prices and mutual benefits; and
- v) Support for the Special Programme of Action to help African countries increase food production through the conduct of training programmes.

21. The Cartagena Summit of 1995 reiterated the need to focus on food security as a fundamental objective of development. The Heads of State at that meeting noted that despite increases in global food production, the number of hungry and malnourished people in the world has increased dramatically in recent years. Assistance from the Food and Agriculture Organization, other United Nations agencies and multilateral financial institutions is necessary to help developing countries strengthen their food security programmes as a matter of priority.

22. The Colombian delegate, therefore, advised that this G-77 Sectoral Review meeting should consider the concepts of food security and sustainable agriculture together, and reach conclusions and recommendations that offer hope to the hungry and malnourished people around the world.

23. The representatives of FAO reported on the Agricultural and Food Situation in Africa, South-East Asia and South Pacific. Of the three sub-regions, Africa was cited as having the greatest number of problems. Agriculture continues to be the main source of income and employment for the people of the African continent. However, despite the implementation of nationally and internationally funded programmes, Africa continues to rely heavily on external financing, food imports and food aid.

24. A number of factors were cited as contributing to the poor agricultural sector performance in Africa. These include war, natural disasters and political instability.

25. FAO proposed two themes with a view to examining the overall situation in developing countries. They are: (a) ability to improve sustainability; and (b) prospects for enhanced food security. In this regard, the following programmes are being implemented:

- i) projects targeting food security for low-income food-deficit countries with a view to alleviating of poverty;
- ii) emergency preparedness projects; and
- iii) technical co-operation projects among developing countries (TCDC).

26. Africa's ability to achieve food security, equity, environmental preservation and external competitiveness was linked directly to its ability to create a stable political and economic climate.

27. The economic and agricultural performance of the countries in South-East Asia were reviewed in the context of the need for improved food security. Despite considerable diversity in populations, resources, and economic structures, the countries share strong economic growth rates during the past two decades, vigorous industrial expansion, movement towards market-oriented reform and trade liberalization. Agriculture contributed significantly to the economic expansion, and remains a major source of employment. The rapid growth rates of agricultural productivity have been achieved through technological and management improvements, crop diversification and commercialization of production.

28. Negative developments include growing income disparities and impoverishment of rural food producing populations, scarce land and water resources, land degradation, deforestation, soil erosion, loss of biodiversity and agrochemical pollution, and decreased funding for agricultural research, development and technology transfer.

29. The review of the agricultural and food situation in the South Pacific countries pointed to the growing reliance on food imports. The response to modernization efforts has not been favourable, with only Fiji and Tonga increasing agricultural exports. The decline in the coconut industry led to the sub-region emphasizing other crops such as spices, flowers, fruits and vegetables.

30. Two presentations on Latin America and the Caribbean were made by representatives from the Caribbean Agricultural Research and Development Institute (CARDI) and the Inter-American Institute for Cooperation on Agriculture (IICA).

31. The performance of the agricultural sectors in Latin American and Caribbean (LAC) countries has been disappointing since the Caracas Programme of Action adopted by the Group of 77 in 1981. Although growth in production has been positive, it has lagged behind the growth rates in other regions.

32. Agricultural exports play an important role in the economies of LAC countries, the majority of whom are net exporters of agricultural produce. However, the share of world's exports from LAC countries has declined in the last 15 years, while the level of agricultural imports has increased. Average per capita food consumption in LAC countries remains relatively high, although this in some cases may mask significant inequities, both within and among specific countries.

33. For the future, it seems likely that commodity prices for agricultural produce will not decline as much as in the last 10 years (1985-1995), and as a result, policy reforms adopted under structural adjustment programmes may have a more favorable effect. To date there is no clear conclusion regarding the impacts on the agricultural sector and the environment of trade liberalization under the GATT agreement.

34. The LAC countries must follow a more progressive path of coherent policies, promote the better allocation of resources (land, labour etc.) and carry out necessary policy reforms within the agricultural sector. Some countries in the region, such as Brazil and Chile, have already benefited from the implementation of such reforms.

35. The delegate from Brazil indicated that traditionally, the state has played an important role in the economy of Brazil. This closed economic model was characterized by the government control of markets, including the provision of guaranteed minimum prices for agricultural producers. In recent years the agricultural sector in Brazil has been striving for improved efficiency and competitiveness, with many positive results. There has been a marked change in the role of the state, with a decline in the degree of intervention. Large scale, commercial agriculture no longer needs government control of markets or subsidies. The main problem of such 'commercialisation' has been the negative impact on smaller farmers, whose migration to urban areas is a continuing social problem.

