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# CARIBBEAN COMMUNITY AGRICULTURAL POLICY

GEORGETOWN, GUYANA  
OCTOBER 2011



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# **CARIBBEAN COMMUNITY AGRICULTURAL POLICY**

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GEORGETOWN, GUYANA  
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## ABBREVIATIONS

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ACP	African, Caribbean and Pacific Groups of States
ASA	ASA Institute für Sektoranalyse und Politikberatung GmbH
CABA	Caribbean Agri-Business Association
CaFAN	Caribbean Farmers Association
CAFSA	CARICOM Financial Services Agreement
CAHFSA	Regional Agriculture Health and Food Safety System
CAP	Community Agricultural Policy
CARDI	Caribbean Agricultural Research and Development Institute
CARIRI	Caribbean Industrial Research Institute
CARICOM	Caribbean Community
CARIFORUM	Caribbean Forum of Caribbean States
CFP	Common Fishery Policy
CIDA	Canadian International Development Agency
CISP	Caribbean Integration Support Programme
COFAP	Council for Finance and Planning
COTED	Council of Trade and Economic Development
COMTRADE	Commodity Trade Statistics Database of the United Nations
CRFM	Caribbean Regional Fisheries Mechanism????
CRNM	Caribbean Regional Negotiation Machinery
CRSPFS	CARIFORUM Regional Special Programme for Food Security
CSME	Caribbean Single Market & Economy
CTA	Technical Centre for Agriculture and Rural Cooperation
EC	European Commission
EDF	European Development Funds
EPA	Economic Partnership Agreement
EU	European Union
FAO	Food and Agriculture Organization
FAO-SLC	FAO Sub-Regional Office for the Caribbean
FTA	Free Trade Agreement
GDP	Gross domestic product
GIs	Geographical Indications
ICT	Information and Communication Technology
IICA	Inter-American Institute for Cooperation on Agriculture
IFAD	International Fund for Agriculture Development
IT	Information Technology
ITC	International Trade Centre

## ABBREVIATIONS

MCS	Monitoring Control and Surveillance
M&E	Monitoring & Evaluation
MDGs	Millennium Development Goals
MoA	Ministry of Agriculture
MoEP	Ministry of Environment Protection
MS	Member States
NARIs	National Agricultural Research Institutes
NGO	Non-Governmental Organization
NPC	National Project Counterpart
OECS	Organisation of Eastern Caribbean States
OIE	World Organisation for Animal Health ( <i>Office International des Epizooties</i> )
PCM	Project Cycle Management
PCU	Project Coordinating Unit
PPCCP	Policy Process Critical Control Points
PIU	Project Information Unit
PMU	Project Management Unit
R&D	Research and Development
RSDP	Regional Strategic Development Plan
RTP	Regional Transformation Programme for Agriculture
SIRI	Sugar Industry Research Institute
SPFS	Special Programme for Food Security
SPRD	Strategic Plan for Regional Development
SPS	Sanitary and Phyto-Sanitary Agreement
TA(s)	Technical Assistance/Technical Assistants
TBT	Technical Barriers to Trade
TC	Technical Committee
TEI	Directorate of Trade and Economic Integration
ToR	Terms of Reference
TTABA	Trinidad and Tobago Agribusiness Association
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNFPA	United Nations Fund for Population Activities
USAID	United States Agency for International Development
USD	United States Dollar
VCCOs	Value Chain Coordinating Organizations
WFP	World Food Programme
WTO	World Trade Organisation

## **PREAMBLE**

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This document outlines a long-term vision, goals, broad policy areas, specific policy objectives, immediate priorities and an implementation strategy for the Community Agriculture Policy. It is based on a broad consensus of private and public stakeholders in the Member States (MS) to put the farmer at the centre of the policy. Farmers, agribusiness associations and MS Governments have expressed their strong interest in the further development of a single regional market for agricultural and food products. Indeed, agriculture and food production are expected to become the locomotive of accelerated regional cooperation.

The Agricultural Policy of the Caribbean Community has its own unique characteristics. The major objective of the CAP is to develop agriculture, fisheries and forestry in a regional framework and perspective. Caribbean farmers and agribusinesses need to be supported to provide more food for the regional market. Rural livelihoods and youth programs must be improved and expanded to make the countryside more attractive for those who decide to earn their living in the food and agriculture sector.

The CAP has to be implemented by the Member States with great commitment. There is a broad consensus that the impact of globalization is forcing CARICOM Member States to harmonize their development policies and investment programmes. World market prices for major agricultural commodities have become more volatile than in the past and weather and climate risks are increasing. Both effects are accelerating food security risks in the region. A regional approach to developing agricultural production and food value chains can help reduce these risks and contribute to the achievement of food and nutrition security.

This document is unique in that it provides a comprehensive overview of the ways and means of achieving the CAP objectives stated in the Revised Treaty of Chaguaramas and the Liliendaal Declaration. It identifies priority areas for immediate action while linking the global, regional and national challenges to the needs of the regional farm sector. A regional approach implies more trade among the Member States. This will require, in line with international obligations, the adoption and enforcement of clear, common and harmonized rules for food safety and food control systems in the Member States to enhance regional competitiveness.

The development of agriculture and food production requires comprehensive support measures. Most farmers and agribusiness entrepreneurs are smallholders living and working in small countries with small markets that are unable to benefit from economies of scale. Modern agricultural value chains need support structures to reach bigger markets. This calls for business enabling support



## PREAMBLE

structures and predictable and stable policy measures.

Natural Resource Conservation is an important pillar of the CAP. Environmental friendly production and mitigation of climate change are important elements of the process to attain the objectives of the Community Agricultural Policy. Increasing food and agricultural output, processing and marketing in the region will have to be done in a manner that complies with the need to ensure its environmental sustainability in the long term.

## 2. INTRODUCTION

- 2.1 The CARICOM region consists of an archipelago of islands in the Caribbean Sea and three countries on the South and Central American mainland. The overall population is 16.78 million (Haiti -10.09; the others - 6.67 million).
- 2.2 The value of food and agricultural output (excluding traditional industrial export crops) in CARICOM is estimated at more than US\$6 billion (2009). The internal market for food and agricultural products may be divided into 5 categories: developed markets; low income markets (Haiti), the short stay tourist market; the cruise-ship tourism market; and the export market. The latter two markets are very important given that, in 2006 and 2007, tourist stay-over arrivals exceeded 6.21 million, and there were 8.1 million cruise-ship passengers.

- 2.3 Thus agriculture continues to play an integral role in the economic and social development of many MS. The sector remains an important contributor to Gross Domestic Product (GDP), employment generation and foreign exchange earnings. Agriculture



also remains vital for food and nutritional security and is the foundation of traditional rural life in many MS.

- 2.4 The Community Agriculture Policy (CAP) is intended to harmonise agricultural policies across the MS and strengthen areas of comparative cost advantage. The policy takes into account that global repositioning of the food sector, although affected by public policy decisions, will be the result of actions and investment decisions taken by private sector individuals and firms engaged in the business of food and agricultural production, processing and trade.
- 2.5 Globalisation and trade liberalization have compelled CARICOM's highly open and vulnerable developing economies to confront critical decisions about the Region's policy orientation, particularly with respect to mechanisms to ensure collaboration between the public and private sectors and the creation of an enabling environment favourable to food and agricultural growth and development. Indeed, the lesson to be

## INTRODUCTION

drawn from the downturn in the regional food and agriculture sector over the recent past is that product competitiveness cannot be achieved solely through improvements in productivity, plant efficiency, product development and skilful marketing. It must also be facilitated by a policy framework that fosters trade and investment within the sector.

- 2.6 However, agricultural development presents MS with many challenges. Crop yields have fallen, input costs have increased, food costs to consumers are high and incomes of smallholder farmers (who comprise the majority of producers) are low. Smallholder farmers' productivity and incomes are adversely affected by market uncertainties, which are in turn related to weak coordination between informal and formal marketing channels in both domestic and regional trade.
- 2.7 The confluence of these challenges has a particularly deleterious effect on the rural economy of MS, given that most of the poor are located in rural areas. The scope and nature of MS interventions in the farm sector have generally been too limited to address effectively the fundamental issues of rural poverty and low agricultural productivity. Thus, more targeted and holistic approaches must be devised and executed to achieve lasting solutions.
- 2.8 In a changing economic environment, agriculture must also change. Usually not all sectors of an economy develop at the same speed, and often agriculture lags behind. The rapid growth of new industrial and service sectors in many developing countries, especially in the CARICOM MS, has put agriculture on the losing side. This is very obvious when comparing the declining share of agriculture in the national GDP of Member States. Behind these simple figures there is a very complex and deep structural change: people leaving agriculture as their bread winning activity and switching to other, preferred sectors.
- 2.9 It should be noted that the declining percentage contribution to the national GDP has not resulted from a fall in the level of agricultural production, but rather from much faster output growth in other economic sectors.

### **Background**

- 2.10 A discussion of the issues, options and prospects for Caribbean Agriculture, must, of necessity, be placed within the context of the systematic and permanent changes in the global economy, which are driving the need for similar change in the Regional agricultural and food production sector whose performance for the past three decades has been negative.
- 2.11 This decline was centred in the traditional export sub-sector consisting of sugarcane, banana, cocoa, coffee, citrus and spices. Additionally, the

region has experienced catastrophic hurricanes that have ravaged the agricultural sector. Perhaps the most powerful constraints are an aging farm population, with low replacement rates due to the exodus of young people from the farm sector coupled with the expansion of the tourism service sector and the drug culture. In response to these factors, several projects and programs have been implemented by various island governments and donor agencies through bilateral programs and aid to the private sector and NGOs. The results have been mixed, with most of these programs yet to achieve any significant results in terms of financial and overall sustainability.

2.12 In addition to these constraints, the agricultural sector also faces other challenges arising from the introduction of a range of macro-economic policies aimed at fostering general economic growth and development in the other sectors of the region's economy, including, among others:

- Trade liberalization with inadequate safeguards and accompanying programmes to increase competitiveness in the sectors directly affected; this came as a shock for many in the Caribbean community, particularly where agriculture was at a competitive disadvantage; sustainable agricultural development has been greatly hampered by this process.
- Limited application of new technologies such as information technology, biotechnology, food safety and measurement technology. The adoption and management of these technologies enables improvements in product quality, coordination and other cost efficiencies and reduces a variety of business and food safety risks.
- Grades and product/process standards have become much more important in the context of tariff reduction and the lowering and/or removal of similar trade barriers and in light of greater demand for quality, safety, authenticity and sustainability. This situation may result in barriers to entry or continued market access in the form of compliance requirements and costs on the part of emerging market suppliers.
- Spiralling energy costs together with high and increasing international commodity prices have exposed MS inherent vulnerability as price takers in world markets.
- Climate change has resulted in greater intensity and occurrence of hydro-meteorological disasters such as drought, hurricanes and floods, thus having a severe impact on the region's agricultural sector.

## Key Areas Related to Sector Performance

**Table 1: Contribution of Agriculture to GDP for CARICOM, 2009 (US\$M)**

Country	Agriculture GDP	Total GDP (Basic Prices)	Agri. Contr. % to total GDP	Country Contr. % to CAR Agri.
Barbados	80.4	3,279.2	2.5	5.2
Guyana	365.3	1,840.8	19.8	23.4
Jamaica	680.6	12,315.7	5.5	43.7
Suriname	n.a.	n.a.	n.a.	n.a.
Trinidad & Tobago	78.4	21,196.9	0.4	5.0
Belize	n.a.	n.a.	n.a.	n.a.
Antigua & Barbuda	34.3	962.6	3.6	2.2
Dominica	55.9	285.9	19.6	3.6
Grenada	34.3	529.2	6.5	2.2
Monsterrat	0.8	45.8	1.7	0.1
St. Kitts and Nevis	12.2	445.0	2.7	0.8
St. Lucia	37.3	771.6	4.8	2.4
St. Vincent & the Grenadines	35.3	473.2	7.5	2.3
Bahamas	143.9	7,806.7	1.8	9.2
CARICOM	1,558.7	49,952.6	3.1	100

*Source: CARICOM Secretariat. No figures stated for Haiti.*

**2.13 Gross Domestic Product:** Table 1 above indicates that the agricultural sector continues to be an important contributor to GDP for many MS: the two largest recorded contributors to the regional agricultural GDP in 2009 were Jamaica and Guyana with some 67% of the total recorded. The Table also indicates that agriculture's percentage contribution to total national GDP is almost one fifth for Guyana and Dominica. For the region as a whole, the agriculture sector's share of total GDP is 3.1% or US\$1.56 billion of US\$49.95 billion (excluding Haiti, Suriname and Belize).

