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**FINAL REPORT
MEETING OF THE GROUP OF EXPERTS ON
ALTERNATIVE DEVELOPMENT**

**MEETING OF THE GROUP OF EXPERTS
ON ALTERNATIVE DEVELOPMENT
September 22-24, 1998
Villa de Leyva, Colombia**

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FINAL REPORT

I. BACKGROUND

As agreed at the conclusion of the First Meeting of the Group of Experts on Alternative Development, held in February 1998, the Executive Secretariat convened a Second Meeting of the Group of Experts, which was held in Villa de Leyva, Colombia, in response to the Government of Colombia's offer to host the meeting.

II. OPENING SESSION, WORKING SESSIONS AND CLOSING SESSION

The opening session of the meeting took place on the morning of September 22, 1998 in the conference room of the Hotel El Duruelo in Villa de Leyva. Dr. Maria Ines Restrepo Canon, Director of the National Alternative Development Plan of Colombia-PLANTE, read a message from the President of the Republic, Dr. Andres Pastrana Arango, in which he stressed his government's decision to include alternative development as a comprehensive policy for solving the socioeconomic problems of the country's rural inhabitants involved in the production of illicit crops. He also underscored the importance of alternative development as a means for achieving peace.

Dr. Maria Fernanda Campo, Deputy Minister of Foreign Relations of Colombia, welcomed the delegates and noted that the Group of Experts had become a major forum in the search for alternative development strategies. She stressed that closer cooperation among the countries of the region was essential, especially in terms of sharing experiences and information.

Mr. Albert Hart, Deputy Executive Secretary of CICAD, thanked the Government of Colombia for hosting the meeting and emphasized what a crucial time it was for activities relating to alternative development as a result of the greater involvement of the member States, the donor community and, in the case of the American hemisphere, the Inter-American Development Bank.

The Group addressed all the items listed in the agenda of the meeting.

Institutional Evolution of policies on Alternative Development

Presentations by the Delegation of Colombia covering the following topics: operational models, formulation and implementation of projects, environmental considerations of alternative development projects, community development and participation, and awareness campaigns for the promotion of alternative development.

Mr. Michael Maxey of the United States Agency for International Development described the programs his agency is conducting in Peru. After each presentation, the delegations had the opportunity to discuss and exchange ideas on the subjects mentioned earlier.

International Initiatives in Cooperation on Alternative Development

Several delegations reported on their experience in the area of alternative development and international cooperation. The delegation of Bolivia made a presentation on the policies of its government in the field of alternative development. The delegation of Peru explained the work being done in preparation for the Consultative Group, which will meet in Brussels, Belgium, November 10 -11, 1998. The United States delegation reported on the Andean Trade Preference Act (ATPA) and the Caribbean Basin Initiative (CBI), and emphasized that the hemispheric nations should take greater advantage of the possibilities offered by that legislation. The delegations of Jamaica and Guatemala addressed the meeting to inform the Group of conditions in each of their countries.

CICAD Technical Assistance Projects

The Executive Secretariat made three presentations on projects carried out in the alternative development area. The first one focused on the area of market analysis, together with reference to studies made for the governments of Peru and Colombia; the second presentation covered the topic of crop diseases and a description of the Integrated Pest Management project (IPM) in Peru. The third presentation on economic development alternatives covered under the Generalized Land-use Evaluation and Management Tool (GLEAM), a pilot project being conducted in Peru. All the delegations expressed interest in having the same type of assistance available from the Executive Secretariat.

Training Courses for Alternative Development

As requested by the Group of Experts at its first meeting, the Inter-American Institute for Cooperation on Agriculture (IICA), Inter-American Hemispheric System on Agricultural Training (SIHCA) made a presentation on training courses. The CICAD/IICA Strategic Framework Training Document was presented, as well as the IICA/SIHCA databases. The countries represented at the meeting were urged to take advantage of these training resources.

The UNGASS Plan of Action on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development

The representative of the United Nations International Drug Control Programme (UNDCP) made a presentation on the United Nations General Assembly Special Session Plan of Action on International Cooperation on the Eradication of Illicit Drug Crops and Alternative Development. The delegations took note of the UNDCP delegate's comments. The meeting concurred that the Plan of Action is a significant addition to the Antidrug Strategy in the Hemisphere as it relates to alternative development.

