

In the Caribbean, except for the floods, which cost Guyana and Suriname millions of dollars in agricultural products, the region was generally spared the wrath of natural hazards, such as hurricanes, extreme adverse weather conditions and pest and disease outbreaks of economic significance.

In 2006, agriculture in some countries continued to experience slow growth, such as, in Barbados (1%), and declines, such as, in St. Vincent and the Grenadines and Suriname. Others reported fairly good growth rates. Overall, the situation in agriculture is reflected the conclusions of the Caribbean Development Bank that ‘the prospects for 2006 are reasonably favourable, driven largely by construction in anticipation of continued growth in tourism’ (Overview of the Caribbean Economies in 2005). This implied that the agriculture sector would still be struggling to either overcome the devastating socio-economic effects of adverse weather conditions of 2004 and 2005 or further contraction and/or termination of traditional industries due to changes in trade policies of major trading partners, or a combination of both had been stabilised, and hence performance in 2006 would have been fair to moderate.

Grenada was among the good performers, with agriculture rebounding, showing 20.5% growth following a 38.1% decline in 2005. This post-hurricane recovery was fuelled by approximately US \$1.1 million in ‘soft loans’ to agriculture under the Government’s Agricultural Enterprise Development Programme (AEDP) and production support to revitalise banana, plantain, cocoa and nutmeg production under the post-Ivan Agricultural Recovery Programme (ARP). In Jamaica, agriculture grew by 17.6%, due partly to expansion in sugar, cocoa, coffee and bananas and the resumption of ackee exports to the US after a one-year suspension by the USDA. In the Dominican Republic, a 9.9% growth in crops and livestock represented the 3rd consecutive year of steady growth, generating 26,000 new jobs. This made it one of the most dynamic sectors of the economy. This performance was attributed largely to production support programmes, particularly the Recovery Programme for the Production of Basic Foods (REPROABA) and increased financing by 22.2% compared to the same period in 2005, from the Agricultural Bank of the Dominican Republic (BAGRICOLA).

The situation in Haiti differed markedly from the other Caribbean countries. Politically, 2006 marked the end of a two-year transition period for Haiti, and a return to constitutional order. A new President was elected in February (Mr. René Garcia Preval) with a constitutional mandate for five years, and a new legislature - the 48th, came into effect. However, political and social instability continued with serious repercussions for agriculture and rural welfare. The instability impacted negatively on intra-national movement of goods, including agricultural products from rural areas to markets in the capital, with consequent adverse impacts on the cost of food products, particularly fruits and vegetables in urban areas.

Overall, domestic agriculture showed relatively good performance, with expanded output, both in terms of volumes and range, of crop and animal products for local markets. Growth experienced in Barbados was due largely to non-sugar agriculture, led by poultry (6.3%) and fishing (5.6%). Jamaica also showed growth in its food crop and livestock (mainly poultry) production, by 6.8% and 5.1%, respectively. In St. Lucia, expanded domestic food production was buoyed by local purchasing, mainly from hotels and restaurants. Grenada also reported that domestic market was ‘flooded’ with vegetables as a result of concerted efforts at rehabilitating non-traditional agriculture, mainly fruits, vegetables and root crops. However, in all countries generally, non-traditional agriculture remained comparative small compared to the traditional sub-sector. This suggested little structural change in the sector.

The traditional banana and sugar industries exhibited mixed performance. Only Dominica, St. Lucia, (the latter accounting for in excess of 54% of Windwards islands exports), Jamaica and Suriname reported meaningful expansion in banana production and exports. The expanding volumes of bananas exported under the Fair Trade label continued to drive the recovery of banana industries. Caribbean banana producers reaffirmed the importance of the industry to their domestic economy and pledged continued support to ensure its survival. The year 2006 was an adjustment for Caribbean banana exporters. It marked the introduction of the European Union (EU) Tariff Only Regime (on January 1st) and towards years end, Ecuador launched a new attack on the new regime at the WTO, the first since it took effect. Ecuador complained of unfair treatment, by way of 176 euros (225.6 dollars) per tonne customs duty on bananas from Latin America. However, quoting data which showed an increase in banana imports from Latin America during the first half of the year, the EU Agriculture Commissioner deemed that the complaints from Latin America were unjustified.

In 2006, CARICOM sugar industries were also in various stages of transition occasioned by changes in the EU Sugar regime. Most had already developed integrated Action Plans for improving industry competitiveness, for diversification through value-added activities, involving use of the sugar cane plant, and for transition into other economic activities. Against this backdrop, Heads of Government, in their 27th Conference, reiterated the urgent need for the EU to make funding under their Financial Perspective, 2007-2013, adequate and readily accessible to facilitate implementation of the plans.

