

In Touch WITH RUTA



Quarterly newsletter of the Director of the Regional Unit for Technical Assistance - RUTA
RUTA is a Project of the Ministries of Agriculture of Central America, the World Bank, IDB, DFID, FAO, IFAD, IICA, IFPRI

Newsletter No. 6
December 2006 - February 2007

To Governments and Partner Agencies:

As we begin 2007, we are entering the final year of Phase V of RUTA. Continuing faithfully with the quarterly updates offered through this newsletter, we describe the latest developments and progress made in RUTA's projects and programs.

We are also pleased to announce the positive results of the evaluations carried out at RUTA, required as part of the project's closing operations. The external evaluation committee concluded that RUTA V has been a successful and valuable initiative for the region and has made an outstanding contribution to the improvement and implementation of rural development projects and programs in Central America.

But that is not the only positive news. This year also got off to a good start when RUTA's work received recognition outside the region. Our strategy for sharing information and promoting dialogue, applied in a study to assess the impact of CAFTA, was endorsed by the World Bank as a best practice for its effectiveness and innovation in engaging a wide array of stakeholders.

All this gives us additional encouragement to continue working for the benefit of our region. I extend a cordial greeting to you and would like to take this opportunity to wish you the very best in 2007.

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RUTA's innovation showcased at the World Bank's Knowledge Fair

RUTA's proposal to build the Free Trade and Rural Development portal for Central America wins second prize

on the Central American economies was among the examples of best practices showcased at the 2007 Knowledge Fair, organized by the World Bank's Latin American and Caribbean Region and held at its headquarters in Washington D. C. on February 5.

This year the Fair's main theme was "Client Engagement: Using Innovative Approaches to Achieve Impact". During the various sessions, the panelists and participants discussed the advantages of multi-stakeholder engagement in World Bank projects, going beyond the traditional government clients to include other sectors such as the media, trade and sectoral associations, NGOs, political parties and others.

World Bank "Ideas Market" Awards

1. The 100 Best Rural Teachers in Peru, an instrument for cultural change - US\$15,000
2. RUTA – Portal on Free Trade and Rural Development (ruralcom.org) - US\$10,000
3. Leveraging Wikipedia for Development -US\$5,000

In that context, RUTA's work was recognized for the way in which it has managed to involve a large number of stakeholders in creating a common platform of knowledge, built with local capacity, to effectively disseminate the results of the study. This platform has not only been instrumental in disseminating the results of the study but has also provided a space for continuous dialogue between different stakeholders. RUTA's efforts have encouraged discussion on the political implications of CAFTA, and have helped to make governments more aware of the importance of using communication as an essential tool to increase public awareness and understanding of the agreement. During the Fair some videos were presented showing the perspectives of different clients. RUTA also interviewed Mr. Roger Guillén, Secretary of the CAC, one of the parties involved in the study on the impact of CAFTA in the Central American countries. (See the interview at: www.ruta.org).

Awards for Innovation

In the context of the Knowledge Fair, the World Bank organized an "Ideas Market", a competition in which participants voted for the three best ideas in the field of information sharing and promoting participation and discussion.

RUTA participated in the competition by submitting a proposal to build a portal (Ruralcom.org) and create an interest group focusing on trade liberalization and rural development in Central America. This proposal was awarded second prize, thereby receiving the World Bank's endorsement and USD 10,000 in seed capital to begin the planning and design of the project.

Ruralcom.org will be the first portal proposed by users and its task will be to provide up to date and complete information on the topics of free trade and rural development. However, more than a centralized information system, the portal will serve as a platform to facilitate teamwork, promote dialogue and share the results of research.



Working on trade liberalization and rural development?
Tired of googling and not finding what you need?
Feeling entangled in the Net?

RURALCOM.org

Help us build the first portal of Central America focused on Trade Liberalization and Rural Development issues and join its online community

Share your experience and build your own network of peers

- ✓ The largest information database on Central America's trade liberalization and rural development issues
- ✓ E-Working Communities
- ✓ Free access to recent research papers, data and publications
- ✓ Calendar of events and systematized conference proceedings
- ✓ Blogs and e-forum with international experts

Proposed by:  RUTA
CENTRAL AMERICAN RURAL DEVELOPMENT
INSTITUTE, UNIT OF TECHNICAL ASSISTANCE

Knowledge Management and Communication at the core of RUTA's work

Objectives of the KM & Comm strategy

- Strengthen dialogue between RUTA's member agencies, partners and other interested parties
- Strengthen alliances and communication between RUTA and its audiences
- Raise awareness on the usefulness of KM&Comm. activities among RUTA's staff, governments and partner agencies
- Position RUTA as an information/knowledge center on rural development and poverty relief in Central America