**2.14** It should be recognized however, that traditional measurements of GDP sector shares underestimate the true contribution of the agricultural

## COMMUNITY AGRICULTURAL POLICY

sector to the economy, inasmuch as they fail to take account of the value of agriculture in forward and backward linkages. For example, an IICA commissioned study to determine agriculture's expanded or real contribution to GDP in Jamaica revealed that there is an approximate two to one ratio between expanded and traditional GDP.

**2.15 Foreign Exchange Earnings & Trade:** Table 2 below shows a general rising trend in total and extra-regional food exports between 2004 and 2008. Only three of the eleven countries providing estimates showed a decline over the review period in respect of total exports, while three of the eight MS providing data for extra-regional exports indicated a decline in food exports. The decline in both categories did not have a major impact overall.

2.16 Table 2 shows that four MS – Belize, Guyana, Jamaica and Trinidad and Tobago accounted for US\$912 million of total regional food exports of US\$1.2 billion in 2008 (approximately 75%). Extra-regional food exports accounted for 62.8% of total exports in 2008. Based on the information provided, Belize, Guyana and Jamaica accounted for the major share of these exports in both 2000 and 2008. Given that there were no recorded data for Trinidad and Tobago in 2004, it may be legitimate to assume a moderate overall increase in food exports over the four year period. On the other hand, the regional share in world agricultural exports has declined from 2% in 1988 to 0.3% in 2004, while the share of neighbouring countries in South and Central America has increased from 6.9% to 9.6% and 2% to 2.6% respectively.

**Table 2: Total/ Extra-regional Food Exports for CARICOM, 2004 & 2008 (US\$M)**

Country	Total 2004	Extra-reg. 2004	Total 2008	Extra-reg. 2008	% change (Total) 2004-2008	% change (Extra-reg.) 2004-2008
Bahamas	78.7	n.a.	82.6	82.5	+4.9	n.a.
Barbados	43.6	26.3	55.7	33.1	+27.7	+25.9
Belize	179.9	157.3	177.7	163.1	-1.3	+3.7
Guyana	237.5	152.4	306.8	214.0	+29.2	+40.4
Jamaica*	247.7	222.9	255.4	229.9	+3.6	+3.0
Suriname	54.4	n.a.	83.4	n.a.	+53.5	n.a.
Trinidad & Tobago	n.a.	n.a.	172.1	n.a.	n.a.	n.a.
Grenada	19.6	15.8	17	7.9	-13.4	-50.0

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Country	Total 2004	Extra-reg. 2004	Total 2008	Extra-reg. 2008	% change (Total) 2004-2008	% change (Extra-reg.) 2004-2008
St. Vincent & the Grenadines	27.6	13.0	30.0	5.5	+8.4	-57.7
St. Kitts & Nevis	12.2	n.a.	0.8	0.7	-94.0	n.a.
St. Lucia	22.5	21.8	24.4	23.0	+8.3	+5.5
Antigua & Barbuda	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Montserrat	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dominica	14.3	10.1	14.8	9.4	+3.7	-7.6
Haiti	22.5	n.a.	n.a.	n.a.	n.a.	n.a.
CARICOM	960.5	619.6		769.1		

*Source: Developing an Action Plan for Promotion of a Regional Agribusiness Sector and Targeted Commodity Enterprises.*

*\*Assumes Extra-regional exports at 90% of total over period.*

- 2.17 At the same time, the region imports much more food than it exports. CARICOM imports originating from non-CARICOM countries have more than doubled CARICOM exports to third countries in recent years. Thus, the Region as a whole is a net importer of food products. It is estimated that the total CARICOM food import bill was US\$4.0 billion in 2008 (excluding Montserrat). It should be noted that this estimate excludes intra-regional trade and includes imports of beverages. The CARICOM food import bill is dominated by four countries (Jamaica, Haiti, Trinidad and Tobago and the Bahamas), which collectively account for more than three quarters of the region's imports of food and beverages. Among major food imports are cereals (17% of imports from third countries), meats (11%), dairy products (10%), fruit and vegetables (12%) and sugar products (6%). Belize, Guyana, and Suriname, the main producers of cereals and meats in the region, are unable to provide sufficient supplies to the CARICOM internal market, mainly due to high transportation costs, low competitiveness, lack of agro-processing facilities, high degree of inconsistency and unpredictability with regard to the level of protection afforded regional producers by way of the CET. Other challenges include Technical Barriers to Trade (TBTs) and Sanitary and Phyto-sanitary (SPS) issues.
- 2.18 A high percentage of the population in MS depends on agriculture for its livelihood. For the sector as a whole, CCS (2007) estimates that economic activity in the food and agriculture sector provides more than 15% of employment in eleven MS and more than 25% of total employment in six

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MS. The available data indicate that in most of the countries more than 20% of the population is economically active in the agricultural sector and therefore very susceptible to falling into food insecurity given the developments in their export and domestic markets. These are largely small rural farming families with lack of access to productive assets and vulnerable to natural disasters.

- 2.19 In 2011, the region again faces the challenge of soaring food prices. It is generally agreed, based on an evaluation made by the FAO of the results of the actions taken to deal with the soaring food price crisis of 2008-9, that joint and integrated action is of paramount importance. This is imperative for CARICOM comprising small states that (with the exception of Belize, Guyana and Suriname) are net food importers and price takers with no influence on the world market. It is clear, also, that an effective and efficient response to price volatility and food crises, which are highly likely to recur in the future, must include a long-term strategy to reduce both consumer vulnerability to rising food prices and producer vulnerability to sudden falls in farm-gate prices.
- 2.20 It must be recognised that the vulnerability of the Caribbean region to these crises cannot be attributed solely to the effects of climate change or other external factors that may have caused shortfalls in production. The region's weakness and lack of preparedness to deal with the effects and impact of the current situation are in large part due to the failure of past attempts to agree on, establish and enforce concerted and cohesive trade arrangements and an enabling institutional and policy environment favourable to the development of the food and agriculture sector in the region.

### **Rationale and justification**

- 2.21 The strategy of the CAP is to strengthen the region's agricultural production base in order gradually to reduce the level of food imports, enhance food security, create additional employment and reduce poverty in the region, while creating the enabling environment required to attract private sector investments. The Common Agricultural Policy is enshrined in the Revised Treaty of Chaguaramas which created the Common Single Market and Economy (CSME); Articles 56 and 57 of the Revised Treaty articulate the region's agricultural and agribusiness policy, its goals and a strategic framework for policy implementation.

### **Political context**

- 2.22 The experience of the last decade shows clearly that multilateral and developed country policies have dictated the nature, scope and pace



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of economic activity, including the sustainability of agriculture. They have also negatively impacted the economic viability of agriculture in developing countries. In some instances, these policy measures were taken in response to unforeseen and adverse occurrences, for example, the Bioterrorism threat to the USA. However, in many cases, while they are deemed WTO-compliant, they usually constitute a form of 'disguised protectionism'. These measures have increased the operational and institutional costs of agro-industrial development for developing countries and made the achievement of industry and enterprise competitiveness even more difficult.

2.23 The future of the Caribbean agri-food/product sector will, in large measure, be conditional upon the outcomes of the multilateral (WTO), hemispheric (FTAA), regional (EU-EPA) and bi-lateral trade negotiations. Agriculture is an integral element in all these fora. Regardless of the outcomes of the negotiations, the continuing process of globalisation alone will demand a policy response that fosters agro industrial enterprises with the capacity to survive and sustain their presence in all markets.

2.24 Within this context, three sets of frameworks provide the political context for the CAP:

### (i) The Revised Treaty of Chaguaramas

2.25 The basic goals and objectives of the CAP are set out in Article 56 of the Revised Treaty of Chaguaramas (see para. 1.21 above); and Article 57 which sets out the framework for the implementation of the policy. The Regional Transformation Programme for Agriculture (RTP) stipulates the thematic areas of development that include enterprise development, trade facilitation, innovative technology adoption, and technology transfer.

2.26 Since the drafting of the RTP in 1996, many changes have occurred in the international and regional environment for agriculture, which impact on national priorities and the approach to agricultural policy formulation and implementation. While the goals and objectives established in the RTP remain valid, in the current and emerging global economic environment, they may no longer be sufficient to generate broad based and sustainable development in the regional agricultural sector.

### (ii) The Jagdeo Initiative

2.27 The Alleviation of Key Binding Constraints strategy (the 'Jagdeo Initiative') identifies and defines crucial binding constraints on agricultural repositioning in the Caribbean Region and aims to develop and implement targeted and practical interventions at both the regional and national levels to overcome the constraints.

**(iii) The Liliendaal declaration on agriculture and food security**

2.28 At Liliendaal, Guyana, in July 2009, the Heads of Government of CARICOM reaffirmed that the priority Regional actions in agriculture on which MS will focus are:

- (i) Elaboration of the Community Agricultural Policy and regional Strategic Plan;
- (ii) Upgrading of facilities and services for trade in agriculture products;
- (iii) Strengthening national and Regional (collaboration in agriculture) research and development;
- (iv) Establishing an effective regime for sanitary and phyto-sanitary measures including a Regional Agriculture Health and Food Safety System (CAHFSA);
- (v) Developing appropriate policies and incentives to encourage a stronger agriculture private sector;
- (vi) Development and implementation of a Regional agriculture market information and intelligence system;
- (vii) Addressing the inadequacy of transportation to better enable the export of agriculture products;
- (viii) Maintenance of a reliable information platform to facilitate monitoring and evaluation and to indicate priority areas for urgent action;
- (ix) Ensuring competitiveness in the agriculture sector;
- (x) Ensuring that adequate land is retained for agricultural production; and
- (xi) Encouraging the youth to become more engaged in the sector.

### 3. COMMON AGRICULTURAL POLICY – PRINCIPLES, SCOPE AND OBJECTIVES

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#### Scope of the Policy

3.1 The policy defines thematic areas, geographic scope, beneficiaries and a timeframe for action.

**Thematic Scope:** For the purposes of this policy, agriculture covers all activities involved in primary production, processing and marketing of food and agricultural (defined in the wide sense of agriculture, forestry and fisheries) products based on the concept of the agricultural-trade chain and within the context of Article 56 of the Revised Treaty of Chaguaramas. Although not classified as agriculture, the policy provides the overarching framework for fisheries and forestry development.

**Geographic Scope:** This policy covers all fifteen Member States of the CARICOM Region: Antigua & Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Lucia, St. Kitts & Nevis, St. Vincent & the Grenadines, Suriname and Trinidad & Tobago. The trade component of this policy does not apply to the Bahamas as that MS is not a party to the CARICOM Common Market.

**Timeframe:** The policy will be implemented over a period of ten years, from 2011-2021. It will be implemented in stages, first focusing on *immediate* priority actions that will provide the basis for advancing the policy agenda and a platform for medium and long term interventions.

**Beneficiaries** of the policy include farmers, agribusiness enterprises, agro-processors, input suppliers, financial service providers, general service providers, consumers, the rural population, technical and financial cooperation organizations and national governments, which will benefit from the alignment of their actions with a regional Policy.

#### Guiding principles

3.2 The CAP is developed within the context of the Revised Treaty of Chaguaramas, the Liliendaal Declaration on Agriculture and Food and Nutrition Security (2009) and takes into consideration the Jagdeo Initiative of 2004.

3.3 The policy is guided by the following principles:

**Regionality:** Regional production integration, cooperation and cross border investments are necessary for agricultural development in CARICOM. Hence, the policy envisages one regional space for production, processing, trade and investments. The policy also promotes actions that have a comparative advantage by being implemented at the regional level, rather than at the national level. The regional approach therefore ensures greater value added through collaborative actions by all Member States.

