

## **Demand and clients**

The technical cooperation services that IICA offers respond to the demand for innovative solutions that characterizes the scenario that the institution targets in its work. But this demand is not abstract, and it differs according to scope, which in turn determines the actual sale of services encountered on a daily basis. It is necessary to have strategies, tactics and protocols that differentiate and address each request, recognizing the potential demand—who has a need that can be covered by the services IICA offers; real demand—those who actually turn to IICA for service; effective demand—those who are willing to pay for the costs implied in using the service; and captive demand—those for whom IICA is a preference under any circumstance.

## **Areas of demand**



### **1 Supranational demand**

Demand that arises from the international programs of Member States that then translates into programs and supranational projects in response to regional requirements; this generates international public goods that boost regional capacity to develop common solutions and strengthen integration:

1. Regional ministerial forums
2. Institutional networks
3. Regional negotiations and forums
4. Building international platforms
5. Technical services, e-learning and information systems
6. Technical referrals network



### **2 Demand in the public policy cycle**

This includes demand for support of domestic public policies, a tangible expression of the attempt by Member States to improve their agriculture sector and rural well-being. The public policy cycle establishes the phases in which IICA's services are requested:

1. Sector assessments and prospectus: observatories and follow up
2. Analysis of alternative intervention instruments
3. Construction of policy agendas and development of policy dialogues
4. Program and project management and execution
5. Public policy evaluations

### 3

#### **Demand in the productive private sector**

This describes demand originating in the private sector—guilds, producer associations, companies or producers; or in civil society—foundations or community organizations—of which there are two types.

1. Programs or joint projects made up of private strategic stakeholders chosen for their capacity to steer, scale and create impact, where IICA has the capacity to add value in knowledge management.
2. Projects with common objectives, such as in the case of technology companies, foundations or financial institutions.

### 4

#### **Demand generated by knowledge institutions**

Research and technological development institutions require space, channels or platforms that facilitate increased effectiveness in the transfer, adaptation, extension and adoption processes of knowledge generated through the scientific research process—basic, strategic or applied—specifically in the realm of innovation. Specific requirements are:

1. Greater precision and pertinence in defining scientific and technological development agendas.
2. Effective relationships with the stakeholders in the innovation processes, by means of the contextualization of agendas and the transfer of research results.
3. Monitoring and evaluation of innovation processes to provide definitive signals for consolidating research agendas.

### 5

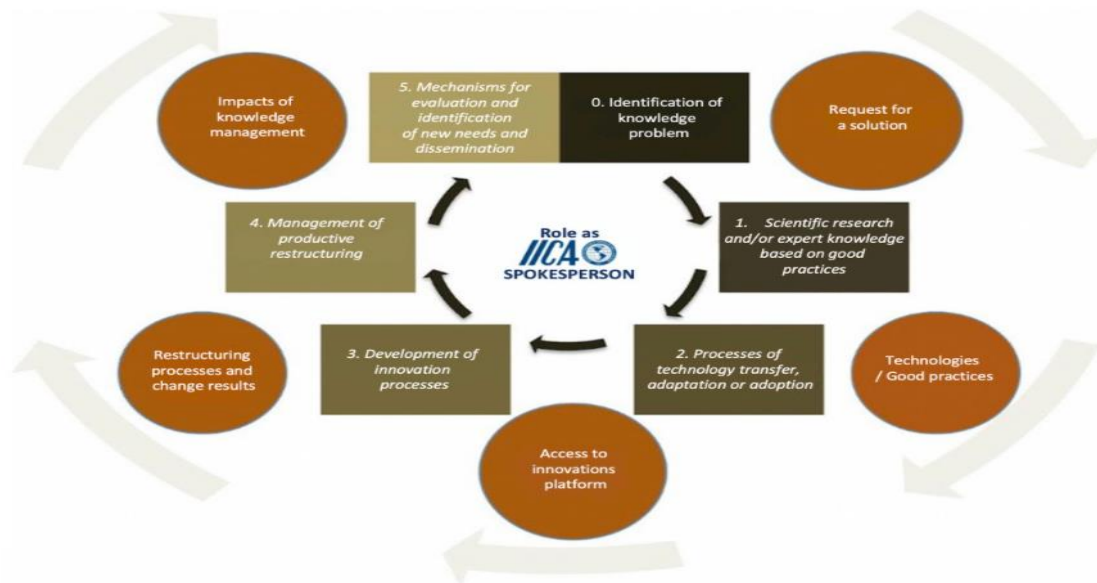
#### **Demand generated by international development cooperation systems**

