



Rapporteur's Report on SELA-SICA Seminar

FOOD SYSTEMS SECURITY



Social Development

Permanent Secretariat of SELA
SELA-SICA Seminar "FOOD SYSTEMS SECURITY"
El Salvador
20 April 2023
SP/IR SELA-SICA SSA/IF-23

Copyright © SELA, April 2023. All rights reserved.
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

The Press and Publications Department of the Permanent Secretariat of SELA must authorize reproduction of this document, whether totally or partially, through sela@sela.org. The Member States and their government institutions may reproduce this document without prior authorization, provided that the source is mentioned and the Secretariat is aware of said reproduction.

CONTENTS

01 – 02

03 – 10

11 – 11

12 – 12

I. BACKGROUND AND
GENERAL INFORMATION

II. SUMMARY OF
INTERVENTIONS

III. CONCLUSIONS

IV. RECOMMENDATIONS

I. BACKGROUND AND GENERAL INFORMATION

As a follow-up to the agreements reached during the Forum "Responding to the challenges of integration for the development of Latin America and the Caribbean. Proposals from the regional and subregional integration mechanisms," convened by the Community of Latin American and Caribbean States (CELAC) in December 2022, the Seminar "PROPOSALS FOR JOINT REGIONAL ACTION: FOOD AND NUTRITION SECURITY" was held on 20 April this year, both virtually and in person.

The Permanent Secretariat of the Latin American and Caribbean Economic System (SELA) and the and the General Secretariat of the Central American Integration System (SG-SICA) convened the event, which was held in person at the SICA Headquarters Building, located in Antiguo Cuscatlán, La Libertad, El Salvador. The purpose of the event was to share best practices in the food and nutrition security sector, as well as to identify points of convergence and build proposals for joint work in this area.

The Secretaries of the following regional integration organisations participated in the Seminar: the Association of Caribbean States (ACS), the Andean Community (CAN), the Latin American Integration Association (ALADI), the Amazon Community Treaty Organisation (ACTO), the Central American Integration System (SICA), the Latin American and Caribbean Economic System (SELA), as well as representatives of the Presidency Pro Tempore of the Common Market of the South (MERCOSUR) and Ambassadors of the member countries of the Central American Integration System (SICA).

The Seminar was opened by the Secretaries of SICA, SELA and CAN, who agreed that this seminar provided continuity and fulfilled the challenge and commitments made in December last year, within the framework of the CELAC Summit. At that time, the challenge was taken on to advance along the path of integration based on the proposals of the regional and subregional integration organisations, in order to build mechanisms that provide convergent lines of work, with a regional approach, while obviously respecting the mandate of each organisation.

In this context, one of the issues that all the organisations recognised as fundamental and of priority is food and nutrition security. Considering that the most evident threats to the agricultural sector are posed by extreme weather events related to climate change (extreme temperatures, droughts, floods, hurricanes and cyclones); biological factors (crop pests, new viruses and animal diseases, including those of a zoonotic nature); anthropogenic factors (effects of supply and demand for agricultural commodities and inputs); and, currently, the availability of agricultural inputs (fertilisers, seeds, etc.) is of particular relevance, as well as currency volatility, international trade logistics and geopolitical factors.

In addition, each country has a particular vulnerability condition determined by geographical location, soil, air, and water conditions, as well as national economic and social factors specific to each country.

Addressing food security and its production systems in a comprehensive manner allows us to contribute to and, in the best of scenarios, counteract the climate and anthropogenic effects that have affected food production and/or distribution. Furthermore, estimating the vulnerability of agrifood systems is a proposal that aims to facilitate measurement and thus contribute to decision-making through the application of public policies to strengthen agrifood systems in Latin America and the Caribbean.

The activity was moderated by the head of the Central American Integration System (SICA) and was organised in two parts. The first part featured two keynote speeches by Mr. Mario Lubetkin, Deputy Director-General and Regional Representative for Latin America and the Caribbean of the United Nations Food and Agriculture Organization (FAO), on “Food and nutrition security: prospects for the integration of Latin America and the Caribbean,” followed by the presentation of the analyst of the Latin American and Caribbean Economic System (SELA), Menkar Valladares, of the study “Baseline as a proposal for measuring food vulnerability in Latin America and the Caribbean.”

Subsequently, after a question-and-answer session, the Secretaries of the regional integration mechanisms took the floor to present in plenary session the issues of common interest for the creation of a convergent work agenda.