**Consistency:** The CAP is consistent with the legal framework underpinning the establishment of CARICOM and associated Declarations to which Member States are signatory. The CAP is also consistent with other policies of CARICOM and complements their efforts to enhance economic integration and development in the Region. Complementarity with national agricultural policies and priorities of Member States are also integral to the formulation of the CAP.

**Partnership:** The public and private sectors and civil society are critical to the formulation and implementation of the policy, which will be driven by the private sector and facilitated by the public sector. The latter will provide the enabling environment necessary for growth and development of the sector as a whole, and business enterprises, including producers.

**Sustainability:** the Policy incorporates the five areas of sustainable development: economic, social, environmental, technical and political-institutional.

**Entrepreneurship:** The policy recognizes agriculture as a business, providing not only employment for rural people, but generating profits that increase rural incomes.

**Affordable Food:** The policy recognizes that food should be produced and sold at a cost that generates sustainable profits for the producer and provides the consumer with access at an affordable price. Therefore food produced in the Region should strike a balance between the interests of consumers and producers with regard to prices and profits.

**Accountability and transparency:** The policy and affiliated programmes and projects will be subject to a monitoring, evaluation and accountability process which will allow the participation and access by all stakeholders through transparent mechanisms.

### Vision

3.4 The vision of the CAP is “to sustain a broad-based and balanced development of the agricultural sector in order to ensure food security and economic growth in the agricultural sector and to protect the natural

**resource systems, improve rural livelihoods and build an internationally competitive agricultural sector through the promotion of economically viable enterprises, in order to achieve overall economic growth, reduce poverty and ensure fiscal stability and sustainability”.**

## **Mission**

- 3.5 The mission of the CAP is to “harmonize and integrate target objectives through the various strategies and programmes undertaken by countries and other inter-governmental organizations in the region”, particularly with respect to the Regional Food and Nutrition Security Policy and the Common Fisheries Policy. This will result in avoiding efforts being duplicated in the drive to achieve shared objectives, and extends right through to the implementation of the CAP, especially with respect to the projects and programmes carried out by technical development institutions (agriculture, livestock, aquaculture, input distribution, water and natural resource management, etc.).

## **Goals**

- 3.6 The major objective of the CAP is to develop agriculture, fisheries and forestry in a regional perspective. The Revised Treaty of Chaguaramas of 2001 outlines the goals of the Community Agricultural Policy in Article 56. These have since been reviewed by Member States who have agreed that the revised goals of the CAP should be as follows:
- Improved income and employment opportunities, food and nutrition security, poverty alleviation and overall quality
  - Creating an enabling environment for the efficient production of agricultural products including diversification into higher valued and processed products along the value chain, taking into account the need for cross-sector and cross-border linkages.
  - Increased export volumes and foreign exchange earnings from both intraregional and international export markets by increased production and productivity and the sustainable and rational use of the natural endowments
  - Improved performance and share of the Caribbean’s primary and processed agricultural products on the world and regional markets based on competitive and remunerative production, niche marketing, branding, quality and natural endowments
  - Promote increased vertical and horizontal linkages between tourism, agro-food distribution services, agro-food manufacturing and the productive sector.

- Efficient management and sustainable exploitation of the Region's natural resources, including its land, water, forests and the living resources of the exclusive economic zone, bearing in mind the differences in resource endowment and economic development of the Member States.

## **The Pillars**

3.7 The goals of the CAP, as outlined in Article 56 of the Revised Treaty of Chaguaramas, with revisions as suggested by the member states will be met through five pillars that represent broad policy interventions. These pillars are as follows:

### **Food and Nutrition Security**

3.8 The pillar of Food and Nutrition Security is subsumed under the Regional Policy for Food and Nutrition Security 2011-2025 (RPFNS) that was adopted by the Council of Trade and Economic Development in 2010. The RPFNS adopts the definition of food security as existing when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life (World Food Summit, 1996). This pillar, therefore, is based on the four dimensions of food and nutrition security, that is, food availability, food access, food utilization/nutritional adequacy and stability of food supplies.

3.9 Due to the diversity in the scope and nature of food and nutrition security a holistic, multi-disciplinary, uniform and coordinated approach is taken within the context of five important concerns for the Caribbean Region:

- the requirement of an economically feasible and sustainable degree of food self-sufficiency;
- the assurance of adequate soil and environmental conservation measures;
- the need to improve linkages between health, nutrition, food retailing, manufacturing and production;
- the protection and expansion of agricultural and other employment and incomes in a value-chain approach and the use of productive safety nets in the context of National Poverty Alleviation Strategies; and
- the need for effective disaster prevention, mitigation and management systems and climate change mitigation and adaptation measures.

## **Production Trade (Value) Chains**



- 3.10 Agriculture encompasses production-trade chains whose links add value. Production-trade chains refer to the technical-economic processes whereby agricultural and non-agricultural goods and services are produced, transformed and exchanged. This pillar promotes improving the competitiveness and strengthening of linkages along the value chain, that is, primary production, post-harvest, processing, marketing/trade and distribution in the domestic, regional and international markets. It includes creating an enabling environment that is conducive to development of competitive production-trade chains and facilitation of dialogue among actors that comprise these chains, and especially between the private and public sector.
- 3.11 Production-trade chains should also be supported by continuous innovation, learning and improved technologies and capabilities in all aspects of the chain. Food safety and sanitary and phyto-sanitary regimes, as well as the trade environment are important to food chains, especially in light of a globalized marketplace where firms and industries operate and compete.
- 3.12 This pillar will also be underpinned by the CARICOM Agri-Business Strategy which focuses on the upgrading and/or strengthening of commodity value chains for competitiveness, with a focus on integrating viable small and medium enterprises into these chains. The strengthening of regional support institutions that play a key role in dealing with issues that directly impact on value chains and trade facilitation are also identified as critical.

## **Sustainable development of natural resources**

- 3.13 Sustainable development, as stated in the 1992 Rio Declaration on Environment and Development, is development that meets the needs of

the present without comprising the ability of future generations to meet their own needs. This pillar recognizes the importance of efficient use of the Region's non-renewable natural resources and its proper management in the production system. It also takes into account the use of good agricultural and manufacturing practices in the production of food. In this regard, the pillar seeks to safeguard the integrity of the region's natural resources along the value chain, while meeting its food needs, through the utilisation of environmentally friendly and sustainable production practices, supported by appropriate institutional mechanisms.

- 3.14 Risks such as climate change threaten the agri-food sector and food security due to the frequency of extreme hydro-meteorological phenomena, intensification of climate-related disasters, the potential loss of agricultural land, coastal effects caused by rising sea levels and widespread disruption to ecosystems. However, climate change will be dealt with as a cross cutting theme in this policy. Water management, soil conservation and land use are also important issues in sustainable development, but are better dealt with at the national levels. This pillar also encompasses the Regional Fisheries and Forestry policies where the challenges and threats facing the sector related to sustainable production.

### **Rural modernization and youth programmes**

- 3.15 Over the past several decades, rural communities have suffered from a lack of diversity of economic activities and inadequate physical and social infrastructure which have resulted in high rates of rural poverty and rural-urban migration. This pillar seeks to promote the modernization of rural communities by improving the quality of life through increasing opportunities in agribusiness, strengthening institutions supporting agribusiness and community development at all levels and building social CAPital in rural communities.
- 3.16 Women are also critical to this thrust and this pillar will seek to increase their participation in agribusiness. Due to the aging farm population, the pillar will also seek to encourage greater involvement of youth in agribusiness to ensure continuity of the sector through the creation of appropriate incentives and programmes to engage this segment of the population. The provision of an enabling environment for the participation of youth and women in agribusiness, while improving the socioeconomic climate of the rural communities, are essential for rural modernization.

### **A modern agricultural knowledge and information system**

- 3.17 Agricultural knowledge and information systems (AKIS) links rural people and institutions to promote mutual learning and generate, share and utilize



agriculture-related technology, knowledge and information. The system integrates farmers, agricultural educators, researchers and extension agents to harness knowledge and information from various sources for better farming and improved livelihoods. This pillar seeks to encourage the development of modern agricultural knowledge and information systems in order to improve decision making processes, foster interactions among players in the value chain, and support linkages to research and development at the national and regional/international levels, extension and with agricultural institutions.

- 3.18 This pillar also seeks to increase the impact that agriculture knowledge and information systems have on producers in terms of adaptation of technology and other advances, which will affect their productivity and incomes. It also seeks to maximize the potential of institutions that provide these services by proposing new models, especially, for research and extension, through the involvement of the private sector.

### **Pillar and Policy Objectives**

- 3.19 Each pillar of the CAP is supported by objectives that represent key aspects that must be addressed if the goals of the CAP are to be realised.

### **Food and Nutrition**

- 3.20 Main Policy objectives of the Food and Nutrition pillar within the context of the RPFNS are:

- Promote the sustainable production, processing, preparation, commercialization and consumption of safe, affordable, nutritious, high quality Caribbean food commodities/products.
- Ensure regular access of Caribbean households, especially the poor and vulnerable, to sufficient quantities of safe, affordable, quality food at all times, particularly in response to diverse socioeconomic and natural shocks.
- Improve the nutritional status of the Caribbean population, particularly with respect to NCDs including diabetes, hypertension, overweight and obesity.
- Improve the resilience of the region's national communities and households to natural and socio-economic crises.

### **Production – Trade (value) Chains**

- 3.21 Policy Objectives of this pillar are the:

- Identification of priority commodities has been identified through

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the Agribusiness Strategy for value chain development based on four criteria, namely, food security; import replacement; potential for export market and foreign exchange earnings; and value added and vertical and horizontal linkages with other sectors.

- Improve efficiency and competitiveness of targeted value chains by:
  - » Increasing productivity and facilitating of enterprise development of agribusiness enterprises, especially small producers
  - » Adapting, developing and applying innovation and appropriate technologies across value chains
  - » Strengthening linkages, dialogue and collaboration among value chain actors and the public sector
  - » Creating an enabling environment and support services that facilitates integration and development of value chains and reduces transaction costs
  - » Strengthening capacities of producer and agribusiness groups to provide support services to their members
  - » Increase intra-regional and extra-regional trade of Caribbean agri-based products by:
    - › Improving marketability of Caribbean products based on niche marketing and distinctive branding;
    - › Enhancing marketing information systems at both the regional and national levels;
    - › Reducing technical barriers to trade through the harmonization of food safety standards and sanitary and phytosanitary measures of Member States;
    - › Improving trade facilitation and CAPacity building within Member States;
    - › Improving the connectivity and reducing cost of transportation; and
    - › Explore new models of market penetration in extra regional markets.
- Promote greater investments in the agri food sector:
  - » Create an enabling environment to facilitate cross border investments in the agri-food sector to take advantage of the natural endowments and competitive advantage of Member States;
  - » Facilitate the development of new and innovative financing instruments of agri-food activities, including value chain financing.
  - » Promote investment opportunities in the agri-food sector and encourage strategic alliances among value chain actors

- » Facilitate market oriented and profit driven entrepreneurship to attract greater investment in the sector;
- » Improve the effectiveness of private and public support service providers

### **Sustainable development of natural resources**

3.22 Policy Objectives of this pillar are to:

- Promote sustainable natural resource management in the agricultural sector by:
  - Enhancing the environmental quality and the natural resource base;
  - Encouraging the most efficient use and management of non-renewable resources and on-farm resources and integrate Good Agriculture Practices in production systems;
  - Improving watershed management in production areas; and
  - Encouraging the promulgation of agricultural land utilization policies in Member States to ensure sustainable and efficient use of land resources.
- Promote sustainable forestry management in line with the Regional Forestry Policy through proper management and conservation of the Region's forest resources in order to reduce deforestation and carbon emissions, improve watershed management and protect carbon reservoirs. Focus shall be placed on sustainable forest management for reducing emissions while improving livelihoods and ensuring their stability over time.
- In line with the Regional Fisheries Policy, promote effective and sustainable management and development of the Region's fisheries resources through:
  - » Enhancement of institutional capabilities of public sector institutions and fisher folk organization in management of fisheries resources;
  - » Safeguarding the aquatic environment from pollutants and hazardous waste, in order to sustain fisheries production and protect fishing communities from the impact of global warming, climate change, and natural disasters;
  - » Promoting the sustainable development of aquaculture, including mariculture in the Caribbean Region;
  - » Promoting the establishment and maintenance of effective monitoring, control, and surveillance systems to protect the fisheries and ecosystems;
  - » promote integrated coastal and marine ecosystems management in an effort to enhance the conservation and management of species and habitat.