Session Two: Sustainable Agricultural Development

36. The theme of sustainable agricultural development was addressed against the background of the description of the global situation in agriculture presented in Session One. Sustainable development is generally perceived as a process that will provide for the needs of the present without jeopardizing the ability of future generations to meet their needs. Sustainable agricultural development was regarded as fundamental in view of the disappointing performance of the agricultural sector in Africa and Latin America and the negative impact on food security. The situation in the South Pacific and the Caribbean could be characterized as one of mixed growth performance in the agricultural sector. Market instability for many of the traditional export crops has contributed to the decline in production, which has resulted in growing food imports. These trends reemphasize the need for developing a sustainable and competitive sector.

37. In the presentation entitled Sustainable Agriculture: International Development Perspectives, prepared by FAO, emphasis was placed on the need for global agriculture to be placed on a sustainable growth path. It was recognized that the achievement of sustainable agricultural and rural development entails a slow process that should encompass various social economic and technological actions/policies. This process should include consideration of the following needs:

- i) political commitment to the design and implementation of coherent macro and sectoral policy measures;
- ii) greater involvement of local communities in the formulation and implementation of agricultural development programmes;
- iii) farming systems that do not compromise environmental integrity and natural resources;
- iv) increased support for research and technology development, required for the sustainable intensification of agriculture;
- v) greater collaboration between national and international institutions for the promotion of sustainable agricultural development; and
- vi) promoting food security and income opportunity creation, while simultaneously promoting sustainable agricultural development.

38. The presentation Options for Developing Sustainable Agriculture and Food Systems in Latin America and the Caribbean, prepared by IICA, considered sustainable development of agriculture and rural areas to be a multi-dimensional process.

39. It was pointed out that the traditional framework used to evaluate the importance of agriculture in the region has failed to reveal its true contribution. As a result, it is of utmost importance to adopt a holistic approach which reassesses the role of agriculture, taking into consideration its functions and its interaction with rural areas and other sectors of the economy. This approach should include:

- i) joint actions to combat growing poverty;
- ii) the execution of joint technical cooperation efforts for sustainable rural development;
- iii) the promotion of joint technical cooperation and assistance actions to encourage the most-developed countries in the region (e.g. USA and Canada) to provide technical cooperation to the relatively less-developed nations; and
- iv) the strengthening of actions in the Americas in the field of biodiversity and genetic resources;

Such action will result in the attainment of:

- i) more competitive agricultural products;
- ii) greater consideration of ecological concerns;
- iii) greater social equity; and
- iv) an institutional and policy framework that would make these results possible.

40. The close correlation between sustainability and competitiveness was illustrated in the presentation on “Opportunities for Competitive and Sustainable Agriculture in Guyana”, made by the Institute of Development Studies, University of Guyana’s representative. The paper pointed to the need to increase labour productivity for greater competitiveness. Increased sustainability of Guyana’s agricultural sector could be realized through greater product diversification.

41. The case study on a coffee revitalization project, presented by the IICA/MARNDR representative from Haiti, served to illustrate the importance of many of the principles of sustainable agricultural and rural development referred to in earlier presentations. At the request of the Haitian Government, IICA had conducted a diagnostic study of the coffee industry in 1987. As a result, the coffee revitalization project was initiated in 1990 in two southern areas of Haiti: Jacmel and Beaumont.

42. The objectives of the project included:

- i) improvement of the socioeconomic condition of coffee farmers;
- ii) introduction of leaf rust-resistant and high-yielding coffee varieties; and
- iii) implementation of soil conservation and environmental protection practices.

In order to achieve these and other objectives, the project entails:

- i) organization and participation of peasant farmers;
- ii) training of project extension agents;
- iii) production and establishment of new improved coffee seedlings; and
- iv) coffee processing and marketing.

43. This project has been of tremendous benefit to a number of farmers who have increased their income significantly due to the premium price obtained for coffee marketed through the system established by the project. This project has also benefited communities by the improvement in roads, rehabilitation of schools, and improved access to potable water.

44. A number of valuable lessons can be learnt from this case study in sustainable agricultural development:

- i) the most important element in the success of this project has been the integral participation of the farmers themselves, stimulated by the potential for increasing income;
- ii) technical assistance from experienced consultants has proven invaluable, particularly in the identification and development of market opportunities; and
- iii) the selection of professional personnel must be very careful and sensitive to the needs of the project in the field. Farmers must have confidence in the Extension Agents providing advice.

45. The case study presented by the IICA representative from Jamaica focused on the Environmental Impacts of Land Use in the Rio Cobre Watershed, Jamaica. It illustrated the effects of the integration of environmental and social impacts into a traditional economic analysis of production systems.

46. Farm production models and enterprise budgets were developed to estimate the quantity and value of production on several of the small hillside farmers on the Rio Cobre Watershed. These models also measure soil erosion and biomass production under each type of land-use system. The results suggest that changing the present land-use practices would result in a reduction of losses through erosion and an increase in farm income.

