



## Public-Private Sector Consultation

### *Establishing Stronger Institutional Collaboration for Agribusiness Development in the Caribbean*

*27-28 May, 2009*

*Pegasus Hotel*

*Georgetown, Guyana*

# Summary Report



## **Acknowledgement**

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Finally, many thanks to all the presenters and participants whose active engagement during the two days of the Consultation contributed to the quality of discussions and recommendations.

# Public-Private Sector Consultation

## *Establishing Stronger Institutional Collaboration for Agribusiness Development in the Caribbean*

*"Real dialogue can unleash the wisdom and power of a group that is thwarted by divisive debate."* (source: anonymous)

On 27-28 May, 2009, during the Public-Private Sector Consultation on Agribusiness hosted by the CARICOM Secretariat in Georgetown, Guyana, close to one hundred stakeholders, including those from producer organizations; small and medium-scale enterprises; the Caribbean Hotel and Tourism Association; government agencies, academia, and international and regional development agencies; engaged in frank and open dialogue regarding the status of affairs of Agribusiness in the Caribbean.

### *Forum Objectives*

The objectives of the Consultation were to:

- Facilitate dialogue between representatives of buyers and sellers within agri-food value chains
- Take stock of on-going/planned programs supported by relevant agencies to assess their alignment with identified needs of value chain stakeholders
- Identify potential for synergies and functional collaboration in the design and/or implementation of these agencies' programs

The Forum, which was opened by the Minister of Agriculture for Guyana, the Honourable Robert Persaud and the

Secretary General for CARICOM, His Excellency Edwin Carrington, was wrapped up with an intervention by His Excellency Bharrat Jagdeo, President of Guyana.

### *Key Issues*

Discussions revolved around three main set of issues: (i) strategic planning and coordination; (ii) supply-side constraints; and (iii) trade facilitation.

#### **Box 1: Some Trends in Program Support for Agribusiness Development in the Caribbean**

- Technical Assistance support dominates over Direct Investment type assistance
- Areas of emphasis and overlap in the technical assistance provided by various agencies relate to capacity building, product-market linkages, food quality & safety standards; and studies & strategy development
- Although attention is moving towards non-traditional commodities, support still predominates at the primary production level. Less attention is paid to value adding support interventions. This is reflected, in part, by the low number of programs promoting product development; Research & Development; and investments in processing facilities
- The majority of these interventions are funded through grants in amounts ranging between US\$60,000 to US\$1.5 million

**Source:** Review of a sample of support programs impacting on Member States' Agribusiness sector; CARICOM Secretariat, May 2009

There was widespread acknowledgement among participants that there is a crippling lack of coordination and collaboration among sector stakeholders, particularly with regard to information generation and dissemination and program design and implementation. Mapping of programs that support agribusiness development indicates that there are many uncoordinated interventions and limited appreciation of leverage points for more effective involvement (see Box 1). In this context, there was a call for increased public-public, public-private and private-private sector dialogue and collaboration

Uncoordinated intervention is both a cause and a result of a lack of systematic information/knowledge generation, management, and dissemination at both the national and regional levels. One participant provided an apt summation of the importance of data, "...information flow is crucial. To be effective, action has to be based on sound, timely information."

**Box 3: Forum Highlight**

There were many bilateral meetings and partnership agreements that were initiated among participants "in the corridors" during the two-day Forum. Based on feedback, these partnership discussions persist and are likely to bear fruit. According to one participant, "I continue to dialogue and negotiate with my new found partners and the way forward seems bright..."

Based on feedback from Buyers during the Buyer-Seller Dialogue on the first

day as well as the presentation on the implication of the Economic Partnership Agreement (EPA) for Agribusiness in the Caribbean, it appears that supply side constraints, and not market access, remain critical challenges for the Region. Production and marketing weaknesses pose a threat to the sector's ability to respond to some of the opportunities that arise from trade liberalization measures at both the regional and international levels.

**Box 2: Forum Highlight**

A side event was organized for a small group of private sector stakeholders to meet with a representative of the International Finance Corporation (IFC). The aim of this meeting was to share information on investment opportunities in the Region and to learn more about products and services offered by the IFC. The investment institution reported on its interest in exploring opportunities for diversifying its portfolio in the Region and confirmed that an IFC agribusiness specialist will be based in Jamaica from July to help facilitate this goal.

In this regard, the need for improved production technologies and practices, greater production planning, and integrated value chains, including production systems, were emphasized. A final set of issues centered on trade facilitation. Of particular concern, is the use of Sanitary and PhytoSanitary and other technical requirements as non-tariff barriers to trade among CARICOM Member States. The effective functioning of regional support institutions such as the CARICOM Regional Organisation for Standards and Quality (CROSQ) and

the Caribbean Agricultural Health and Food Safety Agency (CAHFSA) was regarded as instrumental in addressing these concerns and in facilitating the effective functioning of the Caribbean Single Market. Another threat, highlighted, to trade facilitation was the frequency of requests by Member States for waivers of the application of the Common External Tarrif. Finally, there was also a call to rationalise administrative procedures across the Region to reduce bureaucratic red tape for agri-businesses.

**Box 4: Some Key Lessons Learned**

The following are some lessons highlighted during the Consultation:

- For small-scale producers to be effectively incorporated into value chains there has to be a “pull” factor from larger players in the chain.
- Trust is a key element in improving effective partnerships among value chain stakeholders. A platform for on-going dialogue among all stakeholders was seen as an important mechanism to help foster trust.
- For the Region to be competitive in the global agri-food system, more focus will have to be placed on developing well-integrated value chains, particularly at the Regional level.
- Integrated information systems are required building blocks for these integrated value chains.
- While support is needed from the governments and development partners to facilitate an enabling environment, ultimately progress in agri-business depends on the ability of the private sector to organize itself, to define strategic priorities for the sector, and to advocate for these priorities as a coordinated voice.

**Recommendations**

Based on discussions both in the working groups and plenary sessions, there was general consensus on the need for strong regional bodies to play a coordinating role in promoting the agribusiness sector, particularly with regard to information collection, management, and dissemination and facilitating dialogue and partnerships among stakeholders.

While there was acknowledgement that on-going dialogue is needed, there was also an urgency to marry dialogue with concrete actions. The need therefore is to establish implementing mechanisms that will translate recommendations into meaningful actions.

There were at least four proposals tabled, which reflect the issues that predominated the discussions:

1. Facilitation of a platform for on-going public-private sector dialogue that can better inform the COTED process.
2. Strengthening private-private sector collaboration through a more representative Caribbean Agribusiness Association (CABA)
3. Establishment of a more effective mechanism for dissemination of information on developments in the sector.
4. Explore opportunities with Trinidad and Tobago’s National Agricultural Marketing and Development Corporations (NAMDEVCO) to implement the National Agricultural Marketing

Information System (NAMIS) model in other Member States.

### *Next Steps*

Since the conclusion of the Consultation, a small Working Group – representative of the sector’s stakeholders – has been established. The main responsibility of the Group is to review and refine the four proposals and outline an implementation plan for follow-up. The output of the Group’s efforts is expected by the end of June 2009 and will be circulated to stakeholders.

#### **Box 5: Forum Highlight**

President Bharrat Jagdeo wrapped up the two-day Consultation with a charge to Member States to increase budgetary resources and implement other policy incentives to buttress the agriculture/agro-industry development agenda. He also challenged the private sector to be more proactive, particularly with regard to taking risks and lobbying for necessary policy changes.