## Rural modernization and youth programmes

3.23 Policy Objectives of this pillar are to:

- Improve economic and social development in rural communities by:
  - » Increasing opportunities for rural people to participate in agribusiness activities by providing the necessary technical support, programmes and incentives;
  - » Strengthening the capacity of producers or agribusiness groups/ organizations to mobilize, empower, provide technical support and leadership to their members;
  - » Strengthening the capacity of other community based group to increase involvement of rural people in economic enterprises, especially those linked to the agribusiness sector.
  - » Facilitate improvement of social and economic infrastructure through social investment programmes and community mobilization.
- Increase participation of youth in agribusiness:
  - » Promotion of agribusiness and agribusiness programmes at all levels of the education system.



- » Increase resources of youth agricultural programmes in existing institutions and also encourage producer /agribusiness organizations to create youth arms.
- » Encourage existing producers to include their children in their farm enterprises
- » Create incentives and programmes to attract young people to invest in agribusiness
- » Promote the hosting of agriculture expositions to showcase agriculture
- » Promote inter-school agribusiness competitions that encourage entrepreneurship among participants.

- Increase the participation of women in agribusiness:
  - » Increase rural women’s access to land and water resources, credit services, information technology, agricultural technical skills and entrepreneurship training and agri-business programmes.
  - » Ensure that agricultural research and extension programmes are gender-sensitive
  - » Increase gender awareness in the commercialisation of agriculture
  - » Strengthen and support the work of producer and women’s groups to provide capacity building to women

### **A modern agricultural knowledge and information system**

3.24 Policy Objectives of this pillar are to:

- Create a demand-driven agricultural knowledge and information system that is responsive to the needs of producers/private sector through the:
  - » Empowerment of producers to enable their participation in more meaningfully in AKIS decisions so that priority setting is more responsive to their needs;
  - » Define public and private sector roles in the provision of AKIS services and propose new models that are based on private/public partnerships.
  - » Provision of education and continuous training and mutual learning opportunities for educators, researchers, extension agents and farmers, allowing them to work together effectively.
  - » Increasing the interface between and integration among the various education, research, extension and farming activities
  - » Building accountability systems to ensure that each stakeholder performs their responsibilities.
- Improve the relevance and the effectiveness of the processes of knowledge and technology generation, sharing and uptake through:
  - » Increased participation of the public sector, private commercial sector and civil society in decisions about the design, implementation, funding and evaluation of education, research and extension programmes
  - » Increase use of information and communication technologies in dissemination of knowledge and technology
  - » Utilise local knowledge gained by producers and sharing of technologies and information with peers

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- » Strengthen producer organizations to provide support to their members in knowledge and technology sharing
- » Utilization of participatory approaches in technology dissemination
- Human Capital development:
  - » Identify knowledge and skills gaps in the agri-food sector, by adopting a value chain approach
  - » Modernise agricultural education to address the skills and knowledge deficits that are necessary to move the sector forward.
  - » Promote greater on-farm training for agricultural students at all levels of the value chain.
  - » Strengthen agricultural vocational programmes to create a cadre of workers that can meet the practical needs of the sector

### **Cross Cutting Issues**

- i. Climate Change Adaptation
- ii. Finance
- iii. Institutional Development

## 4. POLICY ENVIRONMENT

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### Introduction

- 4.1 Article 56, Part Two of the 2001 Revised Treaty of Chaguaramas explicitly recognises the need for formulating a Community Agriculture Policy for CARICOM (CAP) to provide direction for agricultural development within the CARICOM Single Market and Economy (CSME). Ten years later, the stated goal, encapsulated in the need to achieve a fundamental transformation of the agricultural sector towards market-oriented, internationally competitive and environmentally sound production of agricultural products, remains valid. However, the regional and international economic contexts has changed substantially over the past decade, resulting in a definitive shifting of priorities and role of government *vis a vis* the private sector and civil society in the agricultural development process.

### The Changing Policy Context

- 4.2 The Region is cognisant that it is articulating a CAP for the 2011 – 2025 period on the basis of a very different policy environment. Agriculture has an important and dual role to play in the development of the CSME. This role is expressed at the broader macro level in contributing to the achievement of many of the development goals, and at the sector level in fostering the emergence of competitive and sustainable agribusiness by alleviating chronic constraints and capacity deficiencies. The major changes in the policy environment, which have impacted and continue to impact agricultural development and hence the CAP, can be captured under the financial, food and fuel crises which have escalated over the last five years.
- 4.3 In brief, the impacts of the financial crises have already been felt in CARICOM countries, evidenced by the further reductions in Government budgets generally, private sector investment and more competitive bases for acquiring donor-funded projects. Agricultural programmes and projects, which have traditionally been heavily enabled by public sector financing and investment, will need to be even more strategic in orientation and measurable in outcomes and impacts. This makes the need for clarity of scope, purpose and outcomes of the CAP even more imperative particularly given the goal of building market-oriented and internationally competitive agriculture firms, clusters and industries.
- 4.4 The changes in the policy environment in the region in response to the food price crisis have been well assessed and documented. These changes represent a definitive shifting of priorities away from traditional agriculture and rural development to a broader concept of food and nutrition

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security. They also represent a more inclusive policy process, with greater involvement and influence of non-state actors, including the opportunity for the producers themselves to influence policy decisions.

- 4.5 The October 2010 Regional Food and Nutrition Security Policy (RFNSP) and accompanying Action Plan (AP) are evidence of both these changes, which are becoming an entrenched part of the policy process. This has significant implications for integrating and coordinating agricultural policy in the region, and for defining strategic areas in which the agriculture sector is best placed to intervene and contribute.
- 4.6 Already several, if not all member states are placing high priority on rebuilding domestic food production, expanding crops already emphasised under diversification programmes and importantly, reintroducing production of specific crops for food security, such as rice. Such actions, under the RFNSP must be taken into full account in a CAP, since there are implications beyond just domestic consumption, including capacity to provide the requisite development support necessary for efficient and profitable production, value addition and trade. With respect to the latter, trade policy within CARICOM must be an essential and complementary aspect of the CAP.
- 4.7 The unfolding crisis with extreme dependence on fossil fuel and its linkages to the challenges of climate change have also radically transformed the environment for agriculture policy. As energy prices rose to record levels from late 2007, bio-fuels and more recently, green agribusiness have been advanced as part of a solution set to mitigate oil dependency with potential positive impacts on climate change.<sup>1</sup> They have also been promoted as an opportunity for developing countries, such as those in CARICOM, to prepare new projects that will contribute to a large inflow of resources to the rural economies as well as to develop domestic energy industries and increase export earnings.
- 4.8 Of related significance is the need also to be able to respond to long-term shifts in climate that are widely anticipated. This influences the agriculture of the region in two ways. First, mandatory steps to reduce the emission of green-house gases are possible in the next few years. Conformity may become a condition for exporting. Second, the impact of global warming itself could change weather patterns in the region and affect yields and production systems. Collective action by CARICOM members may not only be necessary to avoid tensions within the region but be beneficial in sharing costs and information. Technical agencies within CARICOM will need

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1 It would be important to recognise that a number of contributions challenge this view, particularly at it relates to the linkage with climate change and creating sustainable development opportunities in developing countries.



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political support to be effective and the CAP needs to be instrumental.<sup>2</sup> In this regard, the CAP also needs to be positioned in the framework of a number of international agreements and global initiatives, including:

- The Mauritius Strategy for The Further Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States (MSI+5), which has implications for developing new competitive services and environmentally sound production of agricultural products;
- The global initiative on Reducing Emissions from Deforestation and Forest Degradation (REDD) + conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+), is the most substantive multilateral global investment in forest resource management and Payments for Environmental Services scheme'. Guyana is the only CARICOM member that is a partner country under the REDD/REDD+ a partnership which has produced a Guyana Low Carbon Development Strategy and the potential to receive investment of US\$250 M under Norway's International Climate and Forest Initiative which it signed in November, 2009.<sup>3</sup>

4.9 These and other related agreements also have implications for broader natural resource management policy that provide governing frameworks for land use and water management among others. In addition to those specified above, other underlying drivers that have been re-defining and re-shaping the context for agriculture over time include:

- globalization and trade and economic agreements;
- demographic transitions and urbanization and the socio-economic consequences of same on:
  - » shifting rural livelihoods and the rise of the informal sector;
  - » public health issues.

4.10 These issues are all recognised in the CAP and, together with infrastructural and institutional challenges, provide the defining context for the current policy environment. The regional institutional framework comprises (a) policy, strategies and plans that either complement in whole, or build on specific themes of the CAP and (b) institutions established with a mandate for implementation, oversight and/or regional coordination of some or all aspects relevant to the CAP.

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2 Implementing a CSME Community Agricultural Policy (CCAP): Issues, Options and Process, (October 2009) ISBN13: 978-92-9248-019-6, Caribbean Regional Agricultural Policy Network (CaRAPN) Port of Spain, Trinidad and Tobago.

3 'Forest Cover, Changing Climates and Adapting Agriculture for sustainable food production in the Caribbean' (forthcoming 2011), Lyndon John. Caribbean Regional Agricultural Policy Network (CaRAPN) Port of Spain, Trinidad and Tobago.

## The Regional Situation

### Regional Policies

4.11 Agriculture is identified as an important economic sector in the region and one for which a supportive regional policy framework will be critical for its sustainable development. The basis of such supportive policy environment is the 2001 Revised Treaty of Chaguaramas establishing the Caribbean Community including the CARICOM Single Market and Economy (CSME).

4.12 With respect to other regional policies, the *Regional Food and Nutrition Security Policy*

(*RFNSP/AP*) and *Action Plan* have a direct and complementary relationship to the CAP Pillar on Food and Nutrition Security.

- In order for the RFNSP to meet its objectives, the CAP must ensure that the collective results of actions taken under the direct purview of agricultural production and marketing assure and ensure that food safety is maintained, food price escalation is effectively managed and that disruption in food supplies is avoided or at least, minimized. Results in these areas, among others, will have a positive and sustained impact on food availability, and to some extent, the access and stability objectives of the RFNSP.

4.13 The '*Agreement Establishing the Common Fisheries Policy and Regime*' is also an important complement to the CAP in a number of its Pillars.

- Food from fisheries is an important aspect of food and nutrition, and all measures should be taken to enhance and sustain the supply of fisheries products to consumers in the region. While the specifics of fisheries policy are well recognized and appreciated, the interdependence of fisheries and crop and livestock production on a common pool of natural resources requires strong integration and coordination of policies and actions under one framework. The CAP is designed to provide such a framework for policy integration and



*A Caribbean fish farm*

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coordination with respect to actions defined in the Pillar on Food and Nutrition Security.