... agriculture is an "economic driver of growth"

Constrained performance notwithstanding, agriculture constitutes an integral element of the economic integration process. Indeed, it is identified as an economic driver of growth in the Caribbean Community as a whole, alongside energy, sustainable tourism and new export services. This suggests that despite its past difficulties, its sub-sectors or cluster of activities continue, as Girvan points out for CARICOM Countries, "to have the potential for sustained growth of exports to international markets, or have substantial potential for growth in intra-regional trade, or can generate significantly expanded supplies of a key input underpinning international competitiveness in other activities... and be capable of imparting dynamism to other economies and to the Community as a whole".¹ The strategic importance of agriculture was also underscored in a mid-year (June) High-Level Caricom Single Market and Economy (CSME) Symposium - 'Caribbean Connect' - held in Barbados. Consequently, issues pertinent to the CSM implementation were extremely relevant to the nature and pace of agricultural development in 2006.



At the regional level, agricultural development was increasingly and organically linked to regional unity as a driving force in the implementation of the CSME. Economic integration is seen as an imperative strategy for optimising the development potential of the Region. The year 2006 was earmarked for the implementation of the Single Market (CSM). On January 30th 2006, Barbados, Belize, Jamaica, Guyana, Suriname and Trinidad and Tobago, through the Declaration of the coming into being of the CSM, signalled to the region and indeed the rest of the world, that the basic framework of the Single Market is functional. The Declaration of Intent as signed by Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines signified their intention to join by the end of June 2006, provided that the mechanics of the Regional Development Fund was finalised. This Fund is intended to provide financial and/or technical assistance to countries, regions or sectors so disadvantaged by the operations of the CSME. Its capitalization is aimed at two hundred and fifty million United

¹ Discussion on what constitutes an economic driver can be obtained from the report on the Symposium, titled, 'Towards the Single Economy - Report' Norman Girvan, [Draft dated September 21, 2006].

States dollars (US\$250 million) with contributions from Member States and other sources such as donor agencies. Already Barbados, Jamaica and Trinidad and Tobago have pledged contributions totalling 17 million United States Dollars (US\$17 million). The contribution formula that has been agreed to, takes into consideration the CARICOM Budget Formula and Member States' respective economic size, economic well-being and share of benefits of the economic integration process.

"Growing hunger, rural poverty and malnutrition is unacceptable in a region as rich and endowed with resources such as ours"

President Bharrat Jagdeo, of Guyana, Lead CARICOM Head for Agriculture; 21 January

Given its integral role in cementing and stimulating growth in the CSM, the revitalisation of agriculture assumed even more urgency in 2006. The critical issues of growth, food security, hunger, rural poverty and environmental integrity remained on top of the agriculture revitalization agenda, both nationally and collectively. The focus on the Jagdeo Initiative, as a vehicle to alleviate ten Key Binding Constraints (KBC) in the medium term, to the revitalisation of agriculture and strengthening of its competitive potential, continued. The core strategy was to prioritised specific elements for immediate and urgent coordinated actions while simultaneously supporting individual Member States' actions that contribute to the alleviation of these KBCs. Top priority was accorded to Financing and Investments (KBC #1], Outdated and Inefficient Agricultural Health and Food Safety Systems (KBC #2), Research and Development [(R&D) (KBC #3)], Strengthened and Organised Private Sector [KBC #4] and Disaster Management (KBC # 6).

On the issue of increased financing, the tendency of funds being provided to facilitate the public, as opposed to facilitating the private sector, remained a major deficiency in regional funding mechanisms. The proposed establishment of an Agricultural Modernisation Fund (AMF) within the RDF was one intervention proposed to bring balance to this situation. However, by year end, the AMF remained a concept. Success of the Initiative would require increased funding at both the national and regional levels, with the Caribbean Development Bank (CDB) taking a lead role. Consequently, the CORE Group, responsible for managing the implementation of the Jagdeo Initiative agreed that the Caricom Secretariat (CCS), CDB, the Food and Agriculture Organisation (FAO) and IICA would strengthen their cooperation mechanisms to ensure a more coordinated, holistic approach in the mobilisation of funds, the development of the AMF and the planning and hosting of the Donor and Investment Conferences in 2007.

Efforts to alleviate the constraints related to 'Outdated and Inefficient Agricultural Health and Food Safety (AHFS) Systems' continued its focus on operationalising the Caribbean Agricultural Health and Food Safety Agency (CAHSFA) to coordinate, implement, monitor and evaluate national AHFS interventions. This function will include consolidating existing legislation and strengthening surveillance, monitoring and enforcement to build confidence in the safety and integrity of the agri-food system. The CARICOM Secretariat anticipated that CAHSFA should be operational by June 1 2007, once the Draft Legal Framework for its establishment and the final structure and institutional arrangements are approved and agreed financial contributions received from Member States.