Pending issues from the First Meeting of the Group of Experts

As agreed at the First Meeting of the Group of Experts, the definition of alternative

development approved in the Plan of Action of the Policy Statement of the Special Session of the United Nations General Assembly held in June 1998 was adopted. A directory of Institutions and Experts in the Area of Alternative Development, a directory of Projects and Programs in the area of Alternative Development, and an advance copy of the guide to international financial institutions and technical cooperation agencies, all of which had been prepared by the Executive Secretariat of CICAD, were distributed to the delegates.

III. OFFICERS, PARTICIPANTS AND OBSERVERS

The following member States were represented at the Meeting of the Group of Experts: Bolivia, Canada, Colombia, Guatemala, Jamaica, Mexico, Peru, and the United States. The Inter-American Institute for Cooperation on Agriculture (IICA) also attended as a full member. The United Nations International Drug Control Programme participated as an observer.

The meeting was chaired by Dr. Maria Ines Restrepo, Director of the National Alternative Development Plan of Colombia-PLANTE. Mr. Jose Decker, Deputy Minister of Alternative Development of Bolivia, served as vice-chairman.

The list of participants is attached as Annex I to this report.

IV. DOCUMENTATION

The documents considered at the meeting are found in CICAD/DES/ALT/doc.1/98, attached as Annex II hereto.

V. CONCLUSIONS AND RECOMMENDATIONS

At the end of the meeting, the Group of Experts conveyed the following recommendations to the Commission for consideration and approval:

1. In the context of the Antidrug Strategy in the Hemisphere as regards to alternative development, and bearing in mind the particular circumstances prevailing in each country, the member States should endorse the following definition of alternative development approved in the *Action Plan on International Cooperation on the Eradication of Illicit Drug Crops and on Alternative Development*, from the United Nations General Assembly Special Session, held in New York in June 1998:

"A process to prevent and eliminate the illicit cultivation of plants containing narcotic drugs and psychotropic substances through specifically designed rural development measures in the context of sustained national economic growth and sustainable development efforts in countries taking action against drugs, recognizing the particular

socio-cultural characteristics of the target communities and groups, within the framework of a comprehensive and permanent solution to the problem of illicit drugs."

2. Such countries that require alternative development programs should have a related National Plan to better guide their efforts in this area and which should provide a suitable frame of reference for the assistance received from the international community so as to guarantee the efficient use of funding and technical assistance. The national plans should include, in addition to agricultural and agro-industrial alternatives and assuming this is viable, other alternatives such as mining, industrial development, environmental protection, tourism, etc. In designing the national plans, the governments should assign a suitable set of priorities to alternative productive activities targeted to both domestic and export markets.

Furthermore, such national plans should spell out in a balanced manner the efforts being made in each of the countries in the field of eradication, interdiction and alternative development, in order to ensure a balanced and equal nature among the actions. The effective implementation of a national plan entails the existence of a central coordinating agency to guide the efforts of the various government agencies involved.

3. Bearing in mind the terms set forth in both the Antidrug Strategy in the Hemisphere and in the Plan of Action of the Santiago Summit, member States that eliminate illicit crops through increased support for national alternative development programs as well as eradication and interdiction programs should lend special attention to the ecological component of the problem with the objective of dealing adequately with environmental impact.
4. As support for negotiations being conducted by the Intergovernmental Working Group of the Commission on the design and implementation of the Multilateral Evaluation Mechanism (MEM), the Group of Experts suggests that the Commission, when considering the evaluation indicators to be used in the area of alternative development, also include, in addition to those having to do with the reduction of illicit crops, others that would make it possible to determine the number of people who have been reinserted into the legal economy and the number of alternative development projects designed and actually implemented in a country having alternative development programs.
5. The Commission should ask the OAS General Assembly to issue a strong appeal to the international financial institutions for their support of the joint and individual efforts being made by the States of the region in the area of alternative development. Such an appeal should be backed by the individual efforts of the governments concerned acting through their Governors and Executive Directors accredited to such institutions.