More information at: www.ruta.org/conocimiento

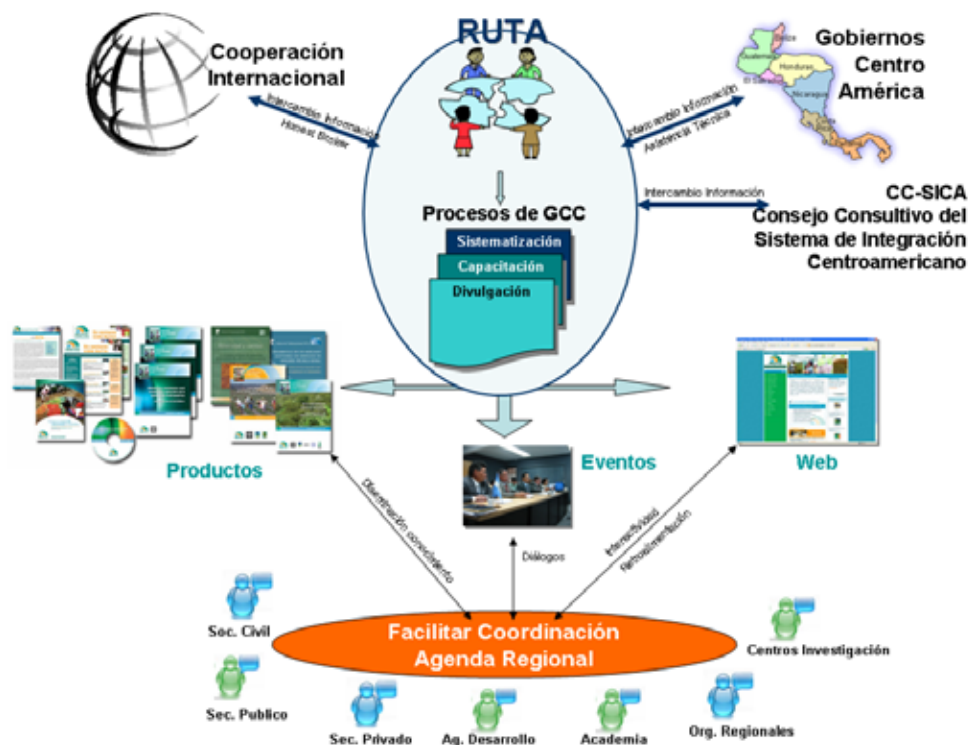
According to the final external evaluation report of RUTA V, the area of Knowledge Management and Communications (KM &Comm) is the main instrument used by RUTA to create comprehensive thematic internal and external synergies

Given the multi-agency character of the Regional Unit for Technical Assistance (RUTA) and the volume of information it administers, the KM & Comm. Unit acts as an interlocutor, repository and manager of knowledge and learning. The effort invested in strengthening this area of work was motivated by the need to provide information, support institutional strengthening initiatives

and facilitate discussion among different clients and audiences on aspects of rural development in Central America.

Pursuing its mandate and taking into account the limited availability of resources, RUTA pioneered a unique methodology in the region, combining knowledge management and communication in a cost-effective manner.

The ultimate goal of the KM& Comm. strategy, designed and implemented by RUTA, is to share knowledge and improve coordination between Governments and partner Agencies, as key elements for increasing the impact of rural development initiatives. To accomplish this objective RUTA organized a series of activities (workshops, lectures, seminars and regional discussions), with an unprecedented participation by different actors and key audiences from each country in the region. The activities focused on the following topics: the Central American Agricultural Policy, free trade, avian influenza (bird flu), rural organizations, poverty reduction and engines of growth, among others.



Activities and outputs



Between 2005 and 2006 RUTA organized 74 events (including workshops, meetings, seminars, regional dialogues etc.) in which the exchange of experiences, stakeholder engagement and knowledge and information sharing have been the key aspects.

A total of 3,349 people have participated in these events, 55% of them were representatives of civil society, NGOs, academia and research centers, 19% members of international cooperation agencies and 29% from government institutions. In addition, RUTA has produced sixteen publications and a compilation of all these on a CD-ROM prepared by RUTA's partner agencies.

The KM&Comm. Unit has also promoted a wider dissemination of the studies/ papers prepared by RUTA, its partner agencies and other institutions working in the field of rural development in Central America. To accomplish this objective, RUTA launched a new web site in May 2006 and within a few months managed to increase the number of users from a monthly average of 1200 at the beginning of 2005 to 8000 by mid- 2006. Other publications such as this newsletter transmit information about RUTA and rural development issues to nearly 1700 subscribers. Finally, 16 publications on strategic topics for RUTA were produced, printed and distributed.

