

Structure of cooperation services provided by IICA

Quality in a service is not what you give; it is what the customer gets out of it.

Clarity in a service is not what you offer; it is what the customer perceives.

Peter Drucker

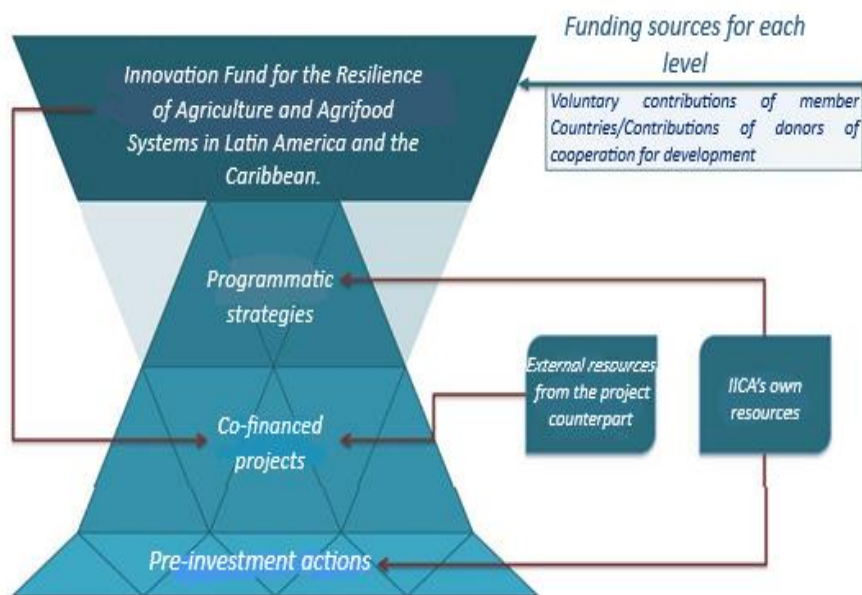
IICA customers must have access to services that offer them a clear, specific portfolio with a high capacity for response. This entails a major effort to focus on and develop commercial intelligence and fight against dispersion. The topics and cooperation modalities included in the institutional agenda must prioritize and establish a narrative of services that will stand out as a distinctive flagship, a higher cause, as defined in the commercial strategy.

The current scenario imposes agendas that must ensure sustainable agrifood systems in the world, by means of actions that will guarantee their resilience, and which are based on their capacity to adapt to economic and environmental shocks that may affect them. The MTP provides a programmatic framework that allows for the articulation of a wide range of dimensions, with a view to attaining this resilience. The next few years – in what remains of the current administration of IICA and undoubtedly during the next one - will be defined by a search for solutions that will seek to respond to the profound shock experienced at present and deal with the consequences of the strongest crisis of recent decades. These are times for resilience.

In an attempt to integrate the mission, vision, strategy and institutional actions into one single purpose, that is, resilience, this document posits the establishment of structure based on an integrated model of actions and financial resources. To this end, the strategy is based on the following premises:

- 1. One single purpose for all cooperation actions within Programmatic Strategies:** *All institutional actions – projects – must be coherent and in keeping with a single programmatic line of institutional priorities, adapted to the specific conditions of regional and national management frameworks, but fully consistent with institutional guidelines. Nothing at IICA is to be done without responding to this common purpose.*
- 2. Scalability and reproducibility of actions based on a pre-investment model.** *All cooperation actions of IICA must follow a technical pre-investment protocol that will ensure the scalability and reproducibility of actions undertaken. Nothing is to be done at IICA that is not scalable or replicable by means of institutionally and financially viable actions. There must be an “impact threshold” – a level below which interventions lack relevance due to their low impact – which must be applied as an eligibility criteria for institutional initiatives.*
- 3. Creation of a fund to co-finance cooperation service projects.** *The funding of cooperation agendas is associated with one single complementary and multiplying funding strategy in a scalable manner. The pre-investment actions involved in projects co-financed with the counterparts are, in turn, associated with hemispherical programs and also connected to a large umbrella fund supporting the macro strategy.*

The following model simplifies the proposed scheme. The creation of an Innovation Fund for the Resilience of Agriculture and Agrifood Systems in Latin America and the Caribbean, comprised of Member States which will be the owners and promoters of the initiative, and which will channel international cooperation resources for the development of a wide range of donors. The Fund will support the development of Programmatic Strategies by complementing the resources invested by IICA for their promotion, in keeping with priority topics and issues, in order to respond to the demands of the countries. These strategies will comprise portfolios with Co-financed Projects, together with the different stakeholders, which will contribute to the attainment of this goal. The foundations of the initiative include a model of pre-investment actions, correctly formalized and supported by technical protocols and a solid training of the technical resource.