The establishment of a Committee to urgently develop the Regional Research and Development (R&D) Strategy was agreed to. The recommendations of an IICA/CARIRI regional workshop on "Optimizing the benefits of R&D for the Development of Agribusiness in the Caribbean" (May) sought to establish the best mechanism for coordinating research within and outside the farm and integrating same throughout the entire agri-food/product chain, including greater involvement of the private sector. Efforts to develop a regional R&D coordination mechanism to link the institutions in the region were expected to contribute to the CARDI/IICA initiative to implement an R&D strategy once developed. In keeping with the regional debate on agro-biotechnology and bio-safety, a Caribbean Regional Policy, Strategy and Programme on Biotechnology and Bio-Safety

(CRPS&PSS) was finalised through the collaborative efforts among regional (including CCS, CARDI, UG, UWI), hemispheric (including IICA) and international organizations. The establishment of a coordinating office for the Consultative Group for Agro-biotechnology in the Caribbean to have main responsibility for the implementation of the CRPS&PSS was recommended.

Notable R&D efforts driven by the need to accelerate development of the 'new' agriculture, included expansion in hydroponics (greenhouse) technology for a wider range of agricultural crops in Jamaica and St. Vincent and the Grenadines, the upsurge of organic and niche products in Guyana, the introduction and expansion of breeding facilities for the pork industry in Jamaica and Trinidad and Tobago, and the recent breakthrough by the UWI St. Augustine campus and a Trinidad firm Kairi Blooms in developing bacterial disease resistant varieties of anthurium, with an estimated total production of roughly 2 - 3 million cut flowers, down from 10 million in the 1980s and 1990s. By the end of 2006, these efforts, among others, led to a much better appreciation of the requirements for developing a 'new' agriculture and the sustainable development of agriculture in the region and the importance of public-public, private-private, public-private and academia-private/public sector partnerships.

The growing need and call for the private sector to get more proactive and involved in agriculture repositioning remained a topical issue, particularly in terms of generating investment funds, prioritizing R&D and other development imperatives. Apart from the few large conglomerates, such as, the food and beverage manufacturers, Grace Kennedy of Jamaica, Ansa McAl and S. M. Jaleel of Trinidad, the agribusiness sector is still under-resourced and dependent on public sector programmes. The entire private sector - big and small- is fragmented and does not speak with one voice. The Jagdeo Initiative calls on member states to take urgent actions to alleviate this KBC of a 'Fragmented and Disorganised Private Sector'. The private sector itself agrees that in order to alleviate this constraint, they must become more organized and co-ordinated. In this regard, the efforts of the Caribbean Agribusiness Association (CABA) to organise and consolidate the agribusiness sector continued in 2006. In this task, CABA accelerated preparations to implement an Inter-American Development Bank (IDB) Multilateral Investment Fund (IMF) project aimed at strengthening Market Access Opportunities for Agricultural Small and Medium Enterprises (SMEs). CABA was also considering the formation of Commodity Associations for rabbits, hot peppers, coconuts, sweet potatoes, cassava, pumpkins, golden apple and herbs. The Trinidad and Tobago (T&T) National Chapter of CABA (TTABA) was approved as the main implementing agency for the T&T Ministry of Agriculture and Marine Resources' (MALMR's) Agribusiness Development Programme. The programme, launched in November, is meant to overcome the weaknesses faced in the agriculture industry and position agribusiness as a major pillar of the Government's vision of reaching developed country status by 2020. Plans to invest in commercial agricultural production, processing and marketing will be accelerated in 2007.

Indeed, increase private sector participation in agriculture, from both leadership and business perspectives will contribute significantly to secure regional food supplies. This was the general conclusion in 2006 as the steady increase in prices of food and fuel became pressing issues in several Caribbean countries, primarily Barbados, Dominica, Jamaica and T&T. Indeed, in several instances, the domestically and regionally produced goods, more so than imported products, exhibited some of the highest price increases. This outcome was blamed on rising input costs and consequently costs of production as a result of rising fuel prices. This placed agriculture and policy makers under much greater scrutiny from a diverse set of interest groups. There were repeated calls for the Caribbean companies, especially food and beverage manufacturers, to get more involved in the food production process, from input supplies to cultivation and processing, marketing and retailing. This was considered essential if sustained progress is to be achieved in national and regional food security with expanded intra-regional trade.

Additionally, the critical role of the private sector in generating business in all aspects of the new and expanded agriculture was underscored. This included more concerted efforts to create and sustain linkages to tourism and energy. With regards to tourism, several reports indicate that in spite of burgeoning tourism the net gains from the industry are far below gross receipts. For example, it was estimated that in Jamaica, an estimated 50% of every tourism dollar exits the economy. The Jamaican research suggested that domestic agriculture and country size were the two most important factors in determining the import content for the tourism industry. In 2005, Jamaica imported US\$ 602 million, with exports amounting to only US \$193 million. Field research revealed that most of the food consumed by tourists was imported; a trend which has also become prevalent among domestic consumers. If Jamaica and other Caribbean countries are to maximise the benefits from tourism development, then ways must be found to increase backward economic linkages, including utilization of local food products in the tourism industry. High levels of leakage in tourism also existed in the Bahamas (85%) and Barbados (50%).