It is important to note that all these activities were carried out in coordination with a large number of partners, with excellent standards of quality evident among the participating institutions and speakers (and documented in the presentations -audio and Powerpoint on RUTA's web site). It is also clear that the events organized by RUTA have objectives that go beyond the need to disseminate information; rather they are part of an effort to advance the regional process of policymaking, capacity building and policy discussions.

Innovation

RUTA's combination of knowledge management and communication strategies has proven to be a highly successful approach to facilitate dialogue and information sharing in Central America. Information systematization and a careful selection and use of traditional and electronic communication tools (including e-mail, chat, web sites, newsletters, videoconferences), is a reliable and cost-effective solution for keeping informed and engaged a large number of participants from diverse stakeholder groups in the region.



Mr. Bernardo López, Minister of Agriculture, Livestock and Food of Guatemala inaugurated the Regional Seminar on Public Policies and Rural Financial Services.

RUTA promotes debate on rural financial services in the region

In 2007, RUTA will complete the case study on Costa Rica regarding rural financial services and will conclude the series of national seminars in Nicaragua and Costa Rica

Last November, RUTA and the Rural Financial Services Support Program I – SERFIRURAL published the document “Public Policies and Rural Financial Services in Mesoamerica”. This report presents the findings of a study on public policies on rural financial services in five Central American countries: Honduras, Guatemala, Mexico, Nicaragua and El Salvador. The study notes the diversity of public policies in the rural financial sector

of these five countries, and suggests the need to design specific policies to make rural financial services more accessible to the poorest rural populations. The study includes a selective analysis of public policies on rural financing, considering the institutional, legal and regulatory context, and identifying best practices applied in the five countries of the region.

In order to contribute to the current discussions on the need to develop specific public policies to promote and expand financial services in rural areas, and to disseminate the latest works produced in the region on this subject, RUTA, together with IFAD, SERFIRURAL and the Micro-finance Networks of each country, organized a series of national seminars: in Mexico (November 22), Honduras (December 7), El Salvador (December 8), and a regional seminar held in Guatemala (December 11).

The seminars facilitated discussion on public policies and rural financial services among the region’s key stakeholders in this field, including representatives of the region’s micro-finance sector (micro-finance institutions, savings and loans cooperatives, community banks, micro-finance networks), the private sector (financial institutions, banks, insurance firms), the public sector (Ministries of Agriculture, congressmen) and representatives of regional and international cooperation agencies (regional development organizations, international financial institutions).

The “Regional Seminar on Public Policies and Rural Financial Services” held in Guatemala, was co-organized by IFAD, Guatemala’s Ministry of Agriculture, Livestock and Food (MAGA), the DaCredito program and the Central American Finance Network (REDCAMIF). In addition to RUTA’s regional study, the following works were also presented:

- Study on Development Banks (Carolina Trivelli, Institute of Peruvian Studies with support from the Ford Foundation)
- Analysis: success of the reform of BANRURAL in Guatemala (Luis Noel Alfaro, INCAE)
- Experience of the Guatemalan Government’s DaCredito Program (Raul Hernández, Dacredito).

In 2007, RUTA will complete a case study on Costa Rica, and will conclude the series of national seminars with events in Nicaragua and Costa Rica.

The abovementioned publications and further information on this subject are available at: www.ruta.org/financiamientorural.



Third Meeting of Policy Directors and Technical Secretaries

First phase of process to formulate the Central American Agricultural Policy concludes

The first phase of the process to formulate the Central American Agricultural Policy, in which RUTA has played a significant role, is about to conclude.

Using the methodology established at the beginning of the process, RUTA, the Secretariat of the Central American Agricultural Council (CAC), IICA, and the region's Ministries of Agriculture, held a series of national meetings in the seven Central American countries in July 2006 to identify the problems

affecting the region's agricultural sector and discuss more effective ways of resolving these from a regional perspective.

Under this premise, each country identified a group of problems, lines of action and measures for each of the six policy areas. As a result of this exercise, a total of 244 problems, 369 lines of action and 881 measures were defined. Between August and September, representatives continued to select proposals from this enormous body of suggestions, leaving only those that deemed viable, in terms of their regional scope and applicability, based on technical criteria. In this selection and consolidation process, RUTA provided technical expertise and leadership in the areas of "Private investment, rural financing and risk management" and "Institutional development".