Session Three: New Directions for Cooperation in Food and Agriculture

47. A paper entitled *Competitiveness and Trade: Conceptual Issues and Directions for Latin America and Caribbean Countries* was presented by a representative from IICA. The paper traced the movement from import substitution-led development policies of the 1960s and 1970s to the export-led policies of the 1980s and 1990s. During the latter period, the fact that government intervention in markets and decision-making was reduced, and the need for agriculture to adapt to new market conditions was emphasized.

48. Out of this re-orientation in economic philosophy has emerged a considerable level of concern among LAC countries about the competitiveness of their agricultural sectors. In addition, the response to new market conditions has led to fears that the environment may not be able to sustain the current level of economic activity, and that the gains achieved from trade have been distributed unevenly within the agricultural sector. However, the paper maintains that economic growth is compatible with environmental sustainability and equity, once government targets interventions and commits to an appropriate policy framework. In this regard, provision of assistance is therefore important to rural people so they may operate more efficiently within their own environment and not be marginalized by the

development process. Vital to achieving this is increased education and training opportunities, as new research indicates that human capital and entrepreneurship are important determinants of increasing productivity and competitiveness.

49. Another case study addressed the removal of labor and land constraints, and at the same time increased competitiveness and sustainability on a medium-sized dairy model. The model is based on the St. Stanislaus College Dairy Farm in Guyana. In Guyana, cattle graze on the roadsides because there is shortage of pastureland in the coastal areas where ninety percent of the population lives. Labour is not attracted to the dairy sector because of the low-paid and backbreaking work of harvesting grass and carrying it to the cows. The model addresses these constraints through a rotational pasture system, a small-scale, two-cow simultaneous milking unit, silage making for the dry season, and a management package.

50. The fundamental principles that should be considered in the transfer of this dairy model technology are:

- i) work with farmers already in place;
- ii) focus on the most critical constraints (e.g. pasture);
- iii) recognize the importance of appropriate technology interventions (e.g. solar power, low-tech milking machine);
- iv) utilize domestic resources fully;
- v) pay attention to macroeconomic linkages (policy makers, planning units);
- vi) constantly seek and analyse for productivity enhancing opportunities (record keeping to determine weaknesses in production systems);
- vii) emphasize sustainability of systems in all three dimensions (economic, ecological and social);
- viii) utilise public, private, national and international institutions;
- ix) integrate technology, organization and policy considerations into the strategy.

51. A paper prepared by the South Centre on Food Security and Modernization argued that food security means secure access to nutritionally adequate diets by all people at all times. The concept of modernization in agriculture is ambiguous. It is often interpreted to mean greater agricultural productivity through the adoption of high-yielding varieties and a package of inputs and conditions prescribed by institutions of the North. An alternative interpretation, more compatible with increased food security, is the adoption of an appropriate mix of technologies suited to local social, environmental and economic conditions.

52. In order for countries of the South to break-free from the imposed policies and philosophies of the North, there is a need for increased South-South cooperation. Experiences with South-South cooperation have not been too productive in the past, and there are many areas in which it could improve. Some of these are:

- i) organization of programmes by developing countries for financing and administering adequate food reserves in each major region;

- ii) exchanging experiences among developing countries on institutional and policy reforms, and in particular with regard to land reforms;
- iii) the preparation of case studies of successful development models, for wider diffusion;
- iv) technological transfers and cooperation in research and institutional innovations that contribute to more sustainable agricultural development, such as integrated pest management, organic farming and the improvement and adaptation of traditional farming systems; and
- v) joint lobbying by governments in the South to insist on greater transparency and accountability of transnational corporations, bilateral agencies and international organizations, and consideration of a common code of conduct to ensure that these organizations operate in an ecologically and socially sustainable manner.

53. Ambassador Jose M. Gutierrez informed the meeting of the existence of the Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries.

54. The Trust Fund was established with UN core capital worth US\$5 million. The Chairman of the G-77 administers the fund and consigns the interest generated by the core capital to finance feasibility studies. Project proposals for financing from this facility can come from governments, NGOs or any organization or individual so long as they comply with the following criteria:

- i) projects should be related to the eight priority areas identified in the Caracas Plan of Action;
- ii) projects should have a regional dimension and should be seen to benefit several countries;
- iii) projects should not duplicate any UNDP project; and
- iv) projects must be submitted to the G-77 through specified focal planning agencies, such as CARICOM.

55. Up to US\$70,000 is available for each project. Each year, a 15th March deadline is set for the submission of proposals. Disappointingly, in 1995 no submissions were received, and the meeting participants were urged to take advantage of these funds. The funds are available only for feasibility studies, and are not intended to supplement shortfalls in funding of other projects. A booklet containing further information pertaining to the Fund was made available to participants.