Development cooperation is a principle of the international order agreed upon by nations worldwide to guarantee a united world that promotes development and justice and preserves peace under a concept of differentiated co-responsibility. Cooperation requires multilateralism as an effective mechanism to streamline the allocation of applied resources. By virtue of IICA's multilateral character cooperation requires the following:

1. Technical and operational capacity – to act in a simultaneous and coordinated manner among a group of countries.
2. Representing countries that are receiving technical cooperation, and facilitating coherence in ambitious agendas, especially technical ones.
3. Fostering horizontal cooperation—south-south— in the region and triangular management that integrates north-south cooperation mechanisms within horizontal cooperation.

## Demand within the logic of a Platform for Innovation

### IICA's central role in innovation within the framework of knowledge management applied to development processes



Knowledge management is a value-added chain that completes a cycle made up of processes from the emergence of a knowledge problem—that is a problem which can be solved with the contribution of knowledge—to the impact evaluation of the innovations applied to the reality; passing through the processes of research, sharing of experiences, technological development, transfer, extension or development of restructuring processes.

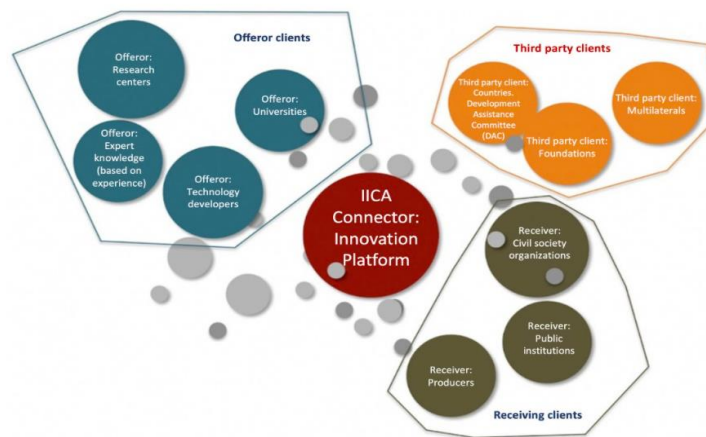
Innovation is the specific area in which IICA has the greatest potential to contribute to knowledge management.

Innovation is a process of change in the products, processes, organizations, markets, institutions, public policies or social actions, to improve their function by introducing new factors. Innovation—the process—must not be confused with new factors—instruments or content.

These innovations result in restructuring or modernization which require specialized support to incorporate new factors—such as good practices, technologies or inventions—into social, economic or politico-institutional practices to improve productivity and impact.

## Model for segmenting clients

Model platform for knowledge management and innovation within an international cooperation framework



This chain takes the form of a network, with specialized actors in each of the links. IICA has accumulated broad knowledge and competence in on-demand management for various reasons: its privileged presential position in the hemisphere; its proximity to governments and rural communities; its technical and institutional recognition.

This gives it a privileged position and cumulative experience in the task of serving as a connector—an integrator or contextualizer—that manages knowledge and converts it into innovative solutions, establishing a channel that connects knowledge generation with concrete contexts where it becomes a transformative or restructuring solution.

A platform for innovation facilitates a collaborative economy that connects the links in the chain, integrating offeror clients at the fore—those who request channels to transfer and diffuse their knowledge products—and actors in agriculture and rural well-being at the exit—receiving clients who require innovative solutions.