In the context of both rising food prices and high leakages in tourism attributed to food imports, food security remained a burning issue in 2006 given concerns with the over US \$3 billion food import bill. Dominica's food import bill jumped from US\$10 million in 1990 to US\$19.2 million in 1994, an increase of over 104% and in 2005, US\$165 million in 2005. Generally, the most imported items were dairy and meat products, alcoholic and non-alcoholic beverages, grains and grain products, vegetables and fruit products with increases both in terms of volumes and range of options. It is widely believed that a large factor in the growing food import bill is the rapid promotion and growth in tourism in several Caribbean countries. Indeed, this is in line with the CDB's conclusion of continued growth in tourism fuelling the economic prospects for the region in 2006. In fact, the World Travel and Tourism Council (WTTC) had estimated growth in tourism of 16.4% of the GDP in the Caribbean region for 2006, and predicted that Caribbean Travel and Tourism would grow by 3.9 % per annum, in real terms, between 2007 and 2016. The major source markets are expected to grow (Canada - + 20%, US +7%, EU, +11%). Cruise tourism is also expected to increase by 10% over the same period.

Since 2002, the IICA Office in Barbados has been the focal point for promotion and development of AgriTourism Linkages in the Caribbean. It has concentrated on addressing critical issues identified from consultations with key stakeholders, research and studies. In 2006, IICA collaborated with the Organisation of American States (OAS) to implement a 3-year (2005-2008, US\$444,000) regional project with participating countries, promoting increased linkages between Tourism and Agriculture. The seven participating Caribbean Countries are Jamaica, St. Kitts & Nevis, Commonwealth of Dominica, Barbados, T&T, Guyana and Suriname. This project seeks to create economic opportunities, enhance the sustainable development of both the tourism and agricultural sectors and build resilience in rural communities. IICA was also able to secure funding (£40,000) from the Commonwealth Secretariat to conduct an 8-month study on Culinary Tourism for Barbados, beginning in April 2007. This should strengthen the tourism as an additional and growing market for food products from agriculture. Forging Agriculture-Tourism linkages will capitalize on the inherent ability to diversify the Caribbean economy, stimulate entrepreneurship, catalyse investment and assist in wider social development in local communities. Such linkages, along with others, such as, energy, offer unprecedented opportunities to stem and reverse the declines in traditional agriculture and stimulate the rapid growth in 'new' agriculture in Caribbean economies.

Resilience of rural communities and agriculture to disasters is also an essential element of sustainable development. At the special Agriculture COTED in January 2006, Ministers of Agriculture reaffirmed the need to have a consolidated and integrated approach to disaster management in agriculture and validated the necessity of undertaking such research to guide the development of practical interventions. Disaster Management represented an area where several organisations, including the Association of American States (ACS), Economic Commission for Latin

America and the Caribbean (ECLAC), United States Agency for International Development (USAID), IICA and FAO complement the activities of the region's Caribbean Disaster Emergency Response Agency (CDERA), as they relate to agriculture. CEDERA has already developed a strategic plan (Risk Management Strategy) for the region which will be reviewed and discussed in 2007. IICA continued its work with respect to mitigating mechanisms, through agricultural insurance. In April, the FAO launched a US\$25.9 million Caribbean Hurricane Preparedness Project aimed at redirecting assistance from recovery to assisting countries in implementing mitigating strategies to minimise the effects of natural hazards on agriculture. The project included the establishment of plant and seed banks in selected Caribbean countries to allow for availability and distribution of plant material to minimise disruption in food supply after a hurricane or flood. In addition, the ACS's 12th Meeting of the Special Committee on Natural Disasters (June 2006) also launched a Project on "High-level Conference on Preparedness, Mitigation of the Effects and Recovery from Natural Disasters in the Greater Caribbean". The purpose of the new project would be to exchange experiences, lessons learnt and best practices in the areas of natural disaster risk reduction, mitigation and recovery within the region; as well as determine areas of intra-regional co-operation in both ambits and strengthen Members' national preparedness capabilities.

Resolving issues related to inadequate land and water management systems was also given special attention in 2006. Serious flooding in Guyana, Jamaica and Suriname during the year, following similar serious occurrences in other Caribbean countries in 2005, placed the issue of improving water management squarely on the region's agricultural development agenda. Rainwater harvesting and irrigation technology were widely discussed in the region in 2006. At a regional workshop (Tortola, March) discussion focused on developing a process for a Regional Strategy for Rainwater Harvesting in the Caribbean. A significant recommendation was that rainwater harvesting should be included as part of the Integrated Water Resources Management Strategy (IWRMS) by all countries of the region. A potential source of funding for the development of this strategy is the Integrated Coastal Area and Watershed Management (IWCAM) Project, which has funds allocated for the development of the IWRMS in pilot countries. Among the organisations involved in this area are the FAO, Caribbean Environmental Health Institute (CEHI), and the United Nations Environmental Programme (UNEP).