II. SUMMARY OF INTERVENTIONS

FIRST SESSION

The Deputy Director-General and Regional Representative for Latin America and the Caribbean of the United Nations Food and Agriculture Organisation (FAO), Mario Lubetkin, opened the day with a keynote speech entitled “Food and nutrition security: prospects for the integration of Latin America and the Caribbean.” In his presentation, he described the situation and context of food and nutrition security in the world, as well as in the region.

He began by pointing out that, at the global level, we are at a demanding situation, with major challenges that could reverse the progress made in terms of food and nutrition for the world's population. The war between Russia and Ukraine could lead to a problem of food production coupled with a problem of food availability. This is because both countries are the world's largest suppliers of grain and fertilisers.

In the case of Ukraine, there is no knowledge of which areas remain in production, or which have been destroyed, or which have been mined. As well as the effect of the sanctions and the effects they may have on Ukraine and Russia. Together they account for 30% of the world's cereal exports and 60% of sunflower oil. The world will be affected because if one third of the grain disappears, prices will rise.

In addition, transboundary diseases such as swine fever and avian influenza have hit our region hard, combined with the macroeconomic problems associated with the Covid 19 pandemic.

According to FAO studies, Latin America and the Caribbean is the region with the highest cost of a healthy diet compared to other regions of the world (US\$ 3.89 per person per day in the region, compared to US\$ 3.54 per day in other parts of the world). As a result, around one in 5 people in our region cannot afford healthy and nutritious diets.

In addition to cost, studies found that the region is experiencing an increase in obesity and overweight rates due to poor nutritional quality food. Estimates point to an adult overweight or obesity rate of about 24%. In this scenario, the specialist highlighted three major challenges:

- 1.The increase, in recent years, in the figures for hunger and food insecurity. If this accelerated negative trend is not reversed by 2030, there will be 690 million hungry people in the world that year (a figure we started with in 2015, when the Sustainable Development Goals (SDGs) were signed).
- 2.The double burden of malnutrition, with obesity and overweight increasing at the same time, with an impact on health and the economy.
- 3.The cost of healthy diets in an inflationary context such as the one we are currently experiencing.

He also recognised that in recent months the efforts of governments to respond to this situation had become visible, in addition to the efforts of subregional organisations. Agreements and discussions had taken place in different areas of integration and multilateral dialogue, demonstrating the deep concern and political will to coordinate efforts to improve the situation of food security and agri-food trade in the region.

The Presidents and Heads of State themselves have called for strengthening the role of technical and financial cooperation at all levels and in all sectors. It is a matter of finding ways towards a solution to this severe problem with a great deal of responsibility. He noted that they had received requests from many governments to address the issue of food security and nutrition as central to their development agenda.

For example, the recent resolution in the CELAC declaration (in January 2023, in Buenos Aires) included a special recommendation to update the Plan for Food and Nutrition Security and the Eradication of Hunger. This is the Plan that was approved by consensus in 2015. To that end, under the coordination of the Presidency Pro Tempore of CELAC, led by Saint Vincent and the Grenadines, a technical working group was formed to move forward with the updating of the CELAC Food Security Plan, comprising FAO, ECLAC, IICA and ALADI.

However, the expert made it clear that, although the CELAC presidents have assigned responsibility to these four institutions, it will be impossible to move forward without a fluid dialogue with all of the region's integration organisations. For this reason, they pay close attention to the actions that the subregional organisations have taken and are taking forward.

He stressed that the space for dialogue that is being built is not isolated. It is happening in this context and reaffirms the important regional moment in which the desires to promote a consensual strategy to combat hunger and poverty in the region coincide.

National and regional efforts have demonstrated multiple synergies based on the will of Latin American countries to work together. FAO has activated different work fronts to support governments in the design and implementation of food and nutrition security policies and programmes.

The situation, the diagnosis in general, is clear to everyone; the challenge lies in finding solutions that can be built collectively. And it is precisely the complicity of this common response that demands greater coordination and greater integration of the countries through these inclusive multilateral multi-sectoral processes and with the participation of all the actors in the agri-food system.

