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para la
Agricultura
y la
Alimentación

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

Havana, Cuba, 22 to 26 April 2002

REPORT OF THE COMMISSION ON LIVESTOCK DEVELOPMENT FOR LATIN AMERICA AND THE CARIBBEAN

I. Introduction

1. FAO decided to set up a "Commission on Livestock Development for Latin America and the Caribbean" in recognition of the serious limitations on livestock development in Latin America and the Caribbean that had been indicated at the FAO Regional Conference in Barbados in 1986 and reported by the Expert Consultation on Livestock Development Policy in Brazil in 1987.
2. The Commission was charged with the following functions:
 - to recommend animal production and health policies to its members;
 - to plan and promote measures for enhanced animal production;
 - to plan and promote measures to study and control animal diseases, and recommend common standards and practices to this end;
 - to plan and promote measures for the transfer and adaptation of biotechnology for livestock development;
 - to plan and promote measures to set up research and training programmes to meet the needs of the livestock industry;
 - to determine, with interested members, the nature and scope of the assistance they needed to implement their national livestock development programmes, and to provide support to regional programmes; and
 - to evaluate periodic reports on programme implementation and performance.
3. The Commission on Livestock Development for Latin America and the Caribbean meets every two years, as set out in its constitution, and initially one single meeting was held for all 24 member countries. However, at the meetings held in Turrialba, Costa Rica, and in Santiago, Chile, in 1998, the participating countries called for separate meetings for each subregion on account of their differing livestock conditions and problems. Reflecting this request, three subregional meetings of the Commission on Livestock Development were held in 2001, each preceded by an Expert Consultation on the Status and Outlook of the Livestock Sector of the subregion in question.

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4. The first Expert Consultation and component of the Seventh Session of the Commission on Livestock Development were held in Panama City on 19 and 20 November 2001, with the participation of Mexico and the countries of Central America and the Spanish-speaking Caribbean. The second was held in Lima on 22 and 23 November 2001 for the Andean countries, while the third was held in Montevideo on 26 and 27 November 2001 for the countries of Mercosur and Chile.

5. The three subregional meetings adopted the same agenda. The expert consultation reviewed regional trends in the livestock sector and the findings of a regional study, while the delegates reported on the livestock situation in their respective countries. The Seventh Session of the Commission on Livestock Development heard presentations on general activities conducted by FAO and more specific activities carried out by its Regional Office for Latin America and the Caribbean (RLC), Animal Production and Health Division (AGA), and Livestock Information, Sector Analysis and Policy Branch (AGAL), before going on to examine and discuss its conclusions and recommendations that were unanimously approved by members in the three subregional meetings.

II. Conclusions and recommendations of the Seventh Session of the Commission on Livestock Development

A. Subregional meeting for the countries of Central America, Mexico and the Spanish-speaking Caribbean, Panama City, 19 and 20 November 2001

Regional strengths

- There are a large number of small livestock producers with perspectives of improving their social and economic status through livestock development;
- livestock production is less vulnerable to disasters than agriculture;
- there exists a potential for increased consumption of red meats and dairy products in the subregion;
- the subregion is free of most of the International Office of Epizootics (IOE) list A diseases, with the exception of classical swine fever and vesicular stomatitis in some countries, and has made significant progress in animal health and the control of endemic diseases;
- there is scope for intensified production without harming the environment or displacing field crops;
- the subregion has the necessary human resource skills to develop the livestock sector;
- the region has the infrastructure for the certified slaughtering of livestock for export;
- there is complementarity of livestock product markets in the subregion, ensuring major growth prospects for small producers;
- the presence of transnational corporations in the subregion can promote the development of livestock products;
- all the countries have similar agroecological characteristics facilitating development of the livestock sector; and
- subregional organizations exist that are able to address and resolve the common problems of the subregion.