A topic that evoked much dialogue and is directly and integrally related to KBCs # 2, 3 and 6, was the application of biotechnology and biosafety in Caribbean agriculture. All Caribbean States [with the exception of Jamaica (signed), Guyana and Suriname (not signed)] have ratified the Cartagena Protocol for Bio safety and are in the process of developing National Bio-Safety Frameworks (NBF). The Protocol addresses only the trade in live GMOs and not the safety of all GM food, in general. It thus requires the country of export to seek approval from the country of import for Living Modified Organisms (LMOs) to be used for processing or directly in food or feed. Development of the capacity to conduct risk assessment of LMOs, proper bio safety for handling and transit of LMOs and risk communication with the general public is also part of the NBF. There have been many national studies, policy frameworks and regional bio safety meetings Caribbean. Research and Development (R&D) in the Caribbean in agro-biotechnology included excellent work on disease-resistant papaya, disease resistant anthuriums and pathology in yam, hot pepper, tomatoes. CARICOM has mandated CARDI to coordinate activity relative to the use of GMOs. IICA has initiated dialogue amongst relevant scientists in the Caribbean on the adequate management and commercial use of agro-biotechnology and aspects of bio-safety. This has resulted in the development of a Caribbean Agro-Biotechnology and Bio-Safety Strategy (referred to earlier) and the development of projects to effect its implementation. This model is being used by IICA to create "coordinating" blocs in the Americas.

However, there is still insufficient support for agro-biotechnology, including investment in the potential of bio-energy. Concerns over the loss of some Caribbean breeds and virtual lack of measures to maintain genetic stock with superior growth and meat characteristics, such as, the

frizzled chicken and naked-necked village fowls of Antigua and Barbuda and the creole black pig (such as in Haiti), also occupied the agro-biotechnology debate. Fortunately, the value of other local animal breeds, such as, the Barbados Blackbelly Sheep (BBS) and the St Croix White, continued to be well recognised and genetic stock secured and improved.² Such actions taken and being explored by Barbados with respect to the BBS includes production efficiency increases, protection of intellectual property rights and the production of value-added products bearing the BBS logo.

Another area of significant debate was the extent of the role of 'organics' in the "new" agriculture. It is generally believed that organic farming only accounts for a very small percentage of total agriculture. In the Caribbean, while there are still some areas where few or no agro-chemicals are used, lack of state regulations for organic farming makes it difficult to distinguish agricultural products in a true organic system from those produced with chemicals or even with little chemicals use. However, because of relatively small size and the need for higher value, small volume, "niche" products, going organic was being widely promoted as a viable development option for agriculture in the region. This is partly due to positive impacts on the environment and human health, and as well as the apparent seamless links to agricultural and environmental tourism and its impact on sustainable development. Indeed, earlier in the year, Dominica indicated its interest in pursuing an 'Organic Island' concept, expecting to be the first country in the world to pursue such a development model and achieve such a status.

The other KBCs are also critical to the successful repositioning of agriculture in the Caribbean, In addressing the issues of limited intra-regional trade related to KBC #7 Inadequate (export) transportation, a study was undertaken to clarify and document the concerns of shoppers and other issues that impact transportation of agricultural and other produce with the Caribbean and beyond. In presenting the study to the Council of Trade and Economic Development (COTED) towards the end of 2006, the main findings were that all member states had utilised, appropriate, reliable and competitive air and sea freight space to North America and Europe. The possible exceptions were Suriname (for airfreight to Europe) and Guyana and Trinidad and Tobago (for sea freight to Europe). However the study confirmed the general opinion that transportation was the major bottleneck to increased intra-regional trade. The findings indicated that the available intra-regional sea freight services for fresh produce requiring refrigeration were generally inappropriate in terms of transit times and trans-shipment risks. It also concluded that the level of intra-trade in perishable products was insufficient both in terms of volumes and high-end value product types, thus limiting the viability of dedicated air or sea freight services. These findings hold implications for the focus and directions of interventions in agriculture aimed at enhancing and expanding intra-regional trade in agricultural products. It suggests that, among other things, concerted efforts must be made to expand and secure the supply capacity that would support dedicated air and sea freight services that facilitate continuous trade flows within the region. Other complementary actions must also be taken to spur trade in agricultural products within the region, including product handling guidelines and trade protocols that assure product safety and quality and agricultural health. Vibrant intra-regional agricultural trade is critical to stimulate agricultural production and food security in CARICOM and will be an essential mechanism to bind the single market and ultimately, the single economy. Strong regional integration has been emphasised as a critical strategy for the development of the region and for its balanced integration in the global economy.

