

APO Regional Meeting on Agriculture, Trade, and Development

Southeast Asia is an economically dynamic area, and its agriculture sector is no exception. Patterns of agricultural production and trade are shifting rapidly as the demand for food grows and diets change. Those in agriculture must adapt to multilateral trading systems and link agricultural trade with overall socioeconomic development. Key questions concern appropriate domestic and trade policies and the role of agriculture and development assistance in overall economic growth.

The APO, in cooperation with the Asian Development Bank (ADB), Organisation for Economic Cooperation and Development (OECD), and Development Academy of the Philippines, held the Regional Meeting on Agriculture, Trade, and Development in Southeast Asian Countries, 24–26 October, at ADB headquarters in Manila, the Philippines. The main objectives of the meeting were to discuss: 1) the key trade-related issues that selected Southeast Asian countries face in their agricultural development; 2) the domestic and agricultural trade policies necessary to enhance development and trade participation; 3) the sharing of knowledge from recent analyses by the OECD and others regarding agricultural and trade policy reform; and 4) ways to improve the efficiency of development assistance.

Seventy-five participants from APO member countries in Southeast Asia, OECD member countries, OECD and APO Secretariats, officers of the ADB, and representatives of other international organizations attended the meeting. Participants from APO member countries represented governments, businesses, academia, and nongovernmental organizations including farmers' organizations. The meeting was opened by N. Frazer, Chairman of the Global Forum of the OECD. D.F. Panganiban, Secretary of the Department of Agriculture, the Philippines; X. Yao, Deputy Director General of the East and Central Asia Department of the ADB; and K. Tsubota, Director of the Agriculture Department of the APO delivered welcome addresses.

In tackling the main questions of how participation in multilateral trading systems under appropriate domestic and trade policies contributes to the development of the agriculture sector and the role of agriculture and development assistance in overall economic growth and development, the results of recent analyses carried out by the OECD directorates for Agriculture, Trade, and Development Cooperation, APO, and ADB were presented. The viewpoints of participating developing Asian countries were also detailed in the approximately 20 presentations given.



Participants at ADB headquarters

The meeting was divided into five sessions, each covering a specific theme: session 1, agriculture and development; session 2, the implications of reform and trade liberalization for agriculture; session 3, domestic policy issues in agriculture, trade, and development; session 4, agriculture market access for developing countries; and session 5, a panel discussion covering other issues in agricultural trade and development in Asia by representatives from two Asian developing countries, two OECD countries, and one nongovernmental organization. Some of the salient points highlighted at the conclusion of the meeting were:

- 1) Agriculture remains an important sector since it contributes 20–50% of GDP, 50–70% of employment, and sustains the livelihood of 70–90% of the poor in Asia.
- 2) Rapid growth in agriculture is a precondition for the economy of a country to take off, although many Asian countries have not yet transformed their agriculture sectors.
- 3) Even if a country has entered a more advanced stage, agriculture is still important in poverty reduction and maintaining food security.

It was also pointed out that the most effective way to promote growth in agriculture is through making structural changes, increasing public investment, enhancing efficiency in spending, setting the appropriate priorities, and enhancing public-private partnerships. Specifically, agricultural research, education, and rural infrastructure development were singled out as the three most effective items of public expenditure in promoting growth in the agricultural sector and reducing poverty levels. 