- 4.14 In addressing issues concerning the sustainable use of the fisheries and aquaculture resources in and among Member States, through the development, management and conservation of these resources, the Common Fisheries Policy and Regime also has direct linkages to the CAP Pillar on Sustainable Development of Natural Resources.
- 4.15 The initiatives to develop an 'Action Plan for Promotion of a Regional Agribusiness Sector and Targeted Commodity Enterprise' and the 'Strategic Plan for Regional Development (SPRD)' are of central and strategic relevance to the CAP Pillar on Production Trade/Value Chains.
- The Agribusiness Sector Action Plan represents a strategic framework for regional agribusiness development which includes action plans for targeted commodities and enterprises aimed at enhancing food security, expanding competitive import replacement, increasing export earnings and foreign exchange and/or expanding value-added products, including for the tourism market. The fact that the Agribusiness Sector Action Plan is already comprehensively detailed, augurs well for fast-tracking implementation of the Production Trade/Value Chains Pillar of the CAP. The enterprise development approach and the application of producer-driven value chain frameworks to systematically produce and market targeted commodities competitively are the currently preferred strategies to stimulate and expand agribusiness and increase its economic contribution in CARICOM.
  - The areas under focus of the SPRD will further complement implementation of the CAP Production Trade/Value Chains Pillar. The SPRD conceptual framework was endorsed by the COFAP at its Twelfth Meeting (6 March 2008, The Bahamas) and included Intra-Regional Agricultural Production and Trade Policy and Agro-Tourism Policy, among the eight identified areas for policy action.
- 4.16 The SRPD for Intra-Regional Agricultural Production and Trade Policy represents a set of priority actions identified to address simultaneously the main binding constraints on agriculture and further the regional integration and growth process, clustered around regional public goods. The five areas prioritized for critical attention are all essential to building and sustaining agribusiness growth and competitiveness and form essential aspects of the CAP's Production Trade/Value Chains Pillar. These are:
1. Science, Innovation and Technology
  2. Harmonization of Sanitary and Phyto-sanitary Regulations (SPS)
  3. A CARICOM Food Safety/Quality Assurance System

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4. Development of an Efficient Regional Market Intelligence/Market Facilitation System
  5. Intra-Regional Transport & Associated Infrastructure
- 4.17 Other areas of direct synergies between the CAP and the SPRD include the common thrusts to develop Modern Agricultural Knowledge and Information Systems. There also exist some thematic-specific strategies that will contribute to the achievement of the objectives specified in the CAP, as well as the related policies and strategies noted above. The fact that these strategies are still being articulated provides a timely opportunity to fashion them in a manner that meets the goals and objectives of the CAP.
- 4.18 Perhaps the only pillars of the CAP for which no definitive position or regional policy and strategic framework has yet been articulated are the Pillars on 'Sustainable Development of Natural Resources' and 'Rural Modernization and Youth Programme'. It is therefore incumbent on the CAP to properly establish the policy direction and scope for addressing the development issues and challenges in these areas. As noted above, the REDD+, among others, can be used to inform this process with respect to elaborating an Action Plan for the Sustainable Development of Natural Resources pillar.
- 4.19 Given the close relationships between the CAP and other separate yet connected policies and plans, CAP will be strategically crafted to provide a coherent set of actions across various initiatives and sectors and ensure commitment at both national and regional levels for effective implementation.
- 4.20 The CAP also recognises the need to integrate and coordinate regional policies with the agricultural framework and strategy already articulated for the sub-region, specifically the Organization of the Eastern Caribbean States (OECS) Agriculture Policy and Strategy. The strategic thrusts of the sub-region do not differ from the objectives, priorities or areas established for strategic intervention in the CAP. The onus is on the CAP, as the overarching policy framework, to ensure that synergies are built such that the benefits of collection action, at both levels of regional integration are optimized for mutual benefit.
- 4.21 In addition to these inter-connected policies and plans, changes in the process for policy formulation and implementation in CARICOM are as important as the content of policy itself, and hence worthy of mention.

### The Regional Agricultural Institutional Framework

- 4.22 It is important to recognize that the regional agricultural institutional framework is as essential to a discussion of the policy environment for agriculture as the content of complementary policies themselves. This

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is because CARICOM already has institutions established with the sole purpose of implementing agriculture policy in specific areas. These include:

- CARDI – Caribbean Agricultural Research and Development Institute, with a mandate for agricultural research, technology innovation and market development. The role of CARID is central to successful implementation of actions in more than one CAP Pillar.
- CFNI – Caribbean Food and Nutrition Institute- which has the mandate for F&NS issues in CARICOM and which is expected to have a lead role in the Food and Nutrition Pillar.
- CAHFSA - the Caribbean Agricultural Health and Food Safety Agency- recently established to oversee and coordinate all actions relating to agricultural health and food safety and sanitary and phytosanitary measures along the entire production to marketing chain.

4.23 A more detailed discussion of the regional institutional environment and its role in policy implementation is the subject of a subsequent section which addresses implementation issues and options.

### **Positioning for the Opportunities**

- 4.24 The problems, challenges and constraints on agricultural development in CARICOM have been well documented the Jagdeo Initiative, the policy frameworks noted above and other regional reports and assessments. Some of these have become structurally entrenched and will require strong and stable policy to effect much needed changes.
- 4.25 While policy response is required to address structural and institutional weaknesses and threats associated with market dynamics, natural hazards and other external factors, there are successes and strengths that can be built on to take advantage of new and emerging opportunities in the agriculture, food and natural resources industries and services.
- 4.26 The area which is deemed to offer the greatest opportunities for agricultural development is trade-related. This is consistent with the requirements for production and marketing to be largely demand responsive/led, in addition to the fact that CARICOM countries are signatories to a number of trade and economic agreements with built-in provisions for strengthening supply capacity for trade. Consequently, even those opportunities that may appear to be driven by food and nutrition have a strong underlying trade aspect associated with the thrust to 'replace imports' and/or save foreign exchange. These opportunities are highlighted below.

### Opportunities: Replacing Imports

- to expand production of starches, specifically root crops, to replace imported white potatoes, pulses, onions, salad vegetables etc.;
- to improve/upgrade post-harvest infrastructure (e.g. abattoirs, packing houses etc.) to meet safety requirements and enhance competitiveness with imported products

### Opportunities: Saving Foreign Exchange:

- to develop agro-processing capacity by:
  - » making effective use of organic waste (from fish, fruit, vegetables etc.) in the production of animal feed, organic fertilisers, etc.
  - » expanding the basket of processed foods to satisfy local demand, diaspora and export markets;

### Opportunities: Expanding trade

- to expand intra-regional trade by:
  - » improving transportation facilities and services for facilitate movement of food products from producing countries to the smaller tourist dependent countries;
  - » developing regional market information system to facilitate production planning/scheduling;
- to enhance presence and competitiveness in extra-regional markets by
  - » introducing/establishing overseas trading houses to facilitate export development and market stabilisation;
  - » completing ongoing processes to introduce/harmonise grades and standards to meet requirements of international markets;

### Opportunities: Building on a Stronger Enabling environment

- to benefit from enabling Government Policy by:
  - » strengthening ongoing efforts to improve policy processes for agriculture;
  - » strengthening policies for private sector investment including involvement in large scale farming, revised incentives programmes, etc.
  - » strengthening policies and programmes that foster a business orientation to agriculture and encourage youths and qualified individuals to enter agriculture;

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- to benefit from provisions built-into Trade Agreements by:
    - » creating sustainable import-export platform with the EU, through this notion of “cooperation for innovation” (EPA Article 135);
    - » going into joint ventures with EU companies to develop the value-added sector to better capitalise on the niche market offered by the diaspora;
    - » establishing the legislative and regulatory mechanisms for effective implementation of obligations under trade agreements to facilitate financing and investment in agriculture;
- 4.27 Provided that the basic requirements for taking advantage of these opportunities are established and maintained over time, including addressing the removal and/or alleviation of the binding constraints, the CAP could be positioned to take effective advantage of these direct opportunities and any positive externalities that would be generated from them, to meet contribute to the goals and objectives of the five Pillars of the policy.

# 5. PRIORITY AREAS FOR IMPLEMENTATION

## General Considerations

5.1 This chapter presents an assessment of the regional situation in respect of the five main pillars and cross cutting issues of the CAP, together with the Immediate Policy Priorities identified for implementation. The issue of timing is critical for priorities. Both policy and priorities can move concurrently because the achievement of the mission and vision of the sector is mainly affected by concrete actions of implementation at the Regional level. Medium and long-term priorities will be defined through the development of a detailed action plan.

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VISION	MISSION	PILLARS	POLICY OBJECTIVES	IMMEDIATE PRIORITIES
Competitive & Sustainable	Improve Food & Nutrition Security	Food & Nutrition Security	10	<ul style="list-style-type: none"> <li>• Modern food security instruments</li> <li>• Harmonization food safety standards</li> <li>• Upgrade food quality control systems</li> </ul>
	Market Oriented Production Systems	Production/ Trade Value Chain	10	<ul style="list-style-type: none"> <li>• Refocusing agricultural research and education</li> <li>• Financial Instruments tailored to farmers/ agri-business</li> </ul>
	Management Of Natural Resources	Natural Resources	11	<ul style="list-style-type: none"> <li>• Sustainable agriculture practices and technology</li> </ul>
	Participation Of Youth	Rural Modernization	12	<ul style="list-style-type: none"> <li>• Specific Youth Programs</li> </ul>



## PRIORITY AREAS FOR IMPLEMENTATION

	Use Of Modern Technology/ Innovation	Agriculture Knowledge & Information	4	<ul style="list-style-type: none"> <li>• Modern agricultural extension system</li> <li>• program for agricultural staff</li> <li>• Support Mechanisms for marketing</li> </ul>
2 Elements	5 goals	5 Areas	47 objectives	10 Priorities

- 5.2 It is important to note that Regional Priorities were defined in line with the following principles:
- The principle of subsidiarity whereby regional action is only taken where it is more effective than action taken at national or sub-national level, thus national jurisdiction is the rule, community jurisdiction the exception.
  - The principle of complementarity taking into account the comparative advantage of different countries for different services and products;
  - Regional interventions will be based on a regional consensus on the order of priorities for action rather than on the availability of external resources in areas selected by external agencies.
  - Regional priorities complement but do not replace national efforts
  - Available resources for addressing priorities will always be limited thus the need to set priorities.
  - Supportive of higher goals in the Community, such as food security, rural development and poverty reduction.
- 5.3 The maximum benefits of some public goods and development services are very unlikely to be realized unless they are provided at regional level. These public goods include, inter alia, market intelligence and information, R&D, quality assurance and standards systems, financing, transportation, training and development.
- 5.4 The CAP avoids the pitfalls of past regional initiatives by avoiding becoming a compendium of national actions and priorities which could fail to seize on regional synergies. The CAP maintains a focus on mechanisms for inducing innovation-led competitiveness and where practicable, on efficiency based import displacement. CCAP will have three time horizons: short-term, medium term and long-term. In this chapter only the short-term (immediate) priorities will be identified. A strategy and 5 Year action plan will be developed once the CAP and its short-term priorities are approved by CARICOM member states. Subsequently, the short-medium-long-term priorities with accompanying activities/measures and expected outputs will be elaborated.

## Food & Nutrition Security

- 5.5 The development goal of the CARICOM Regional Food and Nutrition Security Action Plan 2012-2016 (RFNSAP) is **to contribute to ensuring long-term food security and the enjoyment by all of the right to food in the CARICOM Member States**. This will be pursued through the following four specific food security and nutrition objectives that simultaneously increase agricultural and rural development and reduce poverty:
- To strengthen agricultural production, marketing systems and enterprises including building up institutional capacity to support their development. This will be achieved by facilitating the establishment of the infrastructural, technological, economic, and institutional systems and processes critical to enable agro-food enterprises to achieve competitiveness and sustainability, thereby increasing availability and access to adequate amounts of safe, culturally acceptable and nutritious food. **(RFNSP Objective 1-Food availability)**
  - To improve the capacity of policy and programme frameworks for managing key threats to food security. This will be achieved by promoting the development and implementation of policies and practices that assist in reducing the impact of the wide variety of factors that increase vulnerability, risk and uncertainty resulting in food insecurity and poverty. **(RFNSP Objective 2-Food access)**
  - To promote the consumption of safe and nutritious food. This will be achieved mainly by strengthening institutions and organizations working in the areas of agricultural health, food standards, and improved nutrition. The interventions will also inform and educate food providers and consumers to apply improved food preparation and consumption practices. **(RFNSP Objective 3-Food utilization/ Nutritional adequacy)**
  - To ensure stability of food supplies. This will be achieved by determining the institutional framework and arrangements to be put in place at national and sub-regional levels and the appropriate mix of technical resources and allied training needs as well as the relevant investment and recurrent costs involved, for the establishment of a cost-effective Early Warning System and Disaster Preparedness, Mitigation and Management Action Programme in the CARICOM sub-region to enable rapid prediction of, and responses to natural disasters and external economic shocks. **(RFNSP Objective 4-Food stability).**
- 5.6 Priority areas for Food & Nutrition Security are elaborated for implementation in the CARICOM Regional Food & Nutrition Security Action Plan 2012-2016 which focuses on food access and utilization. Food availability and stability will be covered under the second pillar of Production and Trade.