56. The delegate from Costa Rica presented a paper on Participatory Extension for Conservationist Agriculture in Costa Rica which noted that the traditional top-down, non-participatory approach used for extension was deemed inappropriate for Costa Rica. After 1992, the extension programme took another direction, searching for integrated solutions between the producer and technical personnel.

57. This participatory extension system involved the following activities:

- i) provision of information to producers and institutions;
- ii) motivation and awareness-building programs;
- iii) training programmes for technicians and farmers;
- iv) designing follow-up plans to provide feedback to technicians and farmers; and
- v) development of representative farms to allow a transfer of information from farmer to farmer.

58. Important lessons have been learnt from the experience of this project, notably:

- i) the importance of participation of local people in all the phases of project activity;
- ii) training and motivation is essential to facilitate participation; and
- iii) the institutional framework must be oriented to support participation.

59. The presentation from CARDI entitled Responding More Effectively to the Needs of Farmers, Traders, Rural People and Institutions recognized that increased competitiveness is necessary if agriculture is to remain important to the economies of CARICOM countries. The achievement of such increased competitiveness requires a restructuring of agricultural institutions in response to a changing market place. Institutions need to better-equip personnel in the sector to enable them to overcome constraints to their development, which will entail responding more effectively to the needs of the target groups.

60. Wide participation is necessary to develop the strategies, which will shape the redefinition of institutions in the sector. Implementation of these strategies will require the commitment of regional and international institutions to the new paradigm of participation. With the new approach institutions will need to emphasize in the information provided to target groups that the sector has a new business orientation. By providing such information, small producers who are most vulnerable as a result of new policy and trade reforms, will be better equipped to adjust to these reforms.

Session Four: Changing Institutional Structures

61. The Regional Director of IICA in his presentation entitled The Agriculture of the Americas on the Eve of the Twenty-First Century traced four major periods of technological evolution. First among these was the beginning of agriculture itself, followed by the industrial revolution, the energy and electronic revolution and more recently the information revolution. Knowledge was emphasized as the common thread connecting these changes. It was suggested that one of the main challenges facing us is to overcome poverty by investing in human resources.

62. The delegate from Venezuela presented a case study on technical assistance experiences in Venezuela during the period 1992-1995. The Integrated Technical Assistance Programme of Palaven provided a broad range of services simultaneously, including soil testing, equipment repair, agricultural insurance and financial and management services. The presentation identified several lessons for integrated development projects. These are summarized below:

- i) As an integrated development programme grows, there is a tendency for the quality of the services to deteriorate. Therefore, careful attention needs to be paid to geographic and agricultural activity coverage.
- ii) Accessing credit for agriculture is difficult and the banking sector needs to be encouraged to increase its lending to the agricultural sector.
- iii) While there may be a need for financial assistance in the early aspects of these projects, the switch to other types of assistance must take place in a timely manner.

63. An important dimension of this Venezuelan experience is a computer programme that tracks the production and services related to the farmer and rural development activities. Both the experiences of this project and the information management technology associated with it suggest that its lessons should be more widely distributed.

64. The delegate from the Republic of Korea presented a paper on Maintaining Self Sufficiency of Rice in a Sustainable Agricultural System. Problems faced by the rice sector were highlighted,

particularly with regard to the narrow genetic base of the varieties released and to developing varieties that were heavily dependent on fertilizer. These problems have been overcome through large-scale trials on farmers' fields and through incentive systems to innovative farmers.

65. A member of the Guyana delegation presented a case study on the Sustainability of Guyana's Rice Industry. Rice production, which declined during the 1980s, due to deteriorating infrastructure, inadequate support services and inappropriate policy measures, has expanded dramatically in the past few years. Rice exports have also increased in recent years. Low productivity is a major constraint to increased rice production and several strategies are being employed to address this constraint, namely:

- i) Rice research has been brought under the Rice Board, which is financed by the private sector.
- ii) The funds generated by the preferential prices being received for rice exports are channeled back into the sector, enabling farmers and millers to retool.
- iii) Institutions responsible for drainage and irrigation and for the control of state lands are in the process of being reformed and strengthened to improve management of these productive resources.
- iv) A number of programmes are targeted at improving the productivity of small farmers.

66. Due to fertile soils, the application of fertilizers is relatively low; however, pesticides remain a necessity in the production process. In order to limit any negative environmental impacts resulting from chemical use, legislation is being enacted to regulate the importation and usage of toxic chemicals. This will be supported with training of farmers in the handling and application of agro-chemicals, and also by continued research into integrated pest management.

67. The nature of the changing international rice market was discussed and the possibility of Guyana and Suriname cooperating to compete more effectively was indicated. This South-South collaboration is important in the area of trade but should not be limited to trade. It is possible that Guyana and Suriname could collaborate on varietal improvement research and training. Improving varieties to meet consumer demand and packaging and processing rice to penetrate different consumer markets is always under consideration.