On October 4-6, the "First Regional Workshop on the Central American Agricultural Policy" took place in Costa Rica, in which countries reviewed the consolidated proposals for each thematic area. During the workshop, an even more consolidated version of the proposals was prepared, reducing their number to 21 problems, 50 lines of action and 97 measures.

During the workshop the countries also approved a communications strategy to share information and facilitate discussion among different stakeholders involved in rural development. The strategy will be implemented by the communication units of each ministry under the coordination of RUTA's Knowledge Management and Communication Unit, with the support of IICA, SCAC and FAO.

Based on the workshop results/inputs, the inter-agency team, with the support of the ETEA Foundation and the supervision Working Group of Ministries of Agriculture, prepared a "First Draft of the Central American Agricultural Policy". This document will provide the basis for the national and regional consultation processes scheduled to take place in April 2007. RUTA hopes that Central America's private sector and civil society will also contribute their experience and knowledge to enrich the first draft of the document.

The inclusion of the comments received during the consultation process and the review and approval of the new version of the document by the CAC Ministers, will mark the end of the first phase of the formulation of the Central American Agricultural Policy, expected in June 2007. The second phase will focus on the Policy's effective implementation, identifying tools, financial resources and institutions responsible for implementing the policy measures in each thematic area.

- The RUTA web site www.ruta.org/paca is the official information source on the Central American Agricultural Policy.

It documents the entire process of policy formulation and contains all the official reports and papers produced to date.



Avian influenza: a persistent problem

Communication, education and training are key components of the strategy to prevent the spread of the disease in Central America and the Caribbean.

Mindful that the combination of information, education and training is a highly effective tool for preventing and managing avian influenza and of a possible pandemic, the International Regional Agricultural Health Organization (OIRSA), RUTA, the World Bank's Global Development Learning Network (GDLN) and other partners (FAO, OIE, PAHO, Poultry

Producers Associations) have organized a series of global discussions to exchange information and disseminate knowledge in the Central American countries. In total, 600 people participated in the four videoconferences organized between March and October 2006, which linked 12 countries: El Salvador, Guatemala, Honduras, Nicaragua, Costa Rica, Panama, Dominican Republic, Mexico, USA (Washington DC), Chile, France and Argentina.

Results obtained

The most important results achieved with these discussions may be summarized in the following points:

- Ministries of agriculture, health and environment made aware of the importance of communication, incorporating this action as a strategic element in the agreements reached at the intersectoral Meeting (Panama, May 2006).
- Dialogue and strategic partnerships promoted between governments, international cooperation agencies and the private sector for the joint design and implementation of strategies to prevent and control avian influenza.
- Methodologies, experiences and best practices for preventing and detecting the disease discussed and shared with world-renowned experts from specialized organizations and the leaders of the national programs.
- Information systematized

RUTA identifies new needs

Based on the discussions held in 2006 RUTA has identified issues that deserve further analysis, given their importance for the region, and is trying to coordinate resources for new activities. The areas to be explored are:

- Training local-level government agencies and small producers in prevention, diagnosis, adoption of biosafety measures, early detection and management of the disease
- Definition of government strategies and directives to encourage producers to report cases and slaughter diseased animals (compensation mechanisms)
- Training the media on the importance of its role in educating the public regarding basic concepts and eliminating misconceptions.
- Mechanisms for governments to obtain technical and financial assistance
- Fundraising for the prevention and control of avian influenza
- Insurance schemes for large, medium and small producers
- Preparation of government plans for the supply and correct use of medicines and vaccines.

RUTA supports dialogue between rural organizations and governments

Strengthening organizations for the public policy dialogue is the objective of the Santo Domingo Agreement

Rural organizations in the Central American countries that have negotiated DR-CAFTA are seeking a greater and more effective role in public policymaking in areas that affect them. For this reason, they have requested support from IFAD to strengthen their organizations for the policy dialogue with governments.

IFAD, with RUTA's support, has prepared an assessment of agricultural/rural associations in the region to identify their needs and, together with them, has designed the "Program for Strengthening Rural Organizations for the Policy Dialogue" as part of IFAD's poverty reduction strategy.

In order to move the Program forward and continue supporting the organizations, a Workshop was organized in September 2006 in Santo Domingo de Heredia, in Costa Rica. Its main objectives were to promote the exchange of experiences, discuss the Program's main contents and define actions prior to its implementation. Some twenty representatives of Central American rural organizations and of the Dominican Republic met together and after two days of joint work signed the Agreement of Santo Domingo de Heredia. This process was accompanied by representatives of the Regional Programs FIDAMERICA, IFAD-MERCOSUR, of the International Center for Human Development (CIDH), IFAD and RUTA.