## PRIORITY AREAS FOR IMPLEMENTATION

In the action plan for food & nutrition security specific actions resulting in specific outputs is being proposed. Therefore, the priority being proposed in this pillar should be considered complementary.

### **IMMEDIATE Regional Priorities:**

#### **Elaboration of modern food security instruments**

- 5.7 Agriculture is exposed to a wide variety of risks, including financial and economic risks, markets risks, price risks and production risks (climate, sanitary, phyto-sanitary and technological risks among others). However, the actors of the agricultural production-value chain are not always aware of the existence of these risks and importance of managing them effectively. National physical food security reserves stocks may be complemented by regional initiatives to mitigate risk of increasing world market price level fluctuations of relevant agricultural commodities by developing regional virtual food security stocks (forwarding and futures contract schemes).

#### **Production-Trade & Value Chains**

- 5.8 The second pillar will put special emphasis on increasing production and trade by cross border investments, public/private sector partnerships, SPS regime and standards, intra-regional trade, clusters and investment, agro-processing (linking production to value addition) and sectoral linkages.
- 5.9 Priority is being given to enlarging CARICOM's share of regional and world markets for primary and processed agricultural products: Elements to achieve this objective include: (i) Identifying and adopting trade measures that would encourage regional producers to take advantage of regional and external export markets (ii) On the basis of comparative advantage among MS member states production promotion programmes for specific commodities will be encouraged (iii) Harmonize regional food and food safety standards including SPS measures (iv) Harmonize custom procedures and formalities in the region. The following Immediate regional priorities have been identified in order to contribute towards a modern commercially oriented and internationally competitive agriculture sector:

#### **Harmonization of the food safety standards of CARICOM Member States**

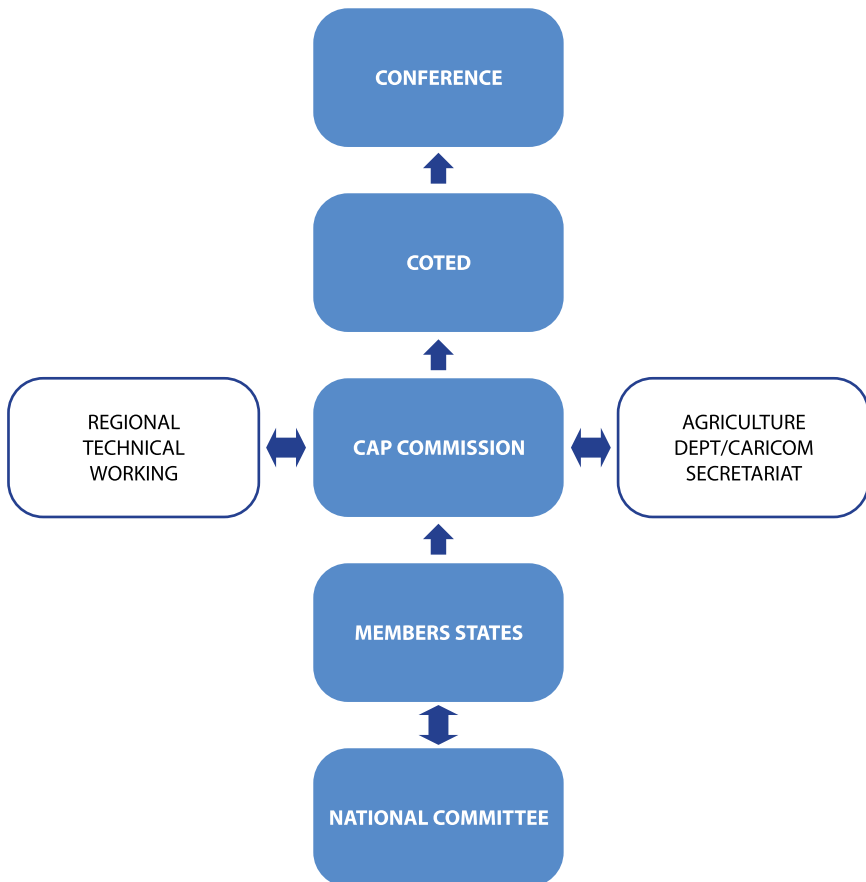
- 5.10 It is evident that the WTO Sanitary and Phyto-sanitary Agreement (SPS) is of particular relevance for CARICOM Member States. The increase in intra-regional trade and exports needs transparent and clear rules. The Caribbean Health and Food Safety Agency (CAHFSA) have been established in Surinam in order to address challenges and opportunities being faced by the region in SPS. The region also has institutionalized the Caribbean organization for Quality & Standards (CROQS) in Barbados to properly

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deal with the issues of standards and technical barriers to trade within the context of intra-regional trade.

- 5.11 CAP will partner with CROSQ AND CAHFA for developing grades and standards for regularly traded food/agricultural products in the region. The development of basic specifications and standards among primary and processed goods will increase the quality and consistency of regional products while enhancing consumer's confidence in regional produce. Furthermore, price information and transparent pricing will also be enhanced with more practical grades and standards in place.

**Upgrading of food quality control systems (institutional,**



CAP REGIONAL INSTITUTIONAL FRAMEWORK (PROPOSED)

**legal framework and laboratories)**

- 5.12 CARICOM Member States have to establish their own national food control systems based and develop harmonized of food control systems in order to facilitate intra-regional trade in food and agricultural products. Once a list of certification programs and required modifications is completed, appropriate and independent regional organizations will need to be identified that are capable of certifying and monitoring participating traders. CARICOM standards will provide consumers with confidence that a specific level of quality has been met by all food carrying this certification.

**Re-focusing agricultural research and education systems**

- 5.13 The demand of agri-businesses in relevant value chains and the actual needs of farmers should determine research and education programs. Agriculture research should be stimulated by Matching Grant Schemes in order to encourage greater levels of adequate R&D. Agricultural education should be based on the needs of present and future employers and the labour market. In order to facilitate R&D, linkages will be strengthened and/or established with regional and international research centres such as CARDI, UWI, and CGIAR. The recommended strategy will emphasize market specific interest and products. It will focus on increasing yields and reduce production cost, developing appropriate post harvest technology and improved storage together with quality standards for the products.

**Developing Financial Instruments tailored to the needs of farmers and agri-business operators including insurance schemes**

- 5.14 Banks need to understand the needs of farmers and farmers need to understand the needs of banks. Finance instruments need to be tailored to the agricultural production cycle. The actors of the agricultural production-trade chains have little or no access to risk transfer mechanisms (including insurance) due to their high cost, lack of availability or, in some cases, to the lack of products adapted to their needs. The development of a regional market requires, among other elements: i) an appropriate legal and institutional framework; (ii) increased provision of specialized information services; and (iii) the development of a re-insurance market to allow insurers to cede or transfer a portion of the risk that exceeds their financial capacity, so that producers have greater certainty of receiving the agreed indemnities.

## **Sustainable Development of Natural Resources**

- 5.15 For Sustainable Development of Natural Resources, emphasis will be on linking the CCAP to the region's work on sustainable development, environmentally friendly agricultural practices and with the Draft Community Energy and Renewable Energy Policy given that this pillar is cross-cutting characterized by inter-sectoral and multi-disciplinary elements.
- 5.16 Sustainable development is an important factor for the survival of small island states and even for mainland countries facing climate change challenges in production and living conditions. Therefore, producing and conserving, generating services, mitigating and adapting to climate change, preventing risks to biodiversity and managing natural resources (land, water, forest etc) in sustainable ways, are all key factors for developing a competitive agriculture sector in the CARICOM Region.

## **Sustainable agricultural practices and technology**

- 5.17 Focus will be on production processes that contribute to food security and to environmental, social and economic sustainability, thereby contributing to poverty reduction and improved standard of living. For example, guidelines and protocols need to be developed for agricultural practices for improved management of natural resources, including agro-forestry, forestry, fisheries, soil/water and fertility conservation while providing training to farmers.

## **Rural Modernization & Youth Programmes**

- 5.18 The tourism sector represents the largest industry in the region. The sector represents a great export market for youths to invest and reduce their high unemployment rate. So far the tourist sector depends largely on imported food and agriculture products (fruits/vegetables, meats). More than 10% of all tourist revenue is spent on food. Therefore, the tourist sector also represents a great opportunity for the rural sector to modernize, become competitive and establish strong linkages with tourism. In order to capture this large potential market, it would be necessary for small farmers and youths to be better organized for distribution/marketing and for engaging in production that meets the price/quality demanded. Regional suppliers need to be educated on the concept of contract farming and on the benefits of selling at lower prices but to a large/stable market.

## **Specific Youth Programs**

- 5.19 Specific support (social and economic infrastructure) programs should support young rural families and their families so as to improve standard

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of living in rural areas and make rural activities more viable both socially and economically. To keep and attract young farmers and their families in rural areas is challenging for Member States with high competition for talents in the finance, trade, and tourism sectors. Young families need rural infrastructure such as housing, education, medical services, access to information and communication as well as sports, entertainment and cultural facilities.

### **Modern Agricultural Knowledge & Information Systems**

- 5.20 The policies of CARICOM member states are oriented to the improvement of human capacities in the Agriculture sector at all levels: training of farmers in crop cultivation/management and marketing techniques, training of extension agents for improved and more widespread dissemination of crop/ livestock technical advice, improving agriculture departments/institutions.
- 5.21 This pillar will put emphasis on market information systems (databases on the sector's structure and characteristics) and will consider measures like capacity building (Research and Development, Technology Transfer & Extension, Human Resource & Institutional Strengthening, Farmers Absorptive Capacity, Regional Clearing house for information, ICT, Advocacy and public awareness/Information) and the facilitation of a National Agricultural Information System across Member States.

### **Development of a Modern demand oriented agricultural extension system involving public and private organizations**

- 5.22 Modern extension systems combine public and private elements in the formula. The self-interest of the private sector in supplying seeds, veterinary products, agricultural machinery/technology and fertilizers/ agro-chemicals is an important element in public/private partnership programs in funding and channelling extension services.
- 5.23 Farmers, and private sector input suppliers, processors and marketers should dominate the national and regional boards so as to have success in meeting challenges and taking advantage of opportunities being provided by the sector. This is important since very limited research & development is being carried out regionally on crops of interest to small farmers. R&D is needed for new and potential exports particularly for commodities that cater to the regional market so that gradually they become competitive in quality and price. Public and private institutions must be fully involved in this process so that results can be shared and adopted by private sectors actors.

### **Promotion of Regional exchange programs of agricultural staff in both public and private sector institutions including post-graduate students**

- 5.24 Learning from each other's experience in different countries and environment is a powerful instrument to stimulate change and activate learning processes. Exchange programs in the region and beyond are of particular interest to Member States. Post graduate programs could be developed in close collaboration with higher education institutions in other regions, for example, in Central/South America and South Africa through SOUTH-SOUTH Cooperation.



### **Developing Support Mechanisms for market infrastructure, market information, local products and export promotion**

- 5.25 Investment in public and private market infrastructure, market research and market information may be complemented by specific export promotion program (trade fair participation, regional branding). Developing a fully functional and practical regional market information system will be critical for improved research and for analysis of national, regional and global markets and for the delivery of timely and relevant information to sector participants for their decision on investment and production. The goal of a regional market intelligence system is to provide ongoing and accurate information regarding regional and global markets so as to facilitate investment in productive activities required for entering markets.