Session Five: Working Groups

68. The conference identified three topics for working groups to address. The reports on these topics are as follows:

Topic 1: Developing Sustainable Agricultural Systems

69. The group identified a number of constraints, which hinder the development of sustainable agricultural systems and proposed strategies for their removal. The achievement of sustainable development will require adjustments both at the macro and micro level and, critically, between producers and policy makers. The crux of the debate centered on the need to increase the participation of rural communities in the development process. This will require a reorientation of national and international institutions away from the traditional top-down approach that includes policy imposition. Empowerment of rural communities, through training and the increased access to productive resources such as credit, is of vital importance if the stakeholders in the agricultural sector are to have the capacity to influence policy makers and take control of their own development.

70. The role of the state is to provide these capacity-building facilities, and to provide the infrastructure and services required for sustainable development. Increased investment in research and extension needs to be emphasized, and such research needs to develop appropriate technologies to support

ecologically sensitive production practices. The objective is to reduce the dependence upon high levels of external inputs, whilst maintaining the competitiveness of agricultural production. Maintaining competitiveness depends to a large extent upon governments' commitment to appropriate macro-economic policies. Although countries of the North are highly protectionist, greater South-South trade negotiations and agreement can stimulate increased trade.

71. The group identified a vision within the context of sustainable agricultural systems to include:
- i) the use of genetic resources, including utilization of developments in biotechnology, for the production of more efficient plant and animal genotypes;
 - ii) monitoring of agricultural systems for environmental changes; and
 - iii) changing goals away from short-run profit maximization, to emphasizing the sustainable use of resources.

Topic 2: New Dimensions of Cooperation in Food and Agriculture

72. Although increased South-South cooperation has frequently been touted as a way to further the development of agriculture, in practice cooperation has been limited by socio-economic and political barriers. There is considerable scope to increase information sharing on all aspects of agriculture, which would contribute to greater understanding and collaboration. Successful case studies could be assembled and made accessible with the help of international and regional agencies, facilitating the identification of projects and increasing their chances of successful implementation. Hence, the efficiency of technical cooperation between international and national agencies will be increased, which is a particularly pertinent point in the context of declining availability of funds from international agencies.

73. To improve the usage of information stemming from international cooperation, the countries of the South also need to explore means of increasing funds for project implementation. Appropriate macro-economic policies can serve as an incentive to increased domestic savings, foreign direct investment, and multilateral and bilateral inflows. Private sector investment also needs to be attracted to the agricultural sector. The prevailing low levels of investment in agriculture can be attributed to the high-risk element. Diversification of the productive base, and crop insurance, are possible means for overcoming these risks.

Topic 3: Institutional Innovations for the New Scenario

74. The lack of linkages between primary beneficiaries and support institutions remains a significant constraint to agricultural development. Policy adjustments emphasizing the reduced role of the state in the market place and changing trade opportunities globally have made it necessary for institutions and organizations to adapt. Farmer organizations and farmer networks would provide the appropriate mechanisms for farmers to be dynamically responsive to the changing environment in which they operate. This would enable greater access to the services offered by support institutions, thereby increasing the competitiveness and sustainability of farming systems.

75. Support institutions need to be able to react to the needs of farmers and this may require restructuring to allow for greater responsiveness to beneficiaries. Recognizing that the needs of farmers are multi-dimensional makes it necessary to develop an institutional framework in which horizontal linkages between institutions at the national, regional and international levels are strengthened. Linkages and networks between the countries of the South will precipitate increased information sharing and problem solving. International, regional and national collaboration can identify, study and document the experiences of successful projects and models in agricultural development, and the information can be disseminated to countries of the South through the new communication networks.

Final Session

76. The Minister of Agriculture, Hon. Reepu Daman Persaud, welcomed the delegates to the Final Session and indicated that the major business of the day would be consideration of the Working Group Reports, the Final Report of the Meeting, and the draft of the Georgetown Declaration on Sustainable and Competitive Agriculture. He thanked the Delegates for their commendations based on the experiences of the field visits the previous day. He asked the delegate of Costa Rica, the Official Rapporteur of the meeting, to table the Report of the Working Groups and the Final Report of the Meeting.

77. The Costa Rican delegate, Mr. Osvaldo Bolaños, thanked the team of Rapporteurs that had prepared the reports for the consideration of the delegates. He asked the Chair of the Working Group 1, the delegate from Namibia, Mrs. Penny Akwenye, to present the first Working Group Report. The topic addressed by this Working Group was Developing Sustainable Agricultural Systems.

78. A representative of CARDI, Dr. Compton Paul, presented the Report for Working Groups 2 and 3. The two topics considered were New Dimensions in Food and Agriculture and Institutional Innovations for the New Scenario. Summaries of these reports appear below.

79. The Draft Report for the Meeting was presented by Dr. Deep Ford, Report Supervisor for the Meeting. The Final Report was discussed by the Delegates and a number of minor changes were agreed on.