After the Agreement was signed, in December 2006, the Executive Board of IFAD approved a donation of US\$ 800,000 to support small farmers' organizations in Central America. These funds will be used for capacity building and to create spaces for the policy dialogue with the governments, in the context of the DR-CAFTA agreement, in aspects related to rural development and rural poverty.

The International Center for Sustainable Human Development -CIDH- with RUTA's support, will be the institution responsible for administering the resources and providing producers' organizations with technical assistance for project execution. An Executive Committee and an Assembly of Members will issue directives and determine the actions to be executed in the context of the project, working with each government at the national level and with the Central American Agricultural Council at the regional level.



Upcoming Event

Meeting of Central American rural organizations linked to projects co-financed by IFAD

May 30-31 and June 1, 2007

Strategies to support the development of Indigenous Peoples in Central America

RUTA and IFAD begin a study aimed at proposing strategic and operative actions in projects directed at vulnerable groups

As part of its efforts in the Central American region, RUTA has worked to promote inclusive economic growth and alleviate rural poverty in areas inhabited by social groups considered highly vulnerable due to ethnic, labor, migratory or gender reasons. Given that indigenous communities are among the groups requiring special attention, from 1998 and until the end of 2006, with the support of the World Bank, RUTA implemented activities to identify more precisely the characteristics of the various indigenous communities in the different countries and to strengthen their institutions.

In the 1980s, the International Fund for Agricultural Development – IFAD, also began to incorporate the indigenous dimension into its operations, particularly in South America, trying to conserve the specificity of the indigenous communities and developing differentiated strategies to better address their problems. Indigenous people are among the poorest population groups in Central America, and their situation is further aggravated by the pressures exerted on their land, natural resources and culture, the factors on which their subsistence depends. IFAD has encountered major challenges in designing development strategies for these numerous and culturally diverse populations. Regional projects and programs funded by IFAD in the Central American countries have included additional resources and actions to combat poverty among indigenous communities and to assess their potential and limitations.

Study on Indigenous Populations in Central America

Pursuing its mission and objectives, RUTA is proposing to carry out a study (the proposal will be ready at the beginning of April) to increase our knowledge about Central America's indigenous populations in the existing regional, national, political and institutional context, and assess efforts by international cooperation to assist these groups. The study will propose specific strategic and operational actions to be incorporated into policies, programs and projects supported by IFAD and by RUTA's other partner agencies.

RUTA – IFAD are interested in conducting their own assessment of the Indigenous communities, in order to promote synergies between RUTA's partners and different stakeholders, taking into account the visions and approaches of Central America's leading regional and national indigenous organizations. For this, it is essential to know the political, legal and institutional aspects that specifically affect the indigenous populations, in order to provide inputs for a more effective dialogue.



DR-CAFTA: The transition period is sufficient for countries to adopt complementary production measures



Events - CAFTA 2007

RUTA and its partners have planned a series of activities to disseminate the results of the studies carried out in the Central American region and to effectively respond to the requests received from the Central American Agricultural Council – CAC and other key stakeholders. The results of these studies may provide useful data for designing and implementing the national complementary agendas. A first round of the event will consider the following topics:

1. Results of the impact assessment using general equilibrium models
2. Results of the study on value chains
3. Tools for establishing investment priorities
4. RUTA's systematization of the Complementary Agendas analysis carried out by the Latin American Trade Network (LATN).

For more information: www.ruta.org/calendario

But experts recommend prompt action to identify vulnerable groups

On November 21, 2006, in the context of the activities to disseminate the results of the studies and promote regional discussion on the free trade agreement and its impact in Central America, RUTA organized a videoconference entitled "DR-CAFTA and rural poverty: Evidence from household surveys on living standards (ENCOVI) and international experience of Support Programs for vulnerable groups during the transition period". A total of 103 people from eight countries participated in this event (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Colombia and the US), including representatives of the public sector, trade and sectoral associations, NGOs and cooperation agencies.

The discussion focused on identifying vulnerable populations and assessing special support programs to assist these groups during the transition period to free trade after the signing of CAFTA. Referring to the identification of vulnerable groups and areas in Central America, the first videoconference speaker, the World Bank economist Andrew Mason, focused on the studies carried out by Pörtner (2003) for Guatemala, Monge, R., F. Castro and D. Saavedra (2004) for Nicaragua and Marques (2005) for El Salvador, using the databases of the Household Surveys on Living Standards (ENCOVI) for the first two countries and the Multiple Purpose Household Surveys (EHPM) in El Salvador.