## 6. ORGANIZATIONAL STRATEGY & FINANCING

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### Rationale

- 6.1 Agricultural development has been identified as an economic priority by the Governments of Member States. However, a regional approach would need institutional strengthening of the Community policy execution mechanism - the CCS - such as the establishment of a CARICOM Commission similar to that of the EU that would be responsible for the execution of common policies. Agricultural policy needs regional integration to be effective. It has been selected as one of the drivers of the CSME under the Single vision.
- 6.2 The CAP will evolve in line with the common interest of all regional private and public stakeholders. It is likely also that in future, besides the Common Fishery Policy (CFP), Member States may see the need to bring further policy areas within the purview of community institutions for joint action. Effective implementation of such common policies will require robust governance mechanisms with clear rules for joint decision making and binding legal mechanisms to direct and regulate the policies and ensure transparency and accountability. Further development depends on the dynamics of the dialogue between the public and private actors as well as the commitment of Member States to the further development and implementation of the CAP. In this view, the governance mechanisms as well as capacity building are important elements of the implementation of the CAP.
- 6.3 The five pillars of the CAP (Food and Nutrition Security; Production-Trade and Value chains; Sustainable development of natural resources; Rural modernisation and youth programmes; and Modern agricultural knowledge and information systems) have ramifications which transcend the agricultural and rural sectors and cut across the existing division of functions and responsibilities of the various ministries and agencies of the public sectors of most Member States as currently structured. International trade, development and environmental agreements must also be considered as very relevant for further policy development in CARICOM, all the member states of which are also WTO members.
- 6.4 Moreover, effective implementation of the CAP, through a strategy and action plan as well as monitoring its progress and evaluating its results, will require strong multi-sector institutional arrangements. In this view, governance mechanisms have to be strengthened at two levels: (a) at the regional level, the current institutional arrangement between the

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CARICOM Secretariat and MS on agriculture needs to be stream-lined and strengthened to coordinate CAP and Food and Nutrition issues; (b) at the national level, the CAP must be fully main-streamed in the mandate and operations of each national Ministry of Agriculture. Within this ministry, there must be a specific Consultative Committee mandated to ensure and oversee the interface between the objectives and activities of the CAP and those of the national agriculture policy and investment programme to optimize the synergies of the two sets of policies on two levels.

- 6.5 To avoid the mistakes of the past and to give effect to the provisions of Article 57 of the Revised Treaty of Chaguaramas concerning the implementation of the CAP, the policy implementation mechanisms are therefore to be founded on the principles of public-private partnership, financial and operational autonomy and vested with the resources, budget and legal authority to ensure that approved CAP activities are undertaken at both regional and national levels.
- 6.6 In the framework of the Regional Food and Nutrition Security Policy (RFNSP), approved by the COTED (Agriculture) in October 2010, in line with developments at the global and national levels and to reap benefits of coordination, harmonization and concerted action, MS have already agreed to establish a Regional Food and Nutrition Security Council (RFNSC), composed of representatives of Member States and regional institutions (public and private sectors, civil society/consumer representative bodies and farmers' organizations), having its focal point in the CARICOM Secretariat (CCS). The mandate of this body should be expanded to cover agriculture, forestry and fisheries issues and this should be reflected in its name and functions. Thus the Regional Agriculture, Food and Nutrition Security Council (RAFNSC) will provide oversight, management and direction for implementation of the CAP as well as the RFNSP, which constitutes the first pillar of the CAP.
- 6.7 As set out in the COTED decision endorsing the RFNSP, CARICOM Member States are encouraged to make similar institutional arrangements at national level, based on the principle of public-private sector partnership and giving a voice to civil society and, where appropriate, to indigenous peoples. Further, the CCS will take appropriate administrative action to ensure that it is capable of discharging its new functions and responsibilities in the field of agriculture development policy and food and nutrition security under the CAP/RFNSP.

### **General Principles**

- 6.8 TherelevantCARICOMsectorinstitutionswillcoordinatetheimplementation of the CAP and the RFNSP, while relevant national government agencies will be responsible for overseeing the implementation and preparation

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of more detailed national action plans within the general framework of the CAP. Partnership and cooperation arrangements with international organisations, donor agencies, private sector, industry associations and the wider community at the regional and national levels will also be actively sought where required to ensure participation of all stakeholders in the implementation process.

6.9 In the implementation of the CAP, the role and functions of the CCS cover:

- Policy Advocacy and fund raising for regional initiatives;
- Oversight, coordination and monitoring of CAP implementation in the Member States;
- Coordination of CARICOM Institutions (CARDI, CAHFSA, CARPHA/CFNI, CFRM, CEHI, CDEMA, CROSO, CMI);
- Liaison with key associated institutions (UWI, UG, OECS);
- Liaison with key private sector stakeholders (CABA, CAFAN, CAIC etc.);
- Information exchange and monitoring.

Member States would be responsible for:

- Alignment of national agricultural policies and action plans/investment programmes with the CAP/RFNSP;
- Establishment of CARICOM National Contact Points;
- Implementing the CAP at national level;
- Reporting annually on progress in implementation;
- Pro-actively contributing to regional initiatives.
- CAP REGIONAL INSTITUTIONAL FRAMEWORK (PROPOSED)

6.10 Analysis of these functions and responsibilities makes it clear that the increased number and complexity of the tasks of both the Member States and the CCS will require institutional strengthening and some small staff increase at national and regional levels. The present Agricultural Development Unit of the CCS will need to be upgraded or restructured to a Department for Community Agriculture and Food and Nutrition Security (DCAFNS) with a head of department and five senior staff corresponding to the five pillars of the CAP. Staff should have adequate private sector experience combined with experience in policy and programme formulation and implementation.

6.11 For the successful implementation of the CAP, sustained political will and adequate resources will be necessary; an appropriate institutional framework and/or mechanism for the coordination and management of

resources and activities will need to be created; and an implementation strategy will need to be formulated and agreed by CARICOM governing bodies (COFAP, COTED and COSHOD, Community Council and the Conference of Heads of Government).

### **Institutional Framework**

6.12 Having learned from past initiatives, and to give effect to the provisions of Article 57 of the Revised Treaty of Chaguaramas concerning the implementation of the CAP, the policy implementation mechanisms should:

- facilitate the integration with the relevant policy environment, and thus prevent implementation of diffuse, punctual and uncoordinated actions;
- generate and disseminate critical information for planning and monitoring;
- facilitate inclusiveness and participation of actors in the private commercial sector;
- promote the alignment of national agricultural/rural, food and nutrition security and relevant sector policies with the CAP and the RFNSP;
- mobilise adequate support infrastructure and technical capacity;
- facilitate effective interface throughout the Region between the CARICOM Secretariat and relevant institutions in MS which have needed technical capacity and adequate human and financial resources; and
- Provide a clear mandate for the CCS that spells out its roles in coordination, management, oversight, action implementation, monitoring and evaluation.

### **Existing Institutional Arrangements**

6.13 The mandates and functions of several existing CARICOM technical institutions cover some of the areas within the purview of the CAP. These are:

- **Caribbean Research & Development Institute (CARDI)** Trinidad & Tobago Agricultural research, development and outreach;
- **Office of Trade Negotiations (OTN)** Guyana Regional, multi-sector trade issues and agreements including agriculture;
- **Caribbean Regional Fishery Mechanism Secretariat (CRFM)** Belize Regional fishery policies and implementation mechanisms;
- **Caribbean Agricultural Health and Food Safety Agency (CAHFSA)** Suriname Responsible for agricultural public health and food safety (not yet in operation);

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- **Caribbean Public Health Agency (CARPHA)**(Successor agency to the **Caribbean Food and Nutrition Institute (CFNI)** Jamaica/T&T Food and nutrition related issues, incl. food safety and testing of food);
  - **Caribbean Environmental Health Institute (CEHI)** St. Lucia Human health related environmental health issues (air/water), water resource management, pesticides residues, marine life safety in coastal areas, etc.)
  - **Caribbean Epidemiology Centre (CAREC)**, the **Caribbean Regional Drug Testing Laboratory (CRDTL)** and the **Caribbean Health Research Council (CHRC)**;
  - **Caribbean Institute for Meteorology and Hydrology (CIMH)** Barbados Improving and developing meteorological and hydrological services through training, research, investigations, and the provision of related specialized services and advice;
  - **Caribbean Disaster Emergency Management Agency (CDEMA)** Barbados Coordination of regional disaster management
  - **Caribbean Regional Organization for Standards & Quality (CROSQ)** Barbados Facilitation of development of standards for agricultural products and produce).
- 6.14 To deal with the 9 Key Binding Constraints (KBC) identified under the Jagdeo Initiative for Sustainable Agricultural Development, **Technical Management Advisory Committees (TMACs)** were set up within a new regional framework of coordination and implementation mechanisms. Each TMAC is assigned a Lead Country and Lead Agency, includes major stakeholders and institutions concerned by the respective KCB, and is chaired by the Minister of Agriculture of the Lead Country<sup>4</sup>.
- 6.15 To ensure effective cooperation and communication among the 9 KBC TMACs, a **Committee of all Lead Agencies** meets annually to coordinate activities, avoid duplication in work programs and provide technical direction. There is also the **CARICOM Agricultural Cluster Group (CFNI, CRFM, CAHFSA, CEHI, CDEMA, FAO, IICA, UWI, UG, etc.)** which meets annually under the chairmanship of CARDI in order also to coordinate work programs and resource mobilization, identify synergies and avoid duplication. These bodies are subject to the same constraints as the TMACs.

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4 The TMAC work programs outline priority actions and results and annual progress reports are submitted to COTED Agriculture. Financing of TMAC work programs depends largely, however, on external support by development partners, which has to be attracted by the lead country or the lead agency. Moreover, the effectiveness of the TMACs has been constrained by the lack of clearly defined Terms of Reference, technical and administrative support and a communication strategy

6.16 It is noteworthy, however, that the Community institutions currently have a purely advisory role, lack executive authority and enjoy widely varying levels of financial support and acceptance among Member States. Moreover, there is at present no overall institutional mechanism to ensure effective coordination of their activities. In the implementation strategy, these constraints will have to be taken into account and actions identified and agreed upon for their removal. Specific resources will also need to be earmarked for the strengthening and rationalization of the regional institutional framework insofar as it deals with issues of agriculture, fisheries, agribusiness development and food and nutrition security.

### **Proposed Institutional Arrangements for the Coordination and Implementation of the CAP**

#### **6.17 Regional Agriculture and Food and Nutrition Security Council (RAFNSC)**

The Regional Council will comprise the following representations:

- Lead Head of Government for Agriculture (or his representative)
- Chair of the Council for Finance and Planning (COFAP)
- Chair of COTED
- Chair of COSHOD
- Caribbean Association of Industry and Commerce (CAIC)
- CaFAN
- CABA
- CFNI (CARPHA)
- Caribbean Commission on Human Rights
- Regional representatives of CSOs/NGOs (2)
- Representatives of National Agriculture Food and Nutrition Security Councils/Commissions:
  - » Trinidad and Tobago/Guyana/Suriname (2)
  - » Jamaica/Bahamas/Belize/Haiti (2)
  - » Organization of Eastern Caribbean States -OECS/Barbados (2)

6.18 The Regional Council will report through the COTED (Agriculture) to the CARICOM Council and the Conference of Heads of Government. It will be responsible for providing overall policy guidance for the CAP/RFNSP and CFP (essentially broad policy thrusts and conceptual oversight, including review of performance evaluations for the relevant Action Plans as a whole). More specifically, the RAFNSC will be responsible for:

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- Providing general policy guidance for the implementation of the plan;
- Advising national food and nutrition security councils and other bodies on establishing mechanisms for redress, as mandated by the Regional Food and Nutrition Security Policy;
- Approving regional annual work plans and budgets for the CCS Work Program;
- Reviewing progress and advising on necessary adjustments;
- Approving major contractual and extra-regional collaboration agreements;
- Approving reports for submission to the Heads of Government and other relevant bodies of the CARICOM governance system.

**6.19 CARICOM - Institutional Retooling:** The functions and responsibilities of the proposed **Department for Community Agriculture and Food and Nutrition Security (DCAFNS)** within the CCS Agriculture and Industry Program would cover:

- **Public advocacy and awareness campaign** to all Ministries (officials and Ministers) and relevant institutions - on the CAP/RFNSP, the CFP and other sector policies and Action Plans and the need for food and nutrition security and agribusiness development with a strong regional focus and a holistic, value chain approach.
- **Coordination, management and facilitation** through related CARICOM institutions (CARDI, CAHFSA, CFNI, CFRM, CEHI, CDEMA, CROSQ, CIMH), key associated institutions (especially UWI, UG, OECS) and key stakeholders from the private sector (especially CABA, CAFAN CAIC, CSOs/NGOs etc) and of activities to ensure synergies and facilitate cooperation and coordination among stakeholders and effected through:
  - » Established nucleus at the regional level (**Regional Council**) and national nodes (National Councils) for mandatory coordination, information exchange etc. This must be established in a legal framework for budgeting and authority.
  - » Well resourced Implementation Unit (DCAFNS) for the relevant sector Action Plans at the CCS – with specific Terms of Reference and human resources expertise and Capacity.