The pre-investment idea

The central purpose of the strategy for technical cooperation services provided by IICA must prioritize the concepts of scalability, replicability and multiplication of the investment in cooperation by the Institute as well as the Member States. These objectives can be reached if mechanisms are implemented to capture additional financial resources, apart from those regularly included in IICA's budget.

This must lead to a pre-investment strategy where available resources can become pre-investments made to realize more far-reaching, impactful projects or cooperation actions. The rationale behind this is that the business is not about providing more services to obtain more resources, but about having more resources to provide more services.

Non-reimbursable resources from multilateral financial institutions constitute a good example of pre-investment, since one of their goals is to identify opportunities for more far-reaching financial cooperation actions.

A new logic is required when using scarce resources to provide scarce services in the face of high demand, which results in an extraordinarily low impact compared to the magnitude of the institutional mandate. Scarce resources must become pre-investment tasks – levers for investment – understanding this as an explicit action, transparently agreed upon with the counterparts, in order to channel existing resources or capture new ones for projects focusing on innovation in agriculture and rural well-being.

Available resources must become resource leveraging mechanisms in order to achieve projects with the financial participation of the counterparts – co-financing – which in turn will leverage resources from social and economic stakeholders, thus increasing the impact of this scarce resource thanks to its multiplying capacity.

Modalities of technical cooperation services



Project management

Taking into consideration the Innovation Platform approach, the conditions of the demand, the segmentation of clients and the commercial strategy, it becomes necessary to adjust priorities and formalize mechanisms for identification, negotiation, formalization, contracting and price estimation for the services provided by IICA.

In order to do this, it becomes necessary to further develop the logic of the project implemented by IICA, so that an operational unit, embodied by a series of actions, resources and objectives, will

always lead to a project, include an estimation of costs and results indicators, and most importantly, be in keeping with the mission and purposes of the Institute.

The structure of the proposed model must include protocols that ensure the integration of projects with the programs and guidelines of the Fund. This must apply to all types of projects, but especially to cooperation actions carried out with resources of the Member Countries.

Cost estimation is a basic, inescapable component that must be included in institutional actions as a prerequisite. At the same time, there must be a clear price estimation for the service – in the form of a project – in order to ensure the sustainability of the action, but also to verify the interest and relevance of the counterpart. Price is not a mechanism to recover costs – even when it enables this recovery – but rather a measure to guide the offer of services, because it represents to what extent this service responds to the demand.

Price estimation can be done by applying criteria similar to those applied by public institutions to define rates and contributions.



Programmatic Strategies Division

Programmatic strategies –programs– are defined in the strategic guidelines of IICA as the political, conceptual and methodological integration pillars that incorporate the programmatic agendas defined in the MTP.

They have a dual role to ensure the integrity and unification of the Institutional Agenda; on the one hand, they are responsible for the specialized topics included in technical actions; on the other, they act as cross-cutting articulators.

However, these roles are currently not being entirely fulfilled because of the lack of monitoring and coordination of the actions and projects carried out by the Institute. Specifically, they fail to have a significant role in most of the interventions by the national offices, especially in technical cooperation projects carried out with resources of the Member States.

The Programs will need to include mechanisms in their agendas that will allow them to expand their impact on all of IICA's technical actions. But this cannot be achieved only with the direct, personal work of the Program's specialists, but also with technical subordination mechanisms that include protocols, guidelines, orientation, training and establishment of criteria based on strong technical leadership to coordinate and supervise, with the support of technical teams integrated into all of the available human resources of the Institute –at Headquarters and in the Delegations.

In the proposed institutional and financial model, the Programs will be the Fund's technical basis; they will be responsible for the ties with the networks of international scientific institutions, which will act as providers within the model of the Platform; finally, they will support and provide content to the communicational and promotional strategies of the Institute.