Common problems

Poultry/pig sector (poultry meat, pigmeat, eggs)

- Dependence on grain imports and increasing need for foreign currency;
- the subregion will have to face competition from Brazil, China and USA under future free trade agreements (FTAs);
- the extensive periurban production in the subregion carries important risks to public health and of environmental contamination;
- there is no linkage between livestock and grain production, and in some countries a failure to seize the opportunity to produce grains competitively; and
- the presence of classical swine fever in certain countries restricts animal and animal product trade.

Bovine sector (meat and milk)

- Low productivity because of limited appropriate technology and farmer management skills;
- proliferation of microindustries operating under poor conditions of hygiene with negative consequences for food safety and the environment;
- restrictions to benefits from FTA opportunities;
- the subregion has insufficient public and private investment in the cattle sector;
- lack of integration in production chains and marginalization of small producers; and
- illegal trading in cattle and dairy products.

Recommendations of the Commission on Livestock Development to Governments

- Communicate the findings and recommendations of the 7th Session of the Commission on Livestock Development to the ministries concerned, civil society organizations, non-governmental organizations and private sector organizations;
- request that the ministers responsible for negotiating FTAs allow greater participation of the ministries of agriculture and the livestock organizations in determining national positions;
- assign priority and policy support to controlling and eliminating OIE list A diseases from the subregion;
- strengthen national and regional institutional capacity of the livestock sector;
- establish strategic partnerships between institutions and countries to seek solutions to common livestock problems;
- provide for greater integration of livestock development and agricultural policies and strategies;
- ensure that public and private organizations are properly prepared for future trade negotiations;
- regulate periurban livestock production, develop environmental and health warning systems, and encourage the relocation of livestock production;
- design and implement more aggressive and more effective programmes of technology change, management and livestock health; and
- promote the support of private sector services for government actions.

Recommendations of the Commission on Livestock Development to FAO

- Follow-up the recommendations of the 7th Subregional Meeting of the Commission on Livestock Development for Central America, Mexico and the Spanish-speaking countries of the Caribbean;
- provide technical support to help countries implement the recommendations; and

- in recognition of important work jointly undertaken by FAO and the Regional International Organization for Plant Protection and Animal Health (RIOPPAH) in coordinating the eradication of classical swine fever from the subregion, continue and step up efforts until this disease has been totally eliminated.

B. Subregional meeting for the Andean countries, Lima, 22 and 23 November 2001

Regional strengths

- The regional market for livestock products is expanding because of population growth and higher *per capita* consumption;
- many ecosystems generate abundant biodiversity, especially in the tropical and inter-Andean zones, some unique for livestock production;
- there are high-potential native species adapted to the subregion's ecosystems;
- livestock production is a means of overcoming poverty, given its social and economic importance and the existence of agricultural, livestock and forestry complementarity;
- there is good production potential for lesser animals (American camelids, guinea pigs and other species), especially for small producers, which is important considering the increasing fragmentation of holdings;
- the local livestock trade fairs and exhibitions are good venues for marketing livestock products and encouraging technology change;
- there are national livestock promotion projects that transmit useful messages and that need to be put to better regional use;
- the Andean region as a whole can be better integrated by drawing upon its subregional organizations and fora; and
- solid waste from poultry farming and livestock production is used for soil improvement, with existing potential for better agricultural and livestock integration and the production of organic crops.

Common problems

Sector as a whole

- Intrinsic rural poverty causes serious social problems that can foster the presence of guerrilla warfare and the trafficking of narcotics;
- the adverse climatic conditions produce high-risk conditions and contribute towards low productivity, placing limitations on livestock and especially agricultural production;
- there are animal health problems such as foot-and-mouth disease and classical swine fever, which are on OIE list A, as well as parasite problems restricting productivity and external trade;
- ecto- and endoparasites are growing increasingly resistant to veterinary drugs throughout Latin America and the Caribbean, with serious consequences for livestock development;
- the present location of intensive livestock production units and slaughterhouses in the outskirts of urban areas of all sizes requires policies of relocation and improved environmental management;
- the absence of stable long-term governmental livestock policy in the subregion impedes livestock development and deters private investment; and
- the limited resources and management capacity of public institutions and their bureaucratic procedures discourage private investment.