The timeframe for the Jagdeo Initiative is 2015. This is in keeping with the target of both the Millennium Development Goals (MDGs) and the Agro Plan 2003-2015. The region has 8 more years to achieve substantial progress in the 10 KBCs. This will be critical to establishing a stable platform for the development of sustainable agricultural and rural sectors. It will also be pivotal in

² Extracted from comments and information circulated through the FAO Barbados office online forum.

making agriculture a significant socio-economic force in accelerating regional integration and adapting to more liberalised trading arrangements.

... commitment to global integration and negotiations on agriculture hinged on obtaining meaningful expression to the development dimension

Despite the slow progress in 2005, trade negotiations continued to occupy the national and regional agenda in 2006. Still reeling from the adverse impacts of the Uruguay Round trade liberalization on their traditional banana and sugar industries, Caribbean countries continued with their cautious approach. However, commitment to global integration, through the World Trade Organisation (WTO) negotiations on agriculture and the EU Economic Partnership Agreement (EPA) negotiations remained strong. The need to ensure the 'development dimension' in the structure and provisions of the WTO and EPA negotiations was central to this commitment. In 2006, there was virtually no further progress in the WTO talks, with contentious issues of agricultural subsidies and market access being major stumbling blocks. As the April modalities deadline approached, CARICOM countries remained concerned over the inability of the major players to strike agreement on core issues related to full modalities. As a leading grouping of small, vulnerable economies, CARICOM was of the view that its development interests were not receiving adequate attention. The April 30 2006 deadline for farm modalities and the submission of comprehensive draft was again, missed, so too, was the submission of schedules based on these modalities by 31 July. As a consequence, the negotiations were suspended in July, rendering the December deadline an impossible target. The continued failures, throughout the year, to achieve a breakthrough in the WTO negotiations received mixed responses. On one hand, it relayed negative signals with respect to genuine commitment to the spirit of the Round and the capacity of the WTO to manage the negotiations. On the other, it was seen as providing additional opportunity, and time, for countries and blocs to formulate and adopt more flexible positions in relation to issues of importance to developing countries and hence facilitate the achievement of the development goals of the Doha Round.

The EU-EPA negotiations continued but with little meaningful conclusions in terms of firm commitments by both negotiating parties - the CARIFORUM countries and the EU. The sequencing of market strengthening relative to market opening and the pace of market opening in relation to the internal and external realities facing CARIFORUM countries was underscored. In April, similar sentiments as for the WTO negotiations were expressed with respect to the apparent lack of meaningful expression to the development dimension in the EPA negotiations, given the EU's assurance at the April 2004 launch of the negotiations, that the EPA will be an instrument of development and would respect and support the Region's own integration process. Heads of Government urged CARICOM banana exporting countries to take steps to determine a collective approach to the treatment of bananas in the EPA, including political will to support the ACP initiatives to convince the EU that bananas should be listed as a sensitive product. By year end, there was broad consensus on the structure and scope of the EPA, with the agreement that a development chapter must be included in the EPA Legal Text and that the theme of development - substantive provisions on development - must be reflected in all aspects. CARIFORUM and EU negotiators sought to provide political impetus and guidance to bring about the successful conclusion of the EPA negotiations. However four main challenges, to be resolved in 2007, remained. These are: the nature of commitments within the EPA (region-wide or at the level of the individual CARIFORUM States); the negotiation of tariff liberalization for goods; the negotiation of commitments for trade in services and investment; and the design and operationalization of the cooperation activities in effective and timely support of EPA implementation. A 2007 EPA negotiating schedule was agreed to so as to ensure resolution of these outstanding issues and the entry into force of the EPA by 1 January 2008.

As the negotiations continued, the preferential market access schemes on which Caribbean countries have traditionally depended for duty free access to the major markets of North America

and Europe came under increasing challenge in the WTO, from both developed and developing countries. Requests for waivers by the US and the EU to extend preferences under the Caribbean Basin Economic Recovery Act (CBERA or CBI), and the ACP import regime for bananas, respectively, placed the future of these current schemes in jeopardy. The difficulties experienced in securing approval for waiver renewals underscored the challenge and intense scrutiny to which such unilateral preferential schemes are subjected to in the multilateral trading system.

... whither goest the Caribbean agriculture?

In the context of the situation in agriculture in 2006 and the implications for its future development, two perspectives are worthy of highlighting and demand that considered attention be paid to their resolution.³ One is that the Caribbean needs to develop mechanisms that anticipate future scenarios while simultaneously developing adequate responses and safeguards to position itself competitively, to ensure sustainable levels of food to meet current and future needs of its people and to protect or find alternatives for their livelihoods which are directly or indirectly linked to agriculture. More importantly - whither goest the Caribbean agriculture? How can it or should it be directed in this age of rapid scientific and technological change. What is the input of the scientific community and research and development - nationally and regionally?