Management of the Fund

Within the framework of international institutions for development, the strategy of promoting structural causes by means of far-reaching programs has been applied on numerous occasions, for which financing mechanisms with the capacity of integrating a wide range of actions and projects into one single common objective have been developed.

These mechanisms take the form of Funds, which act as financing sources in the medium and long term; avoid excessive dispersion of cooperation resources, when applied with a logic solely focused on projects or individual actions; provide donors with opportunities to allocate resources in a more targeted, relevant manner; reduce transaction costs for cooperation management processes; and provide scenarios that facilitate the allocation of counterpart funds from different stakeholders for priority issues.

Priority issues on the global agenda are supported by specialized Funds –Green Climate Fund, Adaptation Fund, Climate Investment Funds, Global Environmental Facility, Special Climate Change Fund, Least Developed Countries Fund, Nagoya Protocol Implementation Fund, among others –, as well as by regional Funds – such as Fontagro.

IICA has the opportunity to implement an ambitious Innovation Program for the Resilience of Agriculture and Agrifood Systems of the Hemisphere, to integrate solutions, respond to the needs of the region and strengthen the capacity to respond to crises such as the current one. For its development, the Member States will set up a Fund and will jointly manage their own contributions; resources from Cooperation for Development; private donations; and other Global Funds.



Horizontal and triangular cooperation

Horizontal cooperation, particularly the one developed under the South-South modality, constitutes a highly relevant strategy for the region, and is part of the cooperation services provided by IICA.

Although there are multiple horizontal cooperation projects and actions that are part of IICA's agenda, only one third of technical experts mention horizontal cooperation actions and there is no specific plan to advance triangular cooperation with resources from the countries or donor organizations, apart from those developed in events supported by IICA itself.

It is important to establish a formal, explicit project management process and horizontal cooperation actions that will result in a concrete proposal to Member States to promote, coordinate and manage this form of collaboration.

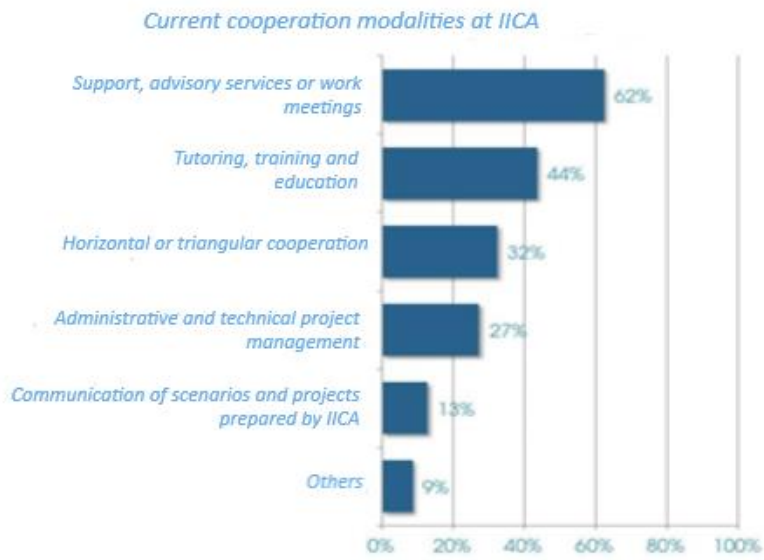
Current instruments and modalities for cooperation

Cooperation services provided by IICA are mainly represented by institutional strengthening actions, including capacity building, an activity carried out by more than 66% of technical experts. On the other hand, more structural actions such as planning, support for investments or public policies involve less than 30% of specialists. In the case of project management, this rises to 47%, but it is worthwhile mentioning that a high percentage of these efforts focus on administrative or intervention activities, and not necessarily on design or technical evaluation design.

The instruments that are prioritized are those associated with support actions; advisory services; participation and coordination of work meetings; and the putting together of teams. Other modalities for cooperation are not as predominant. Training and education involve 44% of specialists. On the other hand, horizontal or triangular cooperation or the communication of scenarios and projections are seldom included in the agenda of the specialists.



Source: IICA, internal survey of technical experts, 2020



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