The contribution of international lending institutions should not only take the form of financial and technical assistance programs, but should also include a degree of

flexibility in economic restructuring programs that would allow the governments to take steps to create incentives aimed at attracting private sector investment under attractive, competitive conditions, specifically in areas that are the subject of alternative development programs.

The Commission and the General Assembly should further endorse and promote the efforts being made to date by the Inter-American Development Bank in support of alternative development programs and activities in the region. In that context, the Bank, acting in close coordination with the Executive Secretariat of the Commission, should be encouraged to continue its support and assistance to such countries as request it in the organization of consultative groups or donor meetings in support of Drug Control (particularly in the area of alternative development).

6. The Commission should reinforce and support governments involved in alternative development activities in their negotiations with the international lending community to ensure debt reduction operations in exchange for alternative development. Both the countries and lending institutions should be encouraged to make swap operations or debt reduction operations possible in exchange for environmental protection and recovery in areas subject to alternative development programs.
7. In the same context, the governments should consider tax reduction programs for private sector entities, particularly mass communication enterprises, in order to gain their support for community awareness campaigns aimed at doing away with illicit crops and the overall problem of Drug Abuse.
8. Urge the governments of countries engaged in alternative development programs or on the path of initiating such programs, to enact laws that would allow the use of assets and/or part of the resources seized from drug traffickers, once the relevant court ruling has been handed down, to benefit alternative development projects and activities.
9. Maintaining trade preferences aimed at promoting alternative development is of major importance and interest. In order to provide incentives for their most effective use, countries granting trade preferences should continuously provide information to eligible States, either directly or through the Executive Secretariat of the Commission, concerning any changes or expansion made therein. A suitable training program on their use as a stimulus for the alternative output of products included in the lists of preferences is also desirable.
10. In order that current trade preferences may be more useful and efficient, those countries that import or export alternative development products should cooperate closely with one another in order to keep phytosanitary regulations from becoming barriers that would limit or neutralize such trade preferences. In this case and to the end of overcoming whatever problems may ensue in this field, such countries should give strong support to the Integrated Pest Management and technology transfer projects being implemented by the Executive Secretariat of CICAD.

11. Horizontal cooperation is one of the most important and most useful tools available for the promotion of alternative development. In this connection, the pledges made by the delegations of Bolivia, Colombia, and Peru to share their experience with every interested country in the hemisphere should be fully supported by the Commission, the General Assembly and the international financial institutions through such technical assistance as may allow this necessary exchange to take place. In the case of the Commission, it would be highly appropriate for it to request the General Assembly to provide the Executive Secretariat with funding to ensure that this and other types of technical assistance are given to countries engaged in alternative development projects.
12. The Group of Experts considers that the projects being implemented by the Executive Secretariat are highly necessary and useful to member States conducting alternative development projects. Therefore, the Commission should encourage the Executive Secretariat to continue carrying out such projects in those countries as may request them. In addition, the Commission should request the international Donor Community and the General Secretariat of the OAS to provide the Executive Secretariat with the necessary funding to ensure their continuity. To that end, the governments concerned should instruct their Permanent Representatives to the Organization to request the General Secretariat to give favorable attention to such requests for funding as may be submitted by the Executive Secretariat of CICAD.
13. Those member States that need to do so should implement training programs in support of alternative development activities and projects, bearing in mind the offer made by IICA within the framework of the Memorandum of Understanding signed by CICAD and IICA.
14. The worrisome increase in criminal activities linked to drug trafficking evident in many countries in the Hemisphere, particularly in those that are transit points for drugs on their way to their final markets, makes it necessary to take preventive economic development measures which, though they cannot be considered alternative development programs because of the current definition, deserve the attention of the international community and of the Commission in particular.
15. The Group of Experts considers that the frequency of its meetings should be determined by the needs of the member States. Nevertheless, it agreed that as of the present date, the Commission should convene a meeting of the Group of Experts once a year. Bearing this in mind, the Group of Experts suggests the following items for consideration at the next meeting: eradication of illicit crops, including their impact on natural resources; the environmental consequences of alternative development projects, and the exchange of experience and information on the topics raised in the recommendations set forth herein.

16. Finally, the Group of Experts suggests that the Commission instruct the Executive Secretariat to provide its support and assistance to the member States in implementing the preceding recommendations.