The other perspective reminds that the situation with respect to the challenges of the banana industry is not new. In fact, the issues that surrounded the debate were made more than twenty-five years ago in relation to what the region needed to do with bananas, sugar or any other traditional agricultural commodity. The central point reinforced the notion that agriculture is and continued to be a 'crisis industry'. Every time Caribbean sugar and bananas are threatened in the protected markets, the Caribbean region raises its arms in protest, with a flurry of diplomatic efforts to resolve the problem. When the markets are not threatened, the governments continue with business as usual - no change in policies, no efforts (or very little) to modernize or make these sectors more productive, market-driven and less dependent on preferential trade arrangements. This raised a pertinent question as to what would have been the situation and actions in the sugar industry had the EU maintained its original regime. Would the industries have been self-driven to define development plans that would lead to their improved efficiencies over time?

The perspective advised that it is not sufficient to isolate the situation of bananas and sugar from the rest of agriculture. Primary agriculture in the Caribbean agriculture has not significantly expanded (as in most other countries) for a long time. However, the real issue is that successive governments in all the countries over a long period adopted various policies and strategies, particularly macro-economic policies that favoured industrialisation and services and did not foster the sustained development and transformation of agriculture. The more visible common thread was the guaranteed access to protected markets for a few commodities among the receiving countries. Even with sound policies and strategies, agriculture will not be developed unless there is a strong political and institutional commitment, reflected through the allocation of, and effective use of increased financial and human resources. The series of regional plans, starting with the Regional Food Plan in the 1970s have produced few or zero results in the sector, precisely because of the insufficient commitment of resources by the governments. The development of US and EU agriculture has been due largely to huge financial commitments by those governments, sustained over many, many years. The most recent Plan - the Jagdeo Initiative - must actively recognise and make full use of the lessons derived from the Caribbean and the EU and US experiences if it is to be successful.

³ Edited and adapted from contributions on the FAO Barbados office online forum; Judith-Ann Francis (CTA) and Dowlat Budhram (IICA).

'If we fail to find money to invest in agriculture, it will not be very long before we will be forced to find far much more money to deal with the consequences of our neglect'

Mr. Charlesworth Samuels, Minister of Agriculture, Antigua and Barbuda, 17 October

The situation in agriculture, its apparent lack of positioning within national development priorities, issues of food security and price stability and the general need to increase productive capacity in agriculture became even more pressing in the context of the influx of visitors expected in the region for the 2007 Cricket World Cup. The general response was calls for 'long term policy', more 'affirmative action', more definitive 'road maps', and 'master development plans' both at the national and regional levels. This was essential to attract investment, stimulate agribusiness and reinvigorate the agriculture potential to enhance food security, reduce poverty and position the sector towards sustainable development. In this regard, the responses of the Governments of Jamaica (GoJ) and T&T were commendable.

- For the Fiscal year 2006-2007, the GoJ increased its allocation for agricultural projects by J\$4.1 million, to a total of J\$1.73 billion. This increase facilitated increased spending on crop and livestock production related assistance, R&D and farmer training. In June, it again zero-rated a number of agricultural items from the 16.5% General Consumption Tax (GCT). The allocation of J\$250 million from the National Insurance Fund to support loans to farmers at single digit interest rates and the Bank of Nova Scotia/Development Bank of Jamaica launch of an agricultural development facility also reflected the high priority accorded to agricultural development in that country. Indeed, national lobbying by the media (Gleaner Newspaper) under its Editors Forum theme "Reclaiming Agriculture" and the Jamaica Agricultural Society (JAS) played a leading role in these positive outcomes. This is also in keeping with a 3-year rolling 'Agricultural Development Strategy (2005-2008)' the objectives of which are to contribute to sustainable growth and development through employment, export earnings and food security; to halt the decline of the sector; to restore levels of productivity; to promote expansion of products with viable markets; to promote agro-industries, and to provide meaningful livelihoods, especially for young people in rural areas.
- The T&T government launched its public-private sector led investment National Agri-Business Development Programme to contribute to a 'significant reduction *'in rising food prices, create thousands of jobs and obtain food security as early as next year'*. The strategic framework is to significantly expand farming potential mainly at the level of small and medium sized farms and a small number of large farms of over 100 acres. The Government agreed to provide the private sector with TT\$172 million to implement the programme through TTABA. This is in keeping with Trinidad and Tobago's plans to redevelop its agriculture within the framework of the National 20/20 Vision Plan. The programmed interventions for addressing core constraints are contained within the 5-year National Medium Term Investment Plan with overall objectives to increase farm profitability, strengthen Marketing Systems and Linkages to Demand Centres, and improve international competitiveness.