Coinciding with other recent analyses, these studies suggest that the Central American agricultural sector will have a sufficiently long transition period to adopt complementary measures to boost productivity and protect the groups and populations identified as vulnerable. However, it will be essential to act promptly and decidedly to identify these groups and design and finance programs to ensure the competitiveness of the rural economy and protect the most vulnerable households.

During the videoconference, participants also discussed the international experience of different types of programs used in other countries to provide income compensation or leveling of consumption with a certain degree of success. Mr. Tarcisio Castañeda, the second speaker at the event, presented a study he prepared for the World Bank in 2004, containing a well-structured review of the different types of programs. These focus mainly on decoupled income support, conditioned cash transfers, payment of lump sums, investments in rural infrastructure, food stamps and work for income, among others.

To see videos of the presentations and read the aforementioned publications visit: www.ruta.org/multimedia.



The RUTA team during the self-evaluation Workshop, October 2006

Evaluation of RUTA V: results and impacts of three years of work in the region

The Regional Unit for Technical Assistance (RUTA) was created in 1980 as an alliance between the Central American governments and international cooperation agencies, to develop national capacities and alleviate rural poverty in the Central American isthmus. RUTA is currently in its fifth phase of execution, which includes the period 2004-2007. As part of the Project's operational closing activities and to consolidate the results of the present phase, RUTA carried out a self-evaluation and also commissioned an external evaluation to assess the project's results and impacts.

The self-evaluation workshop was carried out in two phases between July and October 2006. The RUTA team reflected on its professional development, the main results achieved and identified guidelines for the execution of the project until June 2007, the date established for the project's closedown. The workshop was of a participatory nature, and involved all the coordinators of the National Technical Units (NTUs), as well as the specialists and administrative staff of the Regional Unit. The assessment provided some of the inputs required for RUTA's external evaluation, and promoted a sense of "ownership" among the staff regarding the results and recommendations produced.

External evaluation

Following the self-evaluation, RUTA underwent an external evaluation that assessed the project's actions and relevance in Central America. The evaluation team consisted of three international consultants selected from RUTA's partner agencies. The team analyzed the regional context for RUTA's actions, the project's design and the efficacy of its activities.

The external evaluation concluded that RUTA is a successful initiative operating in a favorable context, characterized by the Central American countries' accelerated move toward regional integration. The execution of RUTA V was considered satisfactory overall, and the evaluators emphasized the increased efficacy evident in the numerous activities of the Knowledge Management and Communications Area.

According to the external evaluation, RUTA V has played a crucial role in developing the technical and political capacity of the CAC and incorporating elements of the rural development perspective into the Central American Agricultural Policy. Another of RUTA V's important contributions- and in some cases essential – has been the assistance provided to partner agencies and governments to improve the design and implementation of rural development projects and programs and, in the case of IFAD, of the national strategies. The evaluators also noted RUTA's major contributions in other areas, such as: the dissemination of methodologies, studies and other outputs of the agencies; increasing knowledge on sustainable rural development in Central America; and, improving the policy dialogue between civil society governments and international agencies.

The evaluation team considers RUTA to be an operational framework that has managed to promote synergies between its partner agencies, producing results that could not have been achieved without its existence. The evaluators indicated that if RUTA V's closure were not to be followed by a new phase this would have major consequences both for the international agencies

Strategic activities of RUTA V

- Measuring the impact of the Central American Free Trade Agreement with the USA (DR-CAFTA) on the Central American economies
- Central American Agricultural Policy
- Strengthening rural organizations for the policy dialogue
- Knowledge Management and Communications
- Harmonization of donors and Sector-wide Approaches (SWAPs)

and for the region's institutional framework, which would have negative impacts on its efficacy in promoting rural development in America Central.

Recommendations of the external evaluators

Based on the evaluation results and aspects of the regional context related to the agencies, the evaluators recommended that RUTA's Central American and international partners launch a new phase of the Project.

However, it is indispensable to review the role and conceptual framework of the operation, reaching clear agreements on the coordination of the two main objectives, which are concurrent but not necessarily overlapping: (a) supporting the regional process of sustainable rural development; (b) generating value added for the actions implemented by partner agencies to promote the region's rural development.

With respect to the thematic areas and lines of action, it was recommended that RUTA focus its attention on four main areas of action: 1) technical support to the CAC, defining the Project's responsibilities 2) design and implementation of the region's agro-environmental agenda, 3) support to the formulation and follow-up of strategies, programs and projects of partner agencies, and 4) consolidation of RUTA's Knowledge Management and Communications center.