With regard to this integration, the expert offered some recommendations based on the experience of the technical teams:

- 1** Cooperation should be promoted to improve and standardise access to innovative technologies that improve farmers' productivity levels, helping ensure the sustainability of food production in the region and improve living conditions in the countryside.
- 2** A united front should be sought to discuss as a bloc the climate action needs that directly affect the availability of food in countries. In addition, rapid food transfer systems between countries in the region should be stabilised in order to deal with shortages. A scheme that does not require countries to urgently increase external public debt to feed a struggling population. It is important to promote the exchange of experiences regarding standards and measures that contribute to the access and consumption of nutritious and safe food, with adequate information for consumers.
- 3** In a challenging context, such as the one we are currently living in, with limited economic resources, there is a responsibility to generate sustainable solutions and to make investments more efficient. The current crisis poses a challenge for us to strengthen our action to achieve regional independence in terms of the inputs needed for food production, especially the use of fertilisers.
- 4** He also recalled the need to reduce cereal imports by increasing production in the region and intra-regional trade.
- 5** He also pointed out that the levels of information on estimated production and food reserves in the countries should be increased, in order to reduce uncertainty and avoid food price volatility.
- 6** Finally, he recommended strengthening family farms, since they are the main source of the food we consume in our region.

With these recommendations, Mario Lubetkin showed that food insecurity is not the only issue at stake, as its non-resolution can lead to social tensions and large migratory movements. The stakes therefore go beyond simply combating food insecurity.

The spread of the crisis threatens to lead the region into dangerous setbacks, affecting the sustainable economic, social and environmental development of nations. At the same time, we are aware of the potential of our region, the intelligence, the capacity for innovation that the Latin American and Caribbean region has. He stated that FAO is joining the significant effort that is being made to achieve synergies, to add capacities to find solutions, relating to the specificity of each of the governments, and to achieve a change of trend towards a different scenario from the one we are currently in.

In response to the questions asked, the FAO representative referred to six specific aspects, in no order of priority:

- 1** The value of labelling, which is one of the fundamental aspects linked to the value of information. We need to be better informed about where we are in the region. One of the big problems we face is working as islands and not with the necessary levels of synergy and integration.

He reported that in two and a half months' time the Global Parliamentary Summit Against Hunger and Malnutrition would be held in Santiago, organised by the Chilean Parliament. This event will be a follow-up to the first Global Parliamentary Summit Against Hunger and Malnutrition, which was held in Madrid five years ago. He said that it would be extraordinary if there were also an important link between the activities and strategies of international or regional organisations and the legislative bodies of the States.

- 2 Regarding the need to move into a new phase of South-South and triangular cooperation, which is a capacity multiplier, it is about having the capacity to capture and, at the same time, be captured by other regions in relation to investment mechanisms for the development of projects, and to share experiences, positive lessons learned.

This is something that, as Latin Americans and Caribbeans, we have to take into consideration in a decisive manner. One of the challenges we have at the regional level is to reconnect and connect ourselves better with the world for a better interaction and to be able to apprehend aspects that may be valid and important for our region from other realities.

Without forgetting that the region also has the capacity to share lessons with other regions. But a higher level of interconnection is needed at the global level, particularly with the countries of the South, than we have at present.

- 3 As far as the paradigm shift is concerned, it is not exactly a shift, but it would be in jeopardy. It can be said that for the 8 billion people who populate the planet today, there are adequate levels of production to guarantee food security. However, a process of production insecurity could begin.

It is clear that when we reach 10 billion people, we will have to produce much more than we do today. But "scarcity" has to do with food waste. According to FAO estimates, about 30% of production is lost in waste. Moreover, much of the food that is wasted is particularly nutritious. If we in the region managed to solve and reduce that 30%, we would get a different picture of the contradictions and difficulties we are currently experiencing.

- 4 When we refer to investments, we have to consider investments in the area of distribution and marketing, which are aspects that cannot remain in the background.
- 5 As regards phytosanitary and safety aspects, there is a particularly important aspect that has to do with trade and the economy, which refers to having greater information capacity on the availability of food in Latin America and the Caribbean. Information is needed to have a better understanding of what are the elements of complementarity and the levels of production and diversification of production. This is also related to the work being conducted by FAO on digital certification.

This brings us back to the issue of increasing the capacity of Latin America and the Caribbean on innovation and digitisation. We should seek not to overlap our own capacities but rather to achieve greater synergies.

The greatest efforts should be focused on seeking scenarios of complementarity and support within the region.

In this area, the speaker highlighted the 25X25 initiative of the Caribbean countries, which means reducing food imports to 25% by 2025. This is an extraordinary challenge that faces problems of logistics, communication, innovation, digitalisation and investment.

- 6 He stressed that the organised meeting is exactly on the right track and is a sign of what needs to be achieved. All countries have strong partial capacities and also the capacity to listen and to listen to each other, as was done at the meeting. With enormous respect and technical capacity, focused on finding a complementarity of capacities.

The representative stressed that we must act quickly, as time is short in relation to food insecurity and socio-economic instabilities. But, as there are dangers, there are also opportunities. He reiterated that FAO was fully prepared, with its global and regional capacities, to find rapid responses, if necessary, to accompany subregional organisations with all its knowledge and technical capacity.