All countries participated in the UN-FAO led development of National Medium Term Investment Programmes (NMTIPs) with the subsequent crafting of Bankable Investment Projects (BIPs). Several countries also engaged in reviews and/or reformulation of agricultural policy and strategic plan in 2006. These are highlighted below:

- The Barbados 2005-2025 National Strategic Plan features agriculture as being of great economic and social importance, with a critical role in ensuring that an acceptable balance is achieved in terms of food imports and domestic food production and enhancing foreign exchange earnings.
- Antigua and Barbuda espoused a renewed Vision that promotes agriculture as "a vibrant and dynamic sector, driven by small and medium-scaled commercially oriented competitive agro-business enterprises, guaranteeing food security nationally, while capitalizing on niche

markets externally, with high quality products, produced by environmentally conscious farmers and agro-processors”.

- Dominica’s agricultural development process is being guided by a redefinition of a vision for the food, agriculture and natural resources system that consistently provides safe and nutritious food, generates high incomes through a wide spectrum of innovative and competitive business activities and makes positive contributions to rural prosperity, poverty alleviation and environmental sustainability. This is in keeping with the national Medium Term Growth and Social Protection Strategy (MTGSPS) that sets the course and direction for Dominica’s economy over the next five years and outlines the macro-economic framework within which agriculture must be repositioned.
- In Grenada, the policies which the government propose to implement are directed at modernizing the sector to become more efficient and competitive. A strategic framework has been developed for removing the identified constraints and achieving the desired objectives. The strategic framework for addressing the constraints targets eight areas: institutional modernization; research development (R&D) and transfer; investment and credit; trade and market development and promotion; new and value- added products and development; natural resource management; infrastructure improvement; and disaster management.
- In Guyana, in the absence of a specific single Agricultural Policy, the National Development Strategy (NDS) 2001-2010 Policy Framework has outlined a strategy of agricultural diversification as one of the primary means of increasing rural incomes, employment and foreign exchange and reducing rural poverty. This strategy endorses focus on production of non-traditional commodities for local and export markets, thus expanding the agricultural base of the economy.
- For St. Kitts and Nevis, the July 2005 decision to cease the production of sugar for export under the EU/ACP Sugar Protocol Agreement - a 3 century long tradition - was among the most momentous decisions ever made in the country. This has created a medium to longer term challenge to provide significant opportunities to reconfigure the economy to become more productive, responsive and competitive. In this regard, Government policy is to significantly increase non-sugar agriculture production in a competitive and sustainable manner through the development of farmers. Production will be market led and the penetration of new markets will be an area of focus.
- The St. Lucia National Development Policy for Agriculture, recently completed, emphasises the need to increase the efficiency and competitiveness of agriculture; promote the adoption of improved/appropriate technological packages; expand and diversify agricultural, forestry, and fisheries base and increase value-added by promoting agro-industrial development. Modernization of the legislative and policy framework for optimal agricultural production and trade is also critical.
- In St. Vincent and the Grenadines, initiated a revision of its 1997-2006 Agriculture, Forestry and Fisheries Strategic Plan for Agricultural Diversification and Development. The revised document will focus on reducing risk in new investment activities. The “new” agriculture will be developed on a policy platform of agriculture diversification around bananas. The policy points towards the modernization and enhanced competitiveness of the agricultural sector to achieve growth and development objectives.
- In Suriname, a five-year Medium Term Plan targets the agricultural sector as one of prime importance, as reflected in the Agricultural Support Programme (ASP). The priority areas for investments in the ASP include water and other infrastructure rehabilitation and management, development of credit facilities to support private sector investments in processing and agro-industry, investments to expand production, raise productivity levels, and enhance health and safety standards in the sector. It is envisaged that the free movement of goods and services and the open sky policy will provide considerable prospects to further develop the fruit, vegetable and ornamental and flower production for export.

The development challenges to the food, agriculture and natural resources system can be categorized as macro-economics, natural resources and the environment, commodity production and marketing, agro-industry and institutional issues. These are common across the Caribbean. However, the coincidence of the national policy goals with regional and hemispheric initiatives provides for a guarantee of support on the regional and hemispheric front. Indeed, opportunities exist within some five areas, for countries to benefit from the regional, hemispheric and international and partnerships with the OECS, through its Agriculture Plan, with the CARICOM led Jagdeo Initiative, the Caribbean Fisheries Regional Mechanism (CRFM), the Summit of the Americas Agriculture Agenda 2015, the UN FAO Food Security Programme and the UN Millennium Development Goals (MDGs), especially Goals 1, 3, 7 and 8.

The Caribbean needs to mobilise its collective support to the sustained development of the “new” agriculture. Such mobilization is not impossible, and has been done in other areas, which have less long term development impact in terms of benefits to the wider economy and society, including income distribution effects. What agriculture, and indeed at this point in time, the Jagdeo Initiative, needs is an equal level of genuine attention, time, speed, effort, resources and commitment as that mobilised for the preparations to host the 2007 Cricket World Cup. Such a regional response would send a powerful signal that agriculture is indeed, an important, investment worthy and strategic sector to the region’s integration process, growth prospects and sustainable development and high on the agenda of the region’s development priorities.