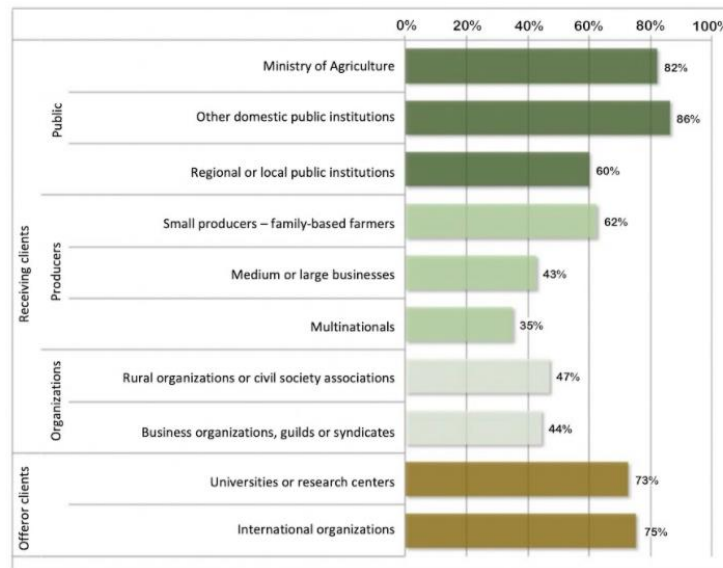
This system is of great interest for development cooperation which recognizes that knowledge is a prime international public good when it relates to the global agendas that direct States contributing investments—donors—. This makes them a third client that acts as a driver and supporter of innovative processes.

### The collaborative economy as a model for financing knowledge management

The logic of a collaborative economy shows up in an environment that integrates these three types of clients, as was demonstrated in the previous outline which reflects a structure that integrates the actors in an innovative system. A scenario with international and global protagonists, where knowledge flows as an international public good, where it translates into innovation, into solutions for innovative processes, more precisely. Those solutions constitute the product—integrated and contextualized—offered by IICA, a concrete and highly specialized product within the realm of Knowledge Management. The receivers of innovation, the offerors of knowledge and the managers who implement cooperation constitute interested clients who are willing to pay for the benefits received from this platform.

## Clients we interact with today

Stakeholders with which IICA technical experts interact



Source: IICA, in-house survey of technical experts, 2020

The reality of IICA’s current practice in its cooperation services shows a diverse clientele, establishing links with stakeholders from each group of clients mentioned. This means there are important precedents on which to base a platform strategy.

### Type of receiving client: public policy decision-makers

IICA’s 34 Member States are making efforts to support agriculture and attain rural well-being through public policies by investing significant fiscal, institutional, technical and human resources.

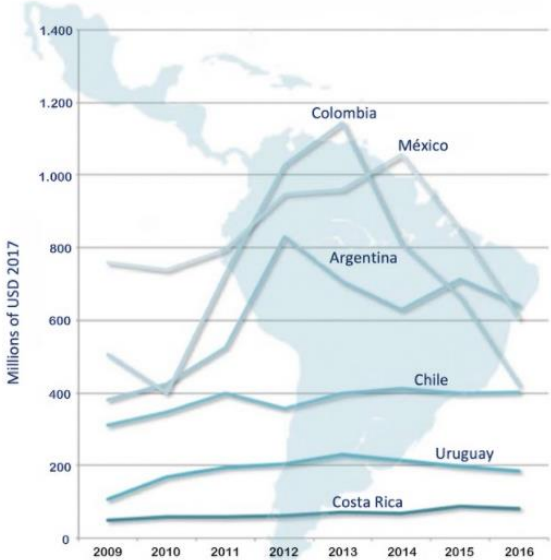


Source: IDB, Agrimonitor, 2020

The following figures, which allow us to see the magnitude of investments used to finance agriculture and rural development policies, show the fiscal scenario of the market IICA must access.

