Analysis of the legal framework for the Colombian cattle value chain

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Introduction

Agricultural policies in Colombia have shown a dynamic behavior over time:

Based on changes in the international markets.

Aim: Adaptation to new scenarios in order to strengthen the position in the international market.

This opening process has generated changes in the productive structure expressed in the way stakeholders interact (e.g., to become more competitive).
Three periods have been identified:

1979 — 1990
The slow kick-off of livestock policies

1990 — 2003
The beginning of the end of protectionism

2003 — present
Modernization, conflict and postponements
1979 — 1990: The slow kick-off of livestock policies

**Shift from policies oriented to land tenure and income improvements of the rural population towards policies focusing on improving the productivity of agricultural activities.**

**Accumulation of functions and responsibilities was a constant in the agricultural sector, but there was a lack of institutional capacity to enforce the new regulations (e.g., ICA, INCORA).**

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<td>Law 09: First attempt to regulate a healthy management of food.</td>
<td>Law 30: More duties and obligations for public institutions (e.g., INCORA, ICA)</td>
<td>Law 48: Created the Certificate of Tax Reimbursement (CERT)</td>
<td>Law 16: The Fund for the Financing of the Agricultural Sector (FINAGRO) was created, along with the Agricultural Fund of Guarantees.</td>
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**The new legislation, with emphasis in modernization instead of land redistribution created legal tension between the defenders of the incoming and the outgoing economic models (start of an agricultural crisis).**

**The new legislation generated a boom of land acquisitions by public institutions caused by incentives for public officials to buy and redistribute land. However, this was mainly oriented towards buying unproductive plots.**

Our vision, a sustainable food future
1990 — 2003: The beginning of the end of protectionism

The dismantling of the protectionist model was carried out in a radical way and sought to boost the economy through important reforms in all sectors, promoting competitiveness and an open trade model that supports the cattle export processes (meat and milk).

The main problem in applying these policies was that the situation of the more remote rural areas with low levels of profitability and high risks had not been taken into account leading to knowledge and capacity gaps necessary for complying with the new regulations.

**ANALYSIS**

**POLICIES & MILESTONES**

**1922**

- **Law 100 (Article 245):** The National Institute for Drug and Food Surveillance (INVIMA) was created

**1993**

- **Law 98:** The National Livestock Fund (FNG) was created to help farmers coping with the agricultural crisis created by the new regulations

**1994**

- **Law 302:** The Agricultural Solidarity Fund (FONSA) was created with the aim of preparing the sector for the open market

**1995**

- **Decree 1821:** The National Agricultural Reactivation Program (PRAN) was created

**1996**

- **Law 395:** First attempt to tackle foot-and-mouth disease (FMD)

**1997**

- **Law 811:** Defined that all new regulations should be focused on particular value chain segments

**1998**

- **2000**

- **2001**

- **2002**

- **2003**

- **2004**

**Decreasing growth rate of agricultural production, registering negative growth rates in 1992 and 1996.**

**Government had to take urgent actions to rescue producers from bankruptcy and uneven market conditions.**

Our vision, a sustainable food future
**2003 – present: Modernization, conflict and postponements**

**ANALYSIS**

- An accelerated process of enacting specialized and strong norms begun, emphasizing on strengthening the critical points of the value chain.
- Stakeholders, e.g., primary producers and slaughterhouses, received more attention given their strong impact on food quality and safety.
- Growing interest in adopting international guidelines on animal welfare, but to date no specific norms have been enacted.

| Decree 3149: Measures for slaughtering of cattle and buffalo and animal and meat commercialization on the national market |
| Decree 1500: Technical regulation on the sanitary and safety requirements for meat products |
| Decree 616: Technical regulation on the requirements for milk production and processing for human consumption |
| Decree 2270: 7th and final postponement of Decree 1500 resulting from a lack of compliance capacity of small slaughterhouses and remote actors |
| Decree 1232: Start of a 2-year transition phase for compliance with Decree 1500 |


**POLICIES & MILESTONES**

- Many (small) slaughterhouses were shut down, resulting in meat shortages, employment and public health issues in rural and remote areas.
- Land owners, farmers and slaughterhouses that made great efforts to comply with the regulations were overwhelmed by debts.
- Strong movement of lobby agents to postpone regulations.

**EFFECTS**

Our vision, a sustainable food future
Policies enacted for each value chain segment

Primary producer
Comercialization
Transport of live cattle
Export of live cattle
Animal sacrifice
Export of meat products
Transport of meat products

Conclusions

The legislative development varies among the value chain segments (asymmetry): Regulation of the most important actors to ensure compliance of the aligned processes.

Concepts such as traceability and animal welfare work only if they are applied properly in the most important value chain segments.

Most of the difficulties and problems arose due to a lack of support for rural and remote areas with low levels of education and competitiveness.

Implementing economic reforms in the 1990s and competitive reforms in the 2000s had serious consequences on agricultural production and the livelihoods in rural areas (e.g. decreasing growth rates, unemployment, decreasing animal inventory).

Institutional weakness is not only due to low capacity development but also a result of the duplication of responsibilities in institutions and limited coordination among them. (Díaz & Burkart, 2017).

Although there exist regulations regarding animal welfare, environment and sustainability, they are squeezed in general regulations and not stand-alone acts which decreases their visibility and importance.
Promote studies that analyze the impact of public policies affecting different types of value chain actors.

A strengthening of the institutions at local and national levels will facilitate a correct compliance with and M&E of the regulations as well as a better understanding between the state agents and value chain stakeholders.

It is necessary to promote regulations specialized on animal welfare, environment and sustainability in order to increase the importance and impact of the topic.

National legislations should consider incentive mechanisms for products differentiated by animal welfare, sustainability and environmental characteristics, benefitting consumer welfare and satisfying consumer demand.

The implementation of new policies and regulations should be uniform at all levels: national, departmental, local in order to reduce the negative impact on rural populations (e.g., as was the case with the closure of slaughterhouses).

A land reform and a new legislation in order to reintegrate the victims of the armed conflict in rural areas is necessary for achieving a fair distribution of benefits among primary producers. Measures such as updating the cadastral system, optimizing the registration of land titles, and simplifying the process for land purchase are the basis for the development of the livestock sector.
Sanitary measures are issued. [Law 9 of 1979].

General norms are issued to regulate aspects of Colombian foreign trade. [Law 48 of 1983].

The National Agricultural Credit System (Finagro) is created. [Law 16 of 1990].

Creation of the national fund for livestock. [Law 89 of 1993].

Establishment of the social security system. [Law 100 of 1993].

Establishment of the agricultural solidarity fund. [Law 302 of 1996].

Eradication of foot-and-mouth disease throughout the Colombian territory. [Law 395 of 1997].

Establishment of the National Program of Agricultural Reactivation. [Decree 1821 of 1999].

Establishment of the National Program of Agricultural Reactivation. [Decree 2270 of 2012].

Establishment of the procedure for obtaining a provisional sanitary authorization. [Decree 1232 of 2016].