80. The Hon. Minister of Agriculture of Guyana asked Ambassador Jose M. Gutierrez to read the draft version of The Georgetown Declaration on Sustainable and Competitive Agriculture by the Group of 77.

81. The Hon. Minister of Agriculture of Guyana then requested the Delegates to move the adoption of the Final Report and the Georgetown Declaration.

82. The delegate from Namibia moved that the Final Report be adopted. The motion was seconded by the delegate of St. Kitts and Nevis. The motion was unanimously approved.

83. The delegate of St. Kitts and Nevis moved for the adoption of the Georgetown Declaration. The motion was seconded by the delegate from India. The motion was unanimously approved.

84. Ambassador Jose M. Gutierrez, on behalf of the Chairman of the Group of 77, thanked the Government of Guyana for hosting the meeting and commended the Minister of Agriculture for his astute chairmanship and guidance. He also expressed gratitude to the Vice-Chairs – the delegates from Malawi and India. He thanked the Support Staff for ensuring that the meeting ran successfully.

85. The Minister of Agriculture of Guyana, Hon. Reepu Daman Persaud, who as Elected Chairman of the Meeting, chaired the Final Session, implored Delegates to continue in their efforts to ensure adequate food for all and the eradication of poverty. He pointed to the important role that Agriculture needs to play in achieving these goals. He added that Guyana was honoured to have hosted the meeting and felt privileged that so many distinguished guests had attended. He expressed sincere appreciation to all the individuals and organizations involved in the planning of the Meeting. He identified Dr. Veronica Broomes for special mention. He also thanked International and Regional Organizations, FAO, IICA, CARDI and CARICOM for their assistance. The local media were recognized for their coverage of the entire proceedings. Appreciation was expressed to Mr. Jimmy Blas of the Office of the Chairman of G-77 for his input in making the meeting a success.

86. Minister Persaud indicated that the Final Document and the Georgetown Declaration on Sustainable and Competitive Agriculture provide an excellent framework for placing Agriculture on the pedestal it deserves. He concluded by expressing best wishes to Delegates for a peaceful 1996 and hope for continued progress and development of all countries and their peoples.

CONCLUSIONS AND RECOMMENDATIONS OF THE MEETING

- 1) Agriculture in developing countries can be competitive and sustainable while increasing production to address issues related to the debt crisis and poverty.
- 2) Declining preferential market access, political use of food and increased penetration by subsidized food commodities from the North, undermine agricultural development in the South.
- 3) Sustainable agricultural growth has a greater chance of being achieved in political and institutional contexts that promote policies, which facilitate maximum participation, growth with equity, and macroeconomic stability.
- 4) Member countries recognize the importance of sound agricultural policy as a tool to reduce poverty and improve nutritional levels of their respective populations. The unavailability of appropriate technology and the lack of resources have hindered adoption of sustainable agricultural practices.
- 5) Low and unstable agricultural commodity prices contribute to predatory agricultural practices, which are generally more costly in the long run and often lead to greater poverty and social problems.
- 6) South-South cooperation should be greatly intensified. This cooperation should not be seen as an alternative to increased North-South collaboration.
- 7) The South should support the activities of the United Nations Decade for the Alleviation of Poverty. Further, food should be considered globally as a basic human right.
- 8) Diversification of the agricultural sector should be accelerated to decrease the vulnerability resulting from dependence on only a few primary export products.
- 9) Agro-industrial production should be promoted for more efficient utilization of primary products to decrease post-harvest losses and to increase value added.
- 10) Greater collaboration should take place among member countries in areas of science, technology, trade and economic policy.
- 11) Case studies presented at the meeting provided important lessons for promoting agricultural and rural development. These and more case studies should be compiled and disseminated in ways that ensure they reach the key information users for the benefit of developing countries.
- 12) The countries of the South should mobilize financial resources for within their own countries to finance the programmes and activities, which deepen their collaboration.
- 13) There should be increased financial assistance available through multilateral and bilateral frameworks to promote South-South collaboration programmes.
- 14) Support should be assured to the existing institutions, which are efficient in promoting South-South causes, e.g. the South Centre.

- 15) Knowledge should be recognized as the prerequisite to progress, therefore agricultural education and extension programmes should be strengthened.
- 16) Greater efforts should be made to ensure that committed North-South financing is made available in a timely manner so that development projects and programmes in the South are not undermined.
- 17) Resources should be committed to the development and promotion of alternative technologies, which are environmentally friendly, economically efficient and socially acceptable.
- 18) Joint cooperation by governments in the South should take place to insist on greater transparency and accountability of transnational corporations, bilateral agencies and international organizations. A common code of conduct to ensure that these institutions operate in an ecological and socially sustainable manner should be considered.
- 19) Participation in technology development should be incorporated in all agricultural development efforts if appropriate technology is to be developed and successfully transferred.
- 20) Systems should be created to empower small farmers and their organizations to influence policy formation and implementation.