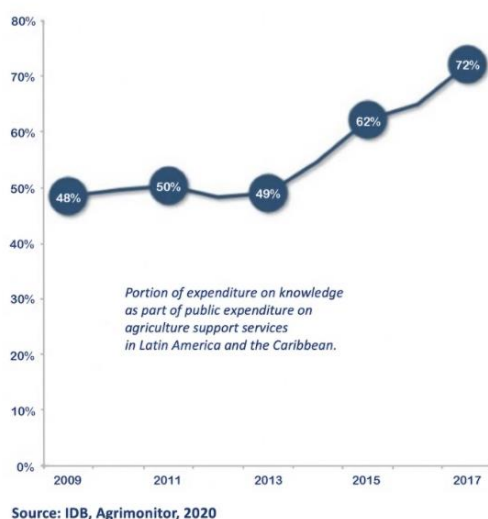
Today, the resources IICA collects originate almost exclusively from this pool of public investment, from which it garners, between ordinary quotas and technical cooperation projects, about 1.4% of the agriculture services component and 0.4% of total agriculture support.

**Public expenditure on agriculture services support**



Source: IDB, Agrimonitor, 2020

Active support for agriculture constitutes the heart of public policy which seeks to boost trends that foster sector growth and offset the negative ones through interventions, as allowed by dint of authority and instruments. This is where IICA's cooperation is critical and where it provides its fullest potential support. Within these strategies, public investment that targets actions in the realm of knowledge - which is IICA's business - has been increasing up to nearly 7 billion dollars of public investment in the Region in 2017.



### Type of receiving client: rural producers



The agriculture sector in Latin America and the Caribbean is comprised of 21 million operations of which nearly 17 million are family farmers.  
Source: FAO, FAOSTAT, 2020

IICA's institutional work targets the Latin American and Caribbean agriculture production and agri-food sector, both as a matter of agriculture development, which is the primary mandate of the Convention, and as a matter of its instrumental role to attain rural wellbeing, which is the second mandate of the Convention. This places IICA's work within the framework of economic development and its primary responsibility is to contribute to increasing productivity, profitability, competitiveness, resilience and the generation of positive externalities in the agriculture and agri-food production system.

This means that IICA has a broad scope of intervention in an economic sector comprised of 21 million operations and a production of 486 billion dollars in 2018. That is the magnitude of the institution’s work goal, the size of its mandate and the reason for its existence.

It is clearly not possible to think of an intervention model that directly reaches producers; for this reason, the cooperation model must have mechanisms for scaling and task multipliers uppermost in its agenda. In terms of market, the big question is how much—monetarily—is IICA’s contribution to this massive sector worth, and therefore, what is the market share—monetary revenue captured to finance actions—that it must and can attain. This estimation will be a signal of institutional productivity and show the scope of the contribution the private sector can make to the development of IICA’s Platform for Innovation.

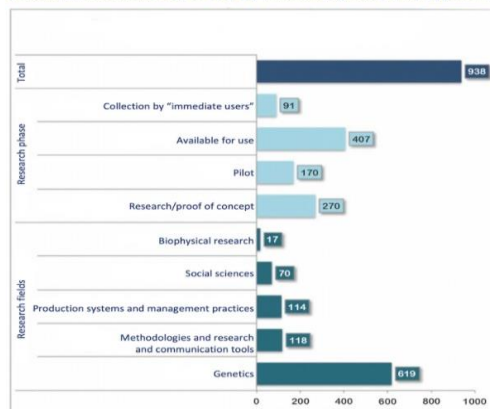
### Type of donor clients: International research centers