Inter-agency approach: RUTA's value added

Participation in RUTA:

- Enhances the effectiveness of the agencies' actions
- Optimizes their use of resources (economies of scale)
- Improves their image in the eyes of national and regional partners.

RUTA promotes Regional Alliances

Strengthening regional coordination mechanisms and inter-institutional synergies is one of RUTA's objectives. Promoting capacity building at local, national and regional level is the essential basis for the Project and its partner agencies. Forging new alliances and consolidating existing ones provides the foundation for creating a communications network to strengthen the region in different spheres.

In the context of IFPRI's study on the DR-CAFTA's impact on the Central American economies, RUTA has contributed to building national capacity in the process of preparing the studies. It is also encouraging the National Research Centers participating in the study to establish a communications network on this and other topics related to rural development.

Public institutions, academic and research centers, rural organizations, the private sector and international agencies working in the region now form part of the links that RUTA has promoted over many years, with the objective of strengthening national capacities.



RUTA proposes Engines of Growth studies for the Trifinio Region

The National Technical Unit of RUTA in El Salvador, accompanied the mission led by expert Hans Jansen of IFPRI/RUTA between February 12 and 14, in San Salvador. The purpose of the visit was to announce the proposal to incorporate the sustainable engines of growth approach in the Trifinio region (Guatemala, Honduras and El Salvador). The proposal's main objectives are poverty reduction, integrating poor populations into the regional and economic development process through targeted public investments and government policies.

For this it will be necessary to:

1. Analyze the sectors defined as priorities by the Trifinio Commission of the Trifinio Plan, in order to identify the factors that determine success or failure; evaluate the role played by the area's domestic, community and specific assets in determining success; identify bottlenecks that prevent widespread participation; and study existing links between a specific sectoral growth and poverty reduction.
2. Examine the area's domestic, community and specific assets to determine how best to improve the participation of poor families in the dynamic sectors.
3. Understand how institutional conditions and capacities affect the viability and potential for poverty reduction of a sector's specific growth, with a view to formulating a plan to generate assets and strengthen institutions.
4. Promote capacity building among local governments to enable them to plan and execute a sustainable poverty reduction program and achieve improvements in well-being.

Meeting of the RUTA Steering Committee

The meeting of the RUTA Steering Committee will take place on March 12 and 13 in Washington DC. The committee is made up of the Ministers of Agriculture of the seven Central American countries, representatives of RUTA's seven partner agencies, the Secretary of the CAC and the Representative of CC-SICA. The objectives of this meeting are:

- Analyze the main results and the value added of RUTA V
- Instructions for the technical and administrative closure of this phase of the Project
- Discuss the conclusions and recommendations of the external evaluation in relation to RUTA's future.

RUTA implements new Management Information System

The new Management Information System (MIS) implemented by RUTA centralizes information and provides the necessary tools for decision-making by the management. RUTA has been using a MIS since 1999, but this was redesigned at the end of 2006 to provide the Project with a more modern and effective system.

The new system offers the possibility of generating inputs from the data, facilitating complete and immediate access to information generated in RUTA and offering an exhaustive overview of the Project's operations, follow-up and activities. Its main functions are to gather information about RUTA's activities, define the responsibilities of the specialists of partner agencies and analyze the contextual variables to facilitate strategic planning and the design of an action plan.

FAO approves sub-regional Office in Central America

The Council of the Food and Agriculture Organization (FAO), the executive body of the Conference, approved the opening of a FAO Sub-regional Office for Central America, at a meeting on November 2006. This decision was taken following a proposal made by FAO's Director General, Mr. Jaques Diouf.

The Office will be staffed by a multidisciplinary team of experts on topics related to agriculture, food and rural development, to more effectively address the needs of the Central American Sub-region. The office's physical location, its mode of operation and the implementation timetable have yet to be determined.

Agreement of Santo Domingo de Heredia



With support from RUTA, IFAD has prepared a 24-page publication describing the process, participants, the evaluation and the results of the “Workshop for Rural Organizations on the policy dialogue” held in September 2006 in Santo Domingo de Heredia, Costa Rica.

During two days of work, the discussion groups representing the different rural organizations signed an agreement – the Agreement of Santo Domingo de Heredia. The participants included 19 representatives of rural organizations from Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica and the Dominican Republic, accompanied by the Regional Programs FIDAMERICA and IFAD-MERCOSUR, the International Center for Sustainable Human Development (CIDH), IFAD and RUTA.