REPORTS OF THE WORKING GROUPS

Working Group I:

Group One, focusing on Developing Sustainable Agricultural Systems, named the delegate from Namibia as the Chair, Penny Akwenye, and the delegate from Costa Rica, Osvaldo Bolaños, as the Rapporteur. This Group identified the following constraints and actions to address them:

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| Constraint 1: | Inappropriate national policies. |
| Recommendation: | More participatory policy making at all levels, particularly with regard to setting macroeconomic policy. Good governance, particularly in terms of a democratic system. |
| Constraint 2: | Distorted trade policies. |
| Recommendation: | Greater South-South cooperation in trade negotiations. Effective implementation of already existing agreements promoting South-South cooperation. |
| Constraint 3: | Lack of financial and skilled human resources. |
| Recommendation: | Mobilization of rural savings. Negotiation of remunerative prices for export commodities and improvement of social and infrastructural services. |
| Constraint 4: | Lack of marketing and trade infrastructure facilities; and lack of information on trade and marketing technologies. |
| Recommendation: | Rehabilitation of trade and marketing infrastructure and dissemination and application of relevant information. |

Constraint 5: Top-down Approach.

Recommendation: Participatory and bottom-up approach.

Constraint 6: High levels of usage of external inputs in agriculture production. Pressure to maximize production using Green Revolution technology packages without addressing the relationship with other resources.

Recommendation: Investment in research and development. Utilization of Farming Systems Research and development methodology. Application of indigenous and domestic knowledge and ecologically sensitive production practices.

Constraint 7: Food Scarcity.

Recommendation: Preparing adequately for unfavorable climatic changes. More equitable distribution of food between and within countries. Increase production in sustainable manner.

Constraint 8: Negative perception of agriculture.

Recommendation: Emphasizing commercialization and developing entrepreneurship in agriculture. Empowering of farmers and farmer organizations. Improvement of rural infrastructure and delivery of goods and community services.

This group concluded their work by stating their vision of the 21st century. The ultimate goal of agricultural development is to achieve sustainable production systems, which will eradicate hunger and famine in the developing world. This should be done by:

- the use of new genetic resources, including utilization of developments in biodiversity for the production of more efficient plant and animal genotypes;
- monitoring of agricultural systems for environmental changes;
- change goals away from maximization of production and profits to emphasizing a sustainable equilibrium between production of output and utilization of inputs;
- development of more equitable international economic relationships;
- empowerment of farmers and farmer organizations, and improvement in rural infrastructure and the delivery of rural community goods and services.

Working Groups II and III:

Group II addressed its own assigned topic, New Dimensions of Cooperation in Food and Agriculture and the topic assigned to Group III, Institutional Innovations for the New Scenario. At the beginning of the Working Group process, Groups II and III merged to become Group II. Group II chose the Minister of Agriculture, St. Kitts, Honourable Timothy Harris, as the Chair of the Group and the representative of CARDI, Dr. C. Paul, as the Rapporteur. This group reported on both assigned topics as follows:

New Dimensions of Cooperation in Food and Agriculture

- Constraint 1: Socioeconomic and political barriers to South-South collaboration.
- Recommendation: Increase information sharing on all aspects of agriculture. Increase South-South trade, and technical cooperation among developing countries.
- Constraint 2: Lack of Efficiency in technical assistance from international agencies.
- Recommendation: Use successful case studies to help international and regional agencies to understand development needs better. Target projects and funding more precisely. Use more regional agencies to link into national organizations.
- Constraint 3: Reduced funding for agricultural projects and agencies in the South.
- Recommendation: Macroeconomic policies must encourage domestic and external savings for agricultural development. Demonstrate to the North the importance of the South to them and therefore the need to allocate more resources to development.
- Constraint 4: Low level of investment in the agricultural sector because of high risks.
- Recommendation: Reduce risks in agriculture, crop insurance, diversification.

Institutional Innovations for the New Scenario

- Constraint 1: Lack of linkages between primary beneficiaries (farmers) and support institutions.
- Recommendation: Support farmer organizations to allow for full cooperation as partners in agricultural development. Participation of farmers in agricultural development planning. Encourage farmer network.
- Constraint 2: Lack of horizontal cooperation between the relevant institutions at the national, regional and international levels.
- Recommendation: Establish and strengthen networks between South countries. Encourage information sharing among countries.
- Constraint 3: Lack of information on the lessons from successful case studies.
- Recommendation: International, regional and national collaboration to identify successful projects, study and write up the projects as case studies for application.