**International research centers’ budget in 2018**  
Millions of USD



Source: CGIAR, Annual Report, 2018

**CGIAR innovations reported by research phase and type of innovation in 2018**



Source: CGIAR, Annual Report, 2018

The international system of research centers, articulated by the Consortium of International Agricultural Research Centers, CGIAR, constitutes an indisputable source of knowledge in international public goods, which places them on the same value chain that IICA has ascribed to its operation. The research centers cover specialized areas in the field of maize, wheat, potatoes, tropical agriculture and food policies, in centers located in America (CIMMYT, CIP, CIAT and IFPRI); fishery, rice, livestock, agro-forestry, forestry, semi-arid tropical crops, agriculture in dry



regions, and water (WORLDFISH, IRRI, ICRAF, CIFOR, ICRISAT, ICARDA, IWMI and IFPRI) on other continents, but all of them with global coverage.

### **Type of donor client: Universities**

Universities constitute one of the most important knowledge institutions and their academic, scientific and technological production makes them key stakeholders in Knowledge Management. IICA's platform for innovation can offer universities effective channels for extension work and university outreach, making them potential clients for cooperation services. Specifically, IICA creates channels that increase the effectiveness of technological transfer processes in developing innovative measures relating to technical cooperation agendas for agriculture and rural well-being in our Member States.

### **Type of donor client: technology development industry**

The agricultural technology development industry is a crucial stakeholder in the sector's innovative processes. The private sector provides technological solutions for a wide variety of the sector's needs and is rapidly making progress in developing solutions relating to the digital revolution which is shaking up production, employment and productive and trade practices. This sector offers technology that aims to increase agriculture production, however it is equally facing challenges in terms of a better management of natural resources, sustainability and equity.

The current trend in public policies as they relate to the development of National Systems for Innovation in Agriculture underscores the role of the private sector in the outsourced components of technological development and technical assistance, which confers on it the status of innovation platforms, the same that IICA could offer, making it highly valuable for this industry. IICA offers the private sector specialized in technological development the opportunity for greater integration with the development of sector policies and with the institutions that implement them.

Stimulating private investment in technological development is a strategic priority among Member States and IICA must deepen its relationship with leading technological development sectors, continuing with the momentum characteristic of the last two years.

### **Type of donor client: The realm of knowledge exchange expert**

Knowledge accumulated by persons, groups, communities, production chains, institutions or territories creates space or benchmark experts who in practice express themselves with tremendous soundness and rigor, acquiring incalculable epistemological value for being systematized and shared. The lessons learned, the good practices or cumulative experiences are an inexhaustible source of learning and transfer of solutions in the form of innovative processes. This knowledge is especially high in value due to its practical, applied and contextualized component, originating from proven models, whether successful or failed, that contribute to strengthening the cycle of Knowledge Management in an important way such as scientific or technological development. This is an enormous offer of expert knowledge, very highly valuable practical knowledge for shaping a portfolio of innovative solutions.

This knowledge has formed the basis for cooperation among peers, regardless of their institutional nature, which requires a space that fosters learning from the experiences of others in comparable conditions. Persons interested in learning how others proceed, and persons who wish to communicate how they proceed both constitute the demand for a platform for innovating.

### Third party clients: Development cooperation

A third client segment with potential demands for technical cooperation under IICA's Innovation Platform is comprised of the broad framework of Development Cooperation. This realm - broad and complex - is in full process of adjustment and is supported by the principles of solidarity and integration which form part of the global and regional institutional framework. The central axis is the international system that arose after the Second World War and comprises the United Nations, its General Assembly and interagency system; the different funding mechanisms for financing global agendas agreed upon within this framework; the Bretton Woods institutions for financing development; regional multilateral banking; regional and hemispheric organizations, with their specialized organs; and the global commitments made by countries comprising the Development Assistance Committee and indicated in multiple international agreements.

IICA forms part of the global system by virtue of its nature as a specialized regional multilateral organization, which means that its nature, legality, relationships and sphere of action correspond to this realm.

### Framework of international cooperation where IICA has services to offer



The logic of international cooperation goes beyond financially supporting lesser developed countries.