Poultry/pig sector (poultry meat, pigmeat, eggs)

- Small farmers are not part of the value-generation chain; and
- there is heavy dependence on grain imports for animal feed;

Bovine sector (meat and milk)

- There is marked disparity between industry and producers in terms of quality, quantity and price;
- sectoral trade associations are generally weak and provide few services;
- producers generally lack access to agroindustrial chains, limiting opportunities of added value and economies of scale;
- the illegal trade (movement) of cattle and livestock products in general carries significant implications for controlling animal health in the subregion;
- the failure to apply and disseminate technical standards affects the presentation of finished market products; and
- the presence of more proficient small and medium holdings in the Andean region will provide more effective health and sanitary control of dairy and dual-purpose cattle.

Recommendations of the Commission on Livestock Development to Governments

- Generate long-term livestock policies, in acknowledgement of their potential for promoting rural development, and foster the integration of livestock and agricultural activities;
- promote livestock production as an economic activity that keeps people in rural areas and that therefore averts urban migration and helps keep down guerrilla warfare and narcotics trafficking in the countries of the Andean region;
- exploit local conditions to produce and market ecological and high value-added livestock products;
- stiffen national and regional policies on health, food safety and environmental management;
- consider cattle rustling a serious offence and apply stringent measures for its elimination;
- in drug control programmes, promote livestock production as an alternative to growing narcotic crops;
- encourage the strengthening of national and inter-Andean livestock trade associations and foster the practice of charging membership fees and/or levies so that they have the means to function properly;
- strengthen the capacity of public institutions to apply technical standards, to control food quality and safety, and to monitor international trade of livestock and livestock products;
- introduce financial and fiscal incentives to encourage the modernization of the livestock sector and private investment;
- reinforce livestock research and technology transfer at subregional level, and involve trade associations in determining, implementing and validating related activities;
- promote the reconciliation of livestock management and management of biodiversity;
- establish inter-country coordinated mechanisms for the protection of the subregion's trade, paying special attention to shared concerns;
- give priority to controlling and eliminating foot-and-mouth disease and classical swine fever in the region; and
- promote partnerships between dairy producers and industrial entrepreneurs to reduce the importation of dairy inputs and to generate greater subregional development of the sector.

Recommendations of the Commission on Livestock Development to FAO

- Support the establishment of a livestock information network accessible to private institutions and organizations of all countries of Latin America and the Caribbean;
- create a network to strengthen the intercountry dissemination and exchange of experiences in technology, organization, innovatory financial mechanisms and livestock projects, the latter requiring timely FAO support for evaluation and dissemination of lessons learned;
- support the development of guinea-pig husbandry, given the importance of this species in rural Andean communities;
- continue country initiatives to strengthen technological, trade and investment relations in the main agri-food chains of the livestock sector;
- continue efforts to mitigate and resolve problems relating to the growing resistance of ecto- and endoparasites to veterinary drugs;
- encourage the training of trainers in technology for small and medium livestock agroindustries;
- continue coordinating actions to eradicate classical swine fever from the continent and foot-and-mouth disease from the southern hemisphere, in conjunction with PAHO and OIE; and
- the governments and FAO are urged to give effect to agreements reached at the meetings of the Commissions on Livestock Development.

C. Subregional meeting for the countries of the Southern Cone and Chile, Montevideo, 26 and 27 November 2001

Regional strengths

- The regional market of some Mercosur countries and Chile offers considerable potential for expansion of selected livestock products, with possibilities of product differentiation;
- the countries have comparative advantages for the production of beef and dairy products on account of their natural resources and livestock tradition, and also have competitive advantages in the poultry and pig sector through their application of industrial technologies and appropriate management systems;
- the agroindustrial sector is highly competent in the processing of livestock products, giving it a competitive edge in production chains;
- the countries of the region have valuable experience in international trade, having used opportunities for the import and export of agricultural products in general, and livestock products in particular;
- the level of education of agricultural operators facilitates innovation and improvement;
- the countries of the region have a wide portfolio of trading partners, thus spreading risk; and
- there is limited possibility of emergence of BSE because of the subregion's feed practices and absence of imported cattle feed supplements, and every effort should be made to keep it this way. Importantly, Chile is the only country of the subregion that is free of all OIE list A diseases.