Menkar Valladares, an analyst of SELA, made a presentation on the work proposal entrusted by the Member States in connection with the Baseline on the vulnerability of agrifood systems in Latin America and the Caribbean.

He began by pointing out that this work is developed considering the greatest number of elements or parts that make up an agri-food system, from production, distribution, logistics of food distribution, considering environmental and anthropic variables. He stressed that this is a first step forward, an academic and exploratory exercise, which will be taken up for discussion with the organisations specialising in agriculture and food. He indicated that the fundamental purpose of this document is to identify a methodological and conceptual framework for estimating the vulnerability of agri-food systems and thus facilitate its measurement and therefore the strengthening of those areas where weaknesses exist.

SECOND SESSION

The Secretary General of the Association of Caribbean States (ACS), Rodolfo Sabonge, opened the participation of the Secretaries. He stated that the issue of a strategy and action plan for maritime transport and logistics for the region is fundamental to the ACS. From that point of view, he reported that the subregion focused on the issue of connectivity, looking carefully at the services of shipping lines that ply the sea in large numbers. The impression could be given that the subregion is linked, but the reality is different, as connectivity was developed by the market according to its interests.

Connectivity does not necessarily respond to trade needs. In the Caribbean, four subregions can be recognised, each having different comparative advantages with respect to food production, but no inter-island transport services are available.

Most transshipment hubs are aligned with international trade routes, which is where they flow. The main transshipment hubs are Mexico, Cartagena, Dominican Republic. The transport flows are not in the direction that the countries would like, in order to be able to service the food trade. But work is being done on a project to develop a regional transport strategy. As long as the problem of connectivity in the region is not solved, food security cannot be improved.

As long as there is no efficient transport with frequencies and at the right prices, regional trade cannot be improved. He reported that the Caribbean concluded that the first thing to do is to improve connectivity, which will positively affect trade facilitation.

Christian Leroux, representative of the Secretary General of the Latin American Integration Association (ALADI), began his participation by commenting on the main aspects dealt with by ALADI. He developed his intervention on the subject of food systems, from a commercial point of view, highlighting some aspects on the incidence of agri-food exports in the Latin American and Caribbean region, which represent 14% of world exports.

In this regard, he stated that a quarter of the region's total exports are destined for countries outside the ALADI region, and that it is important to include regulatory convergence in the agri-food sector, as stipulated in one of the basic principles of the Treaty of Montevideo.

The results obtained from the joint work with UNCTAD were reported:

- o A database of foreign trade regulatory standards.
- o A compilation of non-tariff measures in the 13 member countries of ALADI (e.g., 97% of non-tariff measures refer to sanitary and phytosanitary provisions and technical regulations).

Mr. Leroux stressed the importance of this space for meeting and consultation, so that it could function as a regional sounding board, allowing progress to be made on regulatory aspects through convergence and increasing intra-regional trade.

He proposed identifying a basket of commodities to which a series of measures could be applied to facilitate trade. This could increase efficiency in production and trade and develop an action plan where these facilitation measures could be applied.

The Secretary General of the Central American Integration System (SICA), Mr. Werner Vargas, then highlighted the regional food and nutrition security policy that was adopted by three SICA Ministerial Councils, which is in the process of implementation and was designed for the period 2012-2032.

He highlighted what had been done in the area of health, through a regional policy with regional strategies and policies on economic integration. He mentioned some examples: sanitary and phytosanitary certificates at regional level. He also pointed out that they have programmes and strategies on nutrition; a regional policy on agriculture that also addresses territorial development.

He reviewed a large number of instruments that constitute regional and Central American public policies. He also mentioned, as an example, the need to establish coordination between the implementation of all these types of policies, which contribute to the fulfilment of the objectives established in the area of food and nutrition security. This is why the SICA General Secretariat promoted the space for intersectoral coordination with the various institutions of the system, in accordance with the Tegucigalpa Protocol.

In the area of food and nutrition security, he reported that progress had been made in the coordinating role of the General Secretariat, implementing information processes, gathering information and obtaining statistical data. This allows, through accurate and truthful information, decision-making by the relevant bodies. These actions enable both at national and regional level, the construction and strengthening of regional observatories, which are able to determine early warnings of the situation that may arise in terms of food and nutrition security, mainly those linked to the threats caused by climate change.

He informed that work is also being done to coordinate actions aimed at promoting innovation in the various sectors that deal with this issue. Another element that is also being developed in the area of food and nutrition security, in the process of Central American regional integration, is that of training, through master's degrees and specialisations.