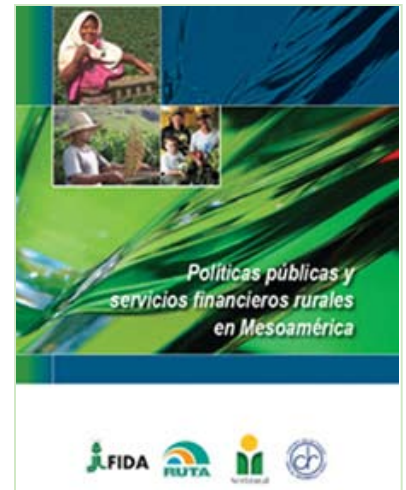
This agreement forms part of IFAD’s “Program for Strengthening Rural Organizations for the Policy Dialogue in the Context of DR-CAFTA”. Its purpose is to support small farmers and rural workers, both men and women, to ensure their active and effective participation in the definition of policies that affect them, in the context with free trade. The publication is another effort by IFAD and RUTA to assist the region’s small producers’ organizations.

Thoughts on Public Policies and Rural Financial Services in Mesoamerica

With the support of the Center for Rural Development Studies of the Free University of Amsterdam (CDR/ULA) and funding from IFAD, RUTA and SERFIRURAL have prepared the document “Public policies and rural financial services in Mesoamerica”. The study responds to an interest in increasing our knowledge of public policies that affect the provision of rural financial services, in order to advise the Central American governments on the issue. The aim is to propose alternatives to increase the availability of rural financial services and make them more accessible to the rural poor.

The study underscores the heterogeneous nature of the regulatory frameworks and national policies on rural financial services in five Mesoamerican countries (Honduras, El Salvador, Nicaragua, Guatemala and Mexico). This diversity is also reflected within the countries, where there is a disparity between financial policies and rural development policies, and this has an impact on financing.

In its conclusions, the study emphasizes the importance of achieving greater coordination and integration of national rural development policies and financing; improving the regulatory frameworks of the different types of financial entities operating in rural areas, especially through mechanisms to promote savings and remittances; and recognizing the diversity of organizations – often community-managed - and the important role they play in providing rural financial services to excluded populations.



RUTA will continue with its efforts as an interlocutor, repository and manager of knowledge and learning during 2007. In addition to the programmed activities, RUTA will support events organized by other organizations and institutions working for rural development in Central America.

Calendar 2007

Workshop: Presentation of the study on Sector-Wide Approaches (SWAPs)	Costa Rica	March
Coffee with RUTA: Food Technology	Costa Rica	March
Workshop: Presentation of the document on Rural Financial Services	Nicaragua	March
Coffee with RUTA: Program on Conditioned Transfer of Inputs	Costa Rica	March
Meeting: Fourth Meeting of Directors on the Central American Agricultural Policy	Costa Rica	March
Regional Workshop: Training on Agricultural Policies and Programs	Costa Rica	April
National Workshops: Presentation of the studies on Value Chains and Analysis of Public Investment in the context of DR-CAFTA	Costa Rica Nicaragua Guatemala Honduras El Salvador	April - May
Workshop: Presentation of Engines of Growth approach during the next Mission of PRORURAL	Nicaragua	May
Workshop: Presentation of the Engines of Growth approach with representatives of Civil Society	Chontales, Nicaragua	May
Publications Fair in the area of Rural Development	Nicaragua	May
Meeting of Central American Rural Organizations associated with projects co-financed by IFAD	Nicaragua	May





CENTRAL AMERICAN RURAL DEVELOPMENT REGIONAL UNIT OF TECHNICAL ASSISTANCE

The RUTA Project was created to promote the rural and agricultural development of Central America. It is a joint initiative that was started in 1980 by the Central American governments and a group of cooperation agencies. At present, the governments of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama are participating in RUTA, along with seven partner agencies, namely, the World Bank, the Inter-American Development Bank (IDB), the Department for International Development (DFID) of the United Kingdom, the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the Inter-American Institute for Cooperation on Agriculture (IICA) and the international Food Policy Research Institute (IFPRI).

RUTA seeks to contribute to sustainable rural growth and reduce poverty in Central America by developing national and regional capacities. RUTA works in conjunction with the seven ministries of agriculture and livestock of the Isthmus and with the technical and financial support of its partner agencies.

In fulfilling its role, RUTA serves as a processor and transmitter of information, acting among other things as a retailer for the dissemination of methodologies developed by its partners, a facilitator of dialogue, a leader on important issues and a trainer.



Quarterly newsletter from the Director of the
Regional Unit for Technical Assistance – RUTA

Newsletter No.6
December 2006 - February 2007

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