Common problems

- The region faces serious animal health challenges because of its sheer geographical size. The outbreak of foot-and-mouth disease in the Southern Cone in June 2001 was a clear example of the risk carried by this disease for the production and trade of meat products in the subregion;
- globalization and a heavy involvement of these countries in international trade represent an external risk and an internal challenge for animal health;

- there is no clear public understanding of the diseases that affect livestock and the risks to human health;
- the lack of coherence in the countries' macroeconomic policies sometimes creates problems for trade and private investment in general, and for the livestock sector in particular;
- there is an inadequate flow of shared information among countries to prevent and pool efforts to resolve common problems of health and trade; and
- the existence of restrictive trade policies, extending from limits on market access to export subsidies, seriously curb growth and development of the region's livestock sector.

Recommendations of the Commission on Livestock Development to Governments

- Refine quarantine systems and policies to reduce the health risks accompanying globalization, and improve the systems of national and regional information;
- encourage the exchange of research findings on livestock-related technology, health, husbandry, nutrition, management and marketing;
- step up actions to include the principles of environmental management, food safety and animal welfare in production and processing activities, with the view to enhancing sectoral competitiveness;
- in recognition of the importance and usefulness of exchanging experiences on issues addressed at meetings of the Commission on Livestock Development, attach greater importance to continuity of delegate attendance at these meetings.
- provide objective information on nutritional requirements and on the role of meat and dairy products in meeting these requirements;
- continue prioritizing the eradication of foot-and-mouth disease and the prevention of other transboundary diseases such as BSE.

Recommendations of the Commission on Livestock Development to FAO

- Follow up the agreements and recommendations of the Commission on Livestock Development;
- continue, with OIE and PAHO, supporting implementation of the hemisphere programme for the eradication of food-and-mouth disease, and providing technical assistance for the prevention of BSE;
- analyse the results of this subregional consultation and develop training activities, including international workshops on those issues that countries have highlighted;
- support the establishment of a livestock information network accessible to private institutions and organizations in all countries of Latin America and the Caribbean; and
- support processes of creating and upgrading food chains, with a special focus on the livestock sector, to integrate the different links of this chain from farm to fork.

D. Shared Conclusions and Recommendations

All three meetings agreed on the following:

- a) Regional strengths:
 - Livestock production is a means of overcoming poverty, given its social and economic importance.
 - Because of their abundant natural resources and their livestock tradition, the countries of the region have comparative advantages for the production of beef and dairy products, and competitive advantages in the poultry and pig sector.

- b) Common problems:
- The extensive periurban poultry and pig production carries high risks to public health and of environmental contamination.
 - Problems of animal health, such as the presence of OIE list A diseases (foot-and-mouth disease and classical swine fever) and the growing resistance of ecto- and endoparasites to certain antiparasitic products, limit productivity and international trade possibilities.
- c) Recommendations of the Commission on Livestock Development to Governments:
- Strengthen national and regional institutional capacity of the livestock sector.
 - Establish strategic partnerships between institutions and countries to seek solutions to common livestock problems.
 - Encourage the exchange of research findings relating to livestock technology, health, husbandry, nutrition, management and marketing.
- d) Recommendations of the Commission on Livestock Development to FAO:
- Follow up the recommendations of the 7th Subregional Meetings of the Commission on Livestock Development.
 - Continue efforts to mitigate and resolve problems relating to the presence of OIE list A diseases and the growing resistance of ecto- and endoparasites to antiparasitic drugs.
 - Support the establishment of a livestock information network accessible to private institutions and organizations in all countries of Latin America and the Caribbean.