**6.20 Staffing level:** The present staff of two permanent posts in the Agricultural Development Unit will need to evolve in the medium-term into an **Agriculture and Food and Nutrition Security team** with clearly assigned tasks related to the five pillars of the CCAP/RFNSP, the Common Fisheries

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Policy, the Agribusiness Strategy and other relevant sector policies. In the medium term, the final proposed staffing level of the DCAFNS would consist of:

- 1 Department Head
- 3 **Senior Policy Officers**
- 1 **M&E Officer** (permanent) to monitor policy implementation progress and manage the CARICOM Agricultural Information Management System to be set up under the RFNSAP;
- 2 **Project Development Officers** with specific project coordination responsibilities.

**6.21 Capacity strengthening** The Implementation Unit will design and coordinate the program of work for capacity strengthening. This function will be facilitated by a network of experts to provide the relevant inputs.

**6.22 Monitoring and Evaluation (M&E)** of the CAP/RFNSP in the region will involve the continuous monitoring of situation, constraints, opportunities, progress, etc. and feed back to assist decision makers in improved planning. The reviews will be guided by implementation principles agreed by MS prior to the commencement of operations under the CAP/RFNSP, while taking into consideration dynamic regional and global developments during the implementation period. The reviews will be conducted by independent external institutions as much as possible and the results will serve to define remedial actions as needed in the implementation process.

**6.23 Provision of technical support** – the DCAFNS will mobilize expertise to implement the work plan related to technical support - such as workshops, short term technical expertise etc. An agenda for south – south technical cooperation will be established.

**6.24 Dissemination of information** – Success in the implementation of the CAP/RFNSP will require the creation and maintenance of a clear understanding by all stakeholders of the goals established and the ways and means by which they are to be achieved. An effective communication and public information programme (CPIP) is required to create the widest possible public awareness of what the CAP/RFNSP and relevant Action Plans intend to achieve and how they will go about doing this. Special efforts should be made to reach out to grass root levels.

**6.25 Civil Society and Non-Governmental Organisations** Establishment of national and regional platforms/networks of stakeholders for civil society and private sectors to inform and influence the decision making process. They would (a) participate in and technically contribute to CAP/RFNSP M&E, (b) initiate and contribute to dialogue on current agricultural/rural development and FNS issues, (c) provide advice and feedback to the



Regional Council (through direct participation by CSO/NGO representatives on the Council), and (d) participate in social communication and advocacy regarding agricultural development, trade, agribusiness and food and nutrition security issues in the Region, and the need for response actions

6.26 The CARDI led Agricultural Cluster Meetings and Jagdeo Initiative TMAC Lead Agency Committee Meetings could form the basis for providing technical inputs and advice to DCAFNS. More specifically the meetings would:

- provide technical direction for the implementation of the CAP/RFNSP;
- ensure synergies among all the regional policies concerning food and agriculture and integrated work programming without duplication of activity;
- provide technical advice on progress achieved regarding RFNSAP implementation; and,
- Improve communication and coordination among core community institutions concerned with agricultural matters.

The reports of this technical body should be submitted for consideration to all Member States 2-3 weeks ahead of COTED meetings.

### **National Level Coordination, Management and Implementation**

6.27 The planning and delivery of the major national level CAP/RFNSP activities will be through the relevant national contact points (National Agriculture, Food and Nutrition Security Councils) of respective Member States, with the support of the DCAFNS. The final form of the relevant national institution will be determined by each Member State on the basis of its requirements and needs. However, the institutional structure chosen must be such as to enable the efficient and effective performance of the essential functions of formulation, implementation and coordination of activities, mobilisation of partners, monitoring and evaluation and the assurance of multi-sector inter-ministerial collaboration.

6.28 Governance arrangements must ensure transparency, accountability, participation, respect for human rights, responsiveness, non-discrimination, equity, etc. The final form of the institutional framework should be decided by each Member State based on an institutional assessment carried out as part of the process of formulating a national Agriculture and FNS policy and action plan.

### **Resources – Financing of the CAP/RFNSP**

6.29 The basic funding arrangement to support the implementation of the CAP/RFNSP is by cost-sharing among the CARICOM Member States. Additional

financial support for implementation of activities and sub-activities will be sought from multilateral and bilateral international development partners, international financing institutions, UN agencies and other donor agencies. An indicative budget for recurrent expenditure for the five-year period will also be prepared.

- 6.30 An enhanced regional CAP will require a long-term financial commitment at the regional and national levels. The implementation of development, investment and legislative actions under the five pillars will have to be reflected in the regional CARICOM and national budgets for agricultural development expenditure. To ensure the stability of CAP implementation, annual CARICOM budgeting should be replaced by multi-annual programs of at least 3 years similar to the EU planning/budget cycle, which is 7 years. Automatic resource transfer systems for CAP financing should also be considered.
- 6.31 Adoption of such measures would send a strong signal to the regional private sector and civil society as well as to the outside world concerning the level of political will and commitment to the CAP/RFNSP. The region's development partners would most likely regard such a commitment as a strong incentive to support the implementation of the CAP with complementary funds and resources. More money from Member States and development partners would need strict accountability and transparency rules.
- 6.32 Resource mobilization** for programs and projects may be effected *inter alia* through:
- The establishment of a CAP/RFNS Donor Support Group coordinated by the Caribbean Development Bank;
  - The development of profiles of donor and financial institutions to be made available to relevant stakeholders;
  - The planning and execution of a Donor Conference;
  - The development of capacity and capability for project preparation and management (Logical Framework, Project Cycle etc.) utilizing available Web-based Training Materials;
  - Establishment of the legislative and institutional framework to facilitate cross-border investments.

## 7. MONITORING REVIEW & EVALUATION OF THE CAP

### Basic Principle

- 7.1 The CAP and its allied Action Plans shall be reviewed periodically and their effects and impacts evaluated at the end of each five year period in 2016 and 2021, or more frequently as deemed necessary. The reviews will be guided by the CAP implementation principles, while taking into account dynamic regional and global developments during the implementation period. The reviews will be conducted by an independent external institution and the results will serve to define remedial actions as needed in the implementation process. The final impact evaluation will be conducted by an independent external institution and will focus on the achievement of the CAP objectives.



### The need for food security, nutrition and right to food information

- 7.2 As the CAP and the RFNSP point out, to facilitate effective decision making the implementation process will need to be monitored as well as the CAP's impacts on food and agricultural production, processing, trade, food security and nutrition. In addition, the Region's vulnerability to natural disasters, exacerbated by the effects of climate change, and its dependence on external markets for the greater part of its food supplies, underline the importance for governments to have access to timely, reliable and accurate information on domestic food output, availability and prices, and the nature, extent and geographic distribution of food security and

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nutrition vulnerability, including crop yields and areas planted, as part of an early warning system of probable crop failures, sharply rising food prices and other shocks.

- 7.3 There is, therefore, a need for monitoring systems at national and regional levels to fulfil three purposes:
- inform national and regional decision-makers and stakeholders in relation to disaster management, mitigation and response through early warning systems
  - inform the oversight and management of the process of implementation of the CAP/RFNSP and the relevant Action Plans in order to decide on remedial actions in the implementation process – performance monitoring
  - Provide information about the impacts of the CAP/RFNSP in achieving their time-bound overall and operational objectives as a basis for assessing the need for additional actions to be included in the relevant Action Plans – impact monitoring.
- 7.4 With respect to establishing a regional ISFNS, steps will be taken to harmonise data collection and analysis of agricultural and climate statistics and market information across Member States and regional bodies applying uniform criteria to prepare and provide updates, analysis and recommendations relating to preparedness for shocks.
- 7.5 Performance and impact monitoring will be closely tied to the log frame that underlies the CAP and the log frames of national Action Plans. Performance monitoring will be a continuous process and will involve the implementation of periodic work plans focusing on outputs to be produced, activities, planned resource flows and the application of good governance practices. By continuous monitoring of the implementation process, information is generated for decision makers and other actors on the remedial actions to be implemented to keep the Plan on track if this should prove necessary.
- 7.6 Impact monitoring links up directly with the overall and operational objectives and their achievement. It assumes that certain minimum baseline information is available<sup>5</sup>. Time is needed to produce measurable and meaningful changes in the conditions described in the objective

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5 It may involve, for example, updating the information contained in Overview of Vulnerability and Food and Nutrition Security in the Caribbean, CFNI (August 2007) and Challenges and Outlook for the Caribbean Region, FAO Regional Conference for Latin America and the Caribbean (April 2010), which were used in the formulation of CARICOM Regional Food and Nutrition Security Policy of 2010.

statements. Consequently, impact monitoring will take place periodically, perhaps every two or three years, at the same time broadly keeping track of external changes that also impact on food and nutrition security, and on the protection and realisation of the right to food. Performance and impact monitoring are directly linked: poor performance in implementing the RFNSP Action Plan cannot be expected to produce much impact in achieving the Plan's objectives.

### **Thematic evaluations**

- 7.7 In addition to monitoring and making use of CAP/FNS monitoring information, the CARICOM Secretariat will commission thematic evaluations of policy and strategic issues relevant to food and nutrition security and to the protection and realisation of the right to food. The purpose is to conduct an in-depth analysis of current regional and national issues allowing food and nutrition security to be cast in a broader development context. These thematic evaluations will be designed to produce concrete recommendations to decision makers and actors for actions that need to be included in the CAP.

### **Information flows**

- 7.8 Both horizontal and vertical information flows need to be considered and this requires close coordination among national sector agencies, Member States, and international organisations. Food and nutrition security issues and actions are multi-sector and multi-disciplinary in nature. Thus, at both regional and national levels, information from different sources (such as ministerial information management systems, research studies, national surveys and those conducted by non-governmental organizations,) needs to be brought together to support comprehensive measurement of RFNSAP impacts over time. This issue will receive special attention through the setting up of an information-sharing and exchange mechanism for the collation of information from different sources.
- 7.9 Monitoring and evaluation of the CAP at regional level will largely depend on information produced in each of the Member States. Thus, a mechanism will be set up to facilitate the flow of information from national to regional level guided by the monitoring framework established at regional level in consultation with Member States. The return flow of information from regional to national levels will consist of integrated and comparative information analysis of interest to Member States, while also informing about extra-regional developments that affect the CARICOM Region and its Member States.

## Methodological Issues

- 7.10 Special attention in setting up monitoring systems will be given to the following M&E principles:
- h. The monitoring process consists of collecting, collating, processing, analyzing, interpreting and disseminating information, and adequate capacity needs to be in place and adequate resources need to be allocated for each of these monitoring activities. Dissemination of well-targeted monitoring information is critical to have an impact on decision making.
  - i. Development of a monitoring framework is an important first activity that is to be undertaken in direct consultation with targeted users of the monitoring information and with direct reference to the log frame of the RFNSAP.
  - j. The monitoring frameworks will cover the following items: (a) performance and impact indicators that are SMART<sup>6</sup>, (b) frequency of measurement of each indicator, (c) information/data needed for each indicator, (d) information/data transformations required to construct the indicator, (e) source(s) of the needed information/data and methods of obtaining the information/data, (f) responsibilities for producing, analyzing and disseminating each indicator. An assessment of information/data availability and comparing the results against the monitoring framework will identify information/data and/or capacity gaps.
  - k. In implementing the monitoring framework, an incremental approach will be used, that is, in a first phase, a minimum set of core indicators will be defined guided by the assessment of information availability. The analysis of the minimum set of indicators will nevertheless tell a meaningful story. In time and in subsequent phases the set of indicators can be expanded, as it becomes clear where to invest to fill information gaps and enhance monitoring capacities.

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6 Specific, Measurable, Achievable, Reliable and Time-bound.