It is humanity's intent to find institutions that allow the growing agenda of global and international topics—which surpass and reduce national borders—to identify a model of governance that will guarantee world peace, social wellbeing, progress and environmental sustainability.

It is an effort to achieve utopia. The MTP carries an epigraph that perfectly illustrates this point:

“Nothing is possible without men, but nothing lasts without institutions”

A phrase by Jean Monnet, perhaps the most visionary and utopian fighter to succeed in enabling a destroyed Europe to have the capacity to believe in the need for an international system supported by the trust of its members in supranational institutions.

IICA must understand that this framework is a reality of which it forms part and requires that it play an active role as protagonist. If this system has not been sufficiently favorable for its agenda, that protagonism must be manifested through its representation of its Member States, in order to effect change.

IICA is the strategic player that they possess to strengthen this system in the field of agriculture and rural well-being in America; for this reason, IICA must establish strategies to incorporate development cooperation as a core element in its operation.

Dozens of donor-country governments—developed and emerging—have formed part of a complex system of contributions to development based on the principle of co-responsibility.

It is not about principles of philanthropic solidarity—even when this is involved—but rather it is the recognition that humanity’s future depends on the effort of all; that it is not possible to sustain bags of wealth on a planet with high degrees of marginalization; and that it is a common objective to attain equity and sustainability as a common goal of all nations.

It is recognized that attaining sustainable development is a shared but differentiated responsibility, which interprets cooperation for development as a responsibility and not only as assistance.

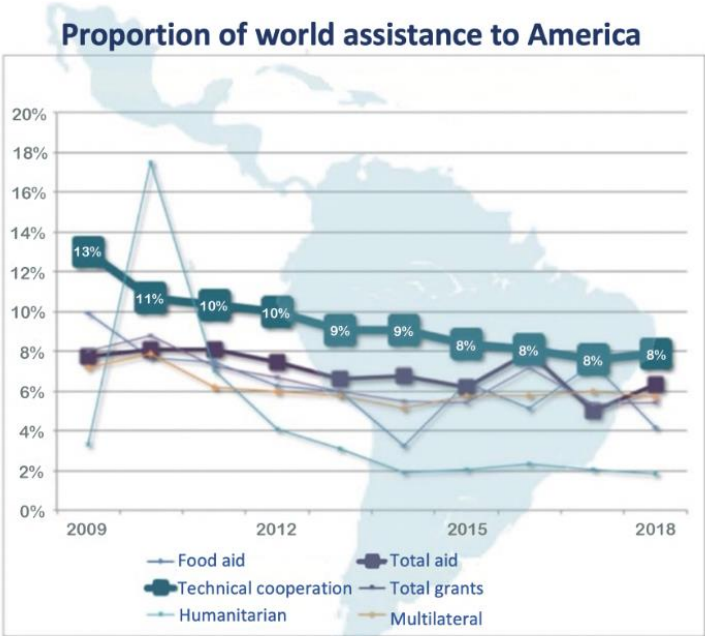
The various cooperation mechanisms have created a complex system that IICA must understand thoroughly and establish explicit leadership protocols and strategies to navigate, contribute to and to participate in intensively.

Over the past few decades, the classification of countries has determined that the majority of Latin American and Caribbean countries have passed to medium-income levels, making them less of a priority to receive support. However, this does not imply that they should depart from the system, but rather that the modalities of support have changed. Humanitarian and food aid have reduced tremendously, but other mechanisms have increased, especially financial, trade, and foreign investment.

Worldwide, 150 billion dollars were applied in 2018. Only 6% reached the Region, less than 4% in the form of humanitarian and food aid, but 8% in technical cooperation, which signifies more than one billion dollars in 2018.