On the issue of nutrient use, work was conducted with families in specific territories. With regard to specific issues related to the joint purchase of agricultural inputs, the experience gained in the region on the joint purchase of medicines, which resulted in significant savings of more than US\$100 million, is being used.

However, these policies, beyond the savings, made it possible to provide the public health sector with quality medicines in sufficient quantities for the population with chronic non-communicable diseases. This experience in the health sector is intended to be transferred to the agricultural sector. Joint procurement in the agricultural sector reduces costs through an economy of scale that has a positive impact. Discussions were also held with the World Food Programme, seeking to take advantage of experiences that already exist in some countries.

As regards the issue of strategic reserves and food stockpiling to meet the demands of the population, Secretary Vargas reported that some countries already have a well-established infrastructure, which allows the transfer of best practices and lessons learned. The aim is to take advantage of the support of specialised organisations to address this issue.

In terms of best practices, one initiative that is being promoted in the Central American region is the South-South Cooperation Fund. A fund that will make it possible to establish mechanisms for the exchange of best practices among Central American countries. But it is also intended to make them available to the countries of Latin America and the Caribbean. In this regard, the work that can be coordinated with the Association of Caribbean States and CARICOM will be particularly important.

The proposal for the Fund is currently being developed and has the enthusiasm of the countries to finance it. Finally, the Secretary suggested setting up a working group, leaving the initiative to the consideration of the Secretaries. The formation of a working group through the designation of focal points, which would provide continuity to the presentations that were made, to the proposals that were drawn up today, and which would provide continuity to the process. Coordination in the area of food and nutrition security with our experts, with our specialised areas, which will allow us to accompany the efforts made within the framework of CELAC.

In doing so, he reiterated two points: the creation of focal points for each integration body and the formation of a cross-sectoral working group.

III. CONCLUSIONS

The conclusions were presented by Mr. Jean Paul Guevara, focal point on the subject of the Latin American and Caribbean Economic System (SELA). Mr. Guevara began by congratulating each one of the speakers and participants for the progress made in the event, since it was possible to comply with the agenda and finish on time, as a result of a great joint effort.

After reviewing the productive and enriching aspects of the day's work, he presented some elements to guide future work and achieve a convergence agenda. He pointed out that the whole issue of food and nutrition security was addressed as a link in a larger objective, which is to achieve a convergence agenda based on the proposals of the regional integration organisations. In other words, the work begun last year has been continued, which in itself is a particularly important achievement. Taking the initiative to discuss an issue among integration blocs or regional mechanisms is an achievement in itself. Taking food security as the first topic for discussion basically implies the sense of urgency given to the issue.

In this regard, two major themes of convergence were recognised:

- 1) On the one hand, there is the issue of finding a regional strategy for sufficient fertiliser supply.
- 2) On the other hand, there is the issue of food complementarity and production in the region. This, as mentioned, requires clear information on the availability of food in each country, complemented by information on the existing vulnerability of each country.

These 2 themes meet the scalability criteria that were previously thought of, such as adaptability, sustainability, strengthening integration and social relevance. Both cases have a common factor, which is transversal, and refers to the distribution infrastructure.

IV. RECOMMENDATIONS

Following are some recommendations derived from the concepts and ideas expressed by the panellists and the moderator:

- 1)** Form a working group through focal points that can guide this work towards convergent agendas. But not only for fertilisers, but also to broaden the concept a little, considering the best practices of SICA for medical supplies. This could be one of the chapters that could provide early achievements. It can serve, in this case, to first have a regional mapping of how much we consume in terms of agricultural inputs, how much is imported for the region, and through this, to look for alternatives to put together the strategy to be able to be self-sustainable.
- 2)** Work on the complementarity of food production. We are talking about availability, the need to know how much food is produced and where it is produced in the region and which regions are vulnerable to precisely these elements, and to establish food reserves and the best practices that can be adopted in this respect in the complementarity of food products. Work on availability, vulnerability, how to measure them and the determination of stocks, as well as a review of the Regulatory System, would be included in this second major theme.
- 3)** The Working Group should make progress on access to food and inputs, on the understanding that there cannot be access if there is no infrastructure, if there is no distribution. Therefore, the third issue on which the working group could focus, with focal points established by each of the integration mechanisms, would be access to food and inputs.
- 4)** Finally, it was recommended that the report, resulting from the seminar, be shared with each and every

All of the above, with the aim of being able to build projects with a regional focus, which is the purpose of this meeting.