GEORGETOWN DECLARATION ON SUSTAINABLE AND
COMPETITIVE AGRICULTURE BY THE GROUP OF 77 AND CHINA
Georgetown, Guyana, January 19, 1996

The Sectoral Review Meeting on Food and Agriculture of the Group of 77 and China took place in Georgetown, Guyana during January 15 – 19, 1996, almost fifteen years after the adoption of the Caracas Programme of Action in 1981. The Meeting noted that the state of agricultural development in G-77 countries is not yet satisfactory and that, even in those regions or countries where growth has been significant, there are serious questions regarding sustainability, equity and food security. While most of the agricultural related problems identified at the Caracas meeting are still with us, the world in which farmers produce and market their products has changed dramatically.

The above inequities were underscored in the keynote address delivered by Guyana's President, His Excellency Dr. Cheddi Jagan in which he restated the need for a New Global Human Order. It is envisaged that this New Global Human Order would be underpinned by sound policies aimed at achieving competitiveness, sustainability and equity in the food and agricultural sector.

The Meeting agreed that agriculture must be promoted as a complex of social, economic and technological inter-relationships, based on the active involvement of a wide range of participants, providing multiple and diverse opportunities for business; adding value and conserving natural resources which, in turn, provide the basis for improved quality of life; and thus, contributing to social stability and sustainable human development. Acknowledging the strong relationships among agriculture, the natural environment, sectoral policy, macroeconomic and trade policy, and the institutional framework, the participants recognized a new paradigm for food and agriculture, which would include:

- 1) the provision, to all people, of the quantity and variety of foodstuffs required for a sound diet, at prices which are affordable to consumers and remunerative to producers;
- 2) the promotion of sustained economic growth and sustainable economic development through competitive production and trade; and
- 3) the conservation of the natural resource base, making it possible to satisfy the needs of present generations while ensuring that future generations will be able to draw on these resources.

Given the complexity that the above implies, the achievement of competitive and sustainable agriculture will require the adoption of a holistic approach which involves all the relevant participants in the food system. Such an approach must embody: i) a deeper understanding of the economic and social dimensions of food and agricultural production and marketing systems; ii) the dynamic relationships which exist between macroeconomic and sectoral policy; and iii) the inter-relationships between agriculture and the natural environment. Thus, there was general consensus that G-77 countries must strengthen their cooperation so as to cope with an increasingly competitive world.

In recognition of the importance of agriculture to the development process in developing countries, the participants agreed that the countries of the South should mobilize financial resources from within their own countries to finance the programmes and events, which deepen their own collaborative efforts. Further, they reiterated the call for closer cooperation between the Multilateral Financial Institutions, the developed states and developing countries in promoting sustainable agricultural

development in the South. In addition, the Meeting agreed to call on Multilateral Financial Institutions to provide increased financial assistance for the promotion of South-South collaboration programmes.

Member countries of the Group of 77 reaffirmed their commitment to carry forward the recommendations of the Sectoral Review Meeting on Food and Agriculture to the Inter-Governmental Follow-up and Coordination Committee in February 1996 and to seek its support for the implementation of its recommendations.

The participants restated their commitment to institutions and organizations within the developing world which further the desired objectives of the Group of 77 and which could contribute to improved standards of living for all humankind in the developing and developed countries alike. The Sectoral Review Meeting on Food and Agriculture, while identifying continuing inequities, has given new impetus to this objective.

In the above context, the Meeting recommended the following:

- 1) the promotion of sound macro-economic and sectoral policies, in particular, those macro-economic policies which are conducive to long-run sustained economic growth, sustainable agricultural and rural development; sectoral policies which promote secure land tenure, efficient management of renewable and non-renewable resources; and institutional reforms aimed at promoting the above, including the more efficient management of resources from regional, bi-lateral and international sources;
- 2) the promotion of trade policies which do not distort the market and which contribute to the stabilization of international agricultural prices, at remunerative levels;
- 3) the intensification of South-South cooperation so as to strengthen the South's negotiation capabilities and the use of this cooperation as a vehicle for continued and strengthened North-South collaboration;
- 4) the development of communications networks and facilities at national, regional and global levels with the aim of facilitating the exchange of appropriate technologies, the strengthening of linkages between national and regional research centers, the sharing of expertise and development experiences, and the sharing of information on investment opportunities;
- 5) the promotion of greater collaboration between member countries in the areas of science, technology, trade and international economic policy;
- 6) the commitment of greater resources to the modernization of agriculture through the development and promotion of environmentally-friendly technologies;
- 7) the accelerated diversification of the agricultural sector, at primary, secondary and tertiary levels, to decrease the vulnerability resulting from dependence on only a few primary export products; and
- 8) the promotion of participatory approaches to the design and implementation of agricultural and rural development projects and programmes, with particular emphasis being placed on the integration of community-based organizations, other non-governmental organizations, producer/marketing groups, women, youth and indigenous peoples in the overall implementation of such projects and programmes.