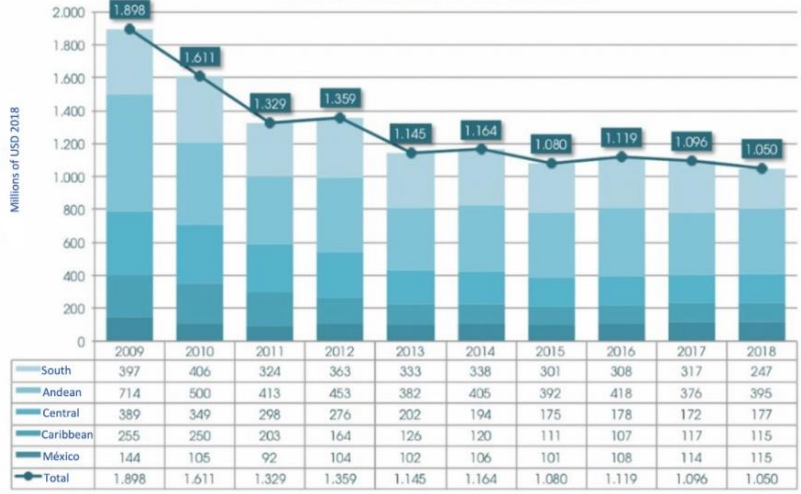


Source: OECD, cooperation for development database, 2020



Source: OECD, cooperation for development database, 2020

### Amount of technical cooperation for development in Latin America and the Caribbean



Source: OECD, cooperation for development database, 2020

## Third party clients: South-South and Triangular cooperation

### Evolution of bilateral SSC projects and actions. 2007-2016



Source: SEGIB, image taken from the Report on South-South Cooperation 2018 in Ibero-America

### Bilateral South-South Cooperation projects offered and received, by country. 2016



Source: SEGIB based on agencies and leading cooperation agencies

Source: SEGIB, image taken from the Report on South-South Cooperation in Ibero-America

Horizontal cooperation between Latin American countries is becoming increasingly important, and is, by its very nature, closely linked to IICA's cooperation work.

It forms an essential part of integration processes and constitutes one more act of recognition of the importance of supranational agendas pushed by Member States.

Bilateral cooperation between Latin American countries is supported by actions of various sorts at the national and territorial level and is executed through increasingly formalized channels, through explicit policies for cooperation, which have been developing powerful institutional structures to facilitate cooperation.

Countries such as Mexico, Brazil, Colombia, Peru, Chile or Argentina are examples of structures of Cooperation Agencies which play a very important role in cooperation.

IICA's Platform for Innovation possesses the attributes that cooperation of this kind requires, providing well suited channels to strengthen exchange between countries.

This is an area where IICA must play a pre-eminent role.

**Triangular Cooperation Projects and Actions in Execution. 2006-2016**  
In units

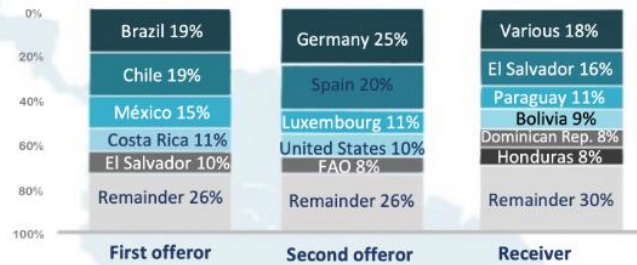


Source: SEGIB, image taken from the Report on South-South Cooperation in Ibero-America

## Participation of the principal stakeholders in each one of the triangular technical cooperation roles. 2016

Participation as a percentage

### III.4.1. Projects



### III.4.2. Actions



Source: SEGIB, image taken from the Report on South-South Cooperation 2018 in Ibero-America

Triangular cooperation, as a component of horizontal cooperation, allows for a Latin American country in the role of offeror, a donor country or organization as second offeror and a Latin American country as receiver, to develop cooperation projects where IICA can act as spokesperson, responding to a substantial demand for exchange and avenues for learning. It is one of the most interesting modalities for an idea that an IICA should function as a Platform since it provides mechanisms for cooperation that involve, in a structured way, development cooperation and public policies in a regional integration setting.