

IICA



A Discussion Paper

**THE FORMULATION OF THE JOINT PLAN OF ACTION FOR THE
REACTIVATION OF AGRICULTURE IN LATIN AMERICA AND THE
CARIBBEAN : IICA JAMAICA'S PRELIMINARY RECOMMENDATIONS**

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IICA Office in Jamaica

March 1988



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EXECUTIVE SUMMARY

A. Background

This paper was prepared as a response by the IICA Office in Jamaica to the document titled :

"Plan of Joint Action for the Reactivation of Agriculture in Latin America and the Caribbean : Guidelines for Preparation"

B. Purpose

The overall purpose of the exercise resulting in this paper was to assist the IICA Office in Jamaica in assessing the agricultural sector problems and strategies pursued by the Government of Jamaica (GOJ). The paper encompasses draft recommendations for future action which may be addressed by those constructing the Joint Plan of Action (JPA). The exercise has facilitated planning and organizing a series of Round Table Meetings at the national level. These Round Table Meetings will provide a fora to which the draft recommendations will be submitted; the anticipated result will be the analyses and recommendations of prominent Jamaicans in the public and private sector. Through this procedure, we hope to structure Jamaica's contribution to the preparation of the Joint Plan of Action.

C. Procedure

The exercise was carried out by holding a series of "retreats" whereby the professional staff of the IICA Office in Jamaica reviewed the topics listed in the JPA Guidelines, as well as some additional ones, and prepared recommendations accordingly. A total of five working days were dedicated to the discussions: for each topic, the IICA guidelines were reviewed, an issues paper was presented (see Annex C), and discussions and recommendations were documented. This executive summary contains only the recommendations, organized by topic, with letters of the alphabet to indicate types of results as outlined in the JPA guidelines (see pp. 1-2 in Preface which follows for details).

D. Recommendations

INTRODUCTION

Foundations of a Strategy for Reactivation and Modernization of Agriculture as a Means to Economic and Social Development in LAC Countries

In order for JPA to address the question of technological development, the foundations of a strategy for reactivating and modernizing agriculture must take into consideration the small-scale farmer and in light of this:

appropriate technologies for marginal farming which optimize production and conserve the ecosystem should be researched and recommended.

mechanisms to increase access to land in conjunction with technology transfer should be recommended.

concrete incentives should be recommended to motivate youth in to farming as a profitable business.
(a,b,e,f)

In order to address the question of comparative advantage, it is recommended that JPA sponsor regional meetings of Caribbean Member Countries to formulate strategies:

which create new areas of Caribbean comparative advantage which address small-scale farmers' needs and potential.

which take into consideration the impact of international trade (liberalization, restriction) and special programs, such as CBI, on Caribbean exports and on small-scale farmer income.
(a,b,g)

1. PROGRAM I TOPICS

1.1 Specific Policies for Tackling Rural Poverty

In order to encourage policies for promoting small-scale farming because of its major role in producing agricultural goods for domestic consumption and export, the JPA should:

- A. assist governments to analyze and exchange experiences, regarding small-scale farmers contribution to GDP and export earnings in the Caribbean. (b)
- B. provide governments with tools to develop policies which consider agriculture within the context of the rural development situation of their countries. (a)
- C. recommend establishing a Caribbean "talent bank" on which countries could draw for high-level technical expertise. (a)

In order to measure problem needs and weigh factors of urgency, the JPA should:

- D. encourage governments to establish agro-socio-economic data bases in order to have foundations for developing more realistic policies; (a,c,d)

In order to boost the participation of small-scale farmers in the reactivation of agriculture, the JPA should:

- E. include suggested measures to governments which will foster their recognition of farmers' organizations and include their participation in the formulation of agricultural policies. (a)
- F. assess existing models which involve farmers in the formulation of agricultural policy and recommend to countries those most appropriate. (a,b)

1.2 Coordination of Agricultural Policies

In order to review prospects for coordination of agricultural policies in the region and by subregion, the JPA should :

- A. review existing regional mechanisms, such as the Standing Committee of Ministers of Agriculture (SCMA), which could become stronger vehicles for:
 - I. identifying areas for regional policy coordination
 - II. formulation of these coordinated policies

- III. promoting the implementation of coordinated policies
- IV. monitoring and assessing these coordinated policies.
 - (a)
 - B. recommend that governments encourage intra-regional trade, in agro-industrial related products, e.g bartering of Guyanese rice for Jamaican manufactured products. (a,d)
 - C. study ongoing regional research projects which can provide important input into the creation and coordination of regional agricultural policies. One result of such a study would be to encourage the interaction between Caribbean research projects and the coordination of CARICOM agricultural policy. (a,b,c,d,f)
 - D. recommend mechanisms through which IICA can become more active and take greater advantage of the regional meetings of countries and international agencies (such as the World Bank Caribbean Group for Cooperation for Economic Development (CGCED) so as to provide greater support to the countries. (b,g)

1.3 Food Security

In order to complete a diagnostic study of the economy and agriculture, which includes problems of food security, the JPA should :

- A. analyze Caribbean governments' agricultural policies relating to food security, identify any inconsistencies, and provide suggested tools to correct these differences to government, such as providing current information on the impact of present agricultural policies. (a)
- B. analyze Caribbean governments' agricultural policies relating to food security and assist in developing policies which will gradually lead to the reduction of reliance on imports concomitant with an efficient use of natural resources, such as JPA recommending that IICA host a regional workshop of agricultural planners and behavioral scientists to address issues of comparative advantages in agricultural production. (b)
- C. assess the Caribbean countries' dependence on importation of cereals, legumes, and dairy products and identify strategies to increase the level of self reliance with respect to these commodities, such as intra-regional trade arrangements. (a)

- D. analyze Caribbean governments' agricultural research policies in light of long-term food security strategies and encourage a strong inter-relationship. (a)

1.4 Investment and Agricultural Reactivation

In order to strengthen the role of investment in agricultural reactivation, the JPA should:

- A. study the past agriculture investment policies and programs in the Caribbean countries and regionally and recommend monetary policy guidelines which will result in the appropriate allocation of financial resources at the national and regional levels. This should be done in collaboration with the CDB and should aim to achieve:
 - i) agricultural price stability;
 - ii) mobilization of domestic funding.
(f)

In order to foster linkages between public and private sector support to agricultural reactivation, the JPA should:

- B. encourage countries to exchange information and strengthen facilities to accommodate the mobilization of private funding to support agricultural development, for example Jamaica Agricultural Development Foundation (JADF) model. (b)
- C. include in its analysis of quantitative information, the lending constraints of rural credit institutions, as well as supply and demand requirements. In addition, alternative institutional arrangements should be studied which facilitate financial flow from regional financial institutions (i.e. CDB) to grass roots lending agencies (i.e. P.C. Banks). (d)

2. PROGRAM II TOPICS

2.1 Technology Generation and Transfer

In order to examine constraints on the transfer of available technology and on the design of new strategies especially for work with small-scale scale farmers, the JPA should :

A. analyze the effects of changes in successive governments and severe budgetary constraints on the continuity of agricultural research and extension projects and institutions. (a)

B. encourage the Governments to:

analyze and exchange experiences regarding existing regional networks which are funded by international agencies (a,b,c)

identify common problems and support the development of appropriate regional technology generation and transfer programs which take into account the physical, social, cultural, and economic environment of the small-scale farmer at all stages of planning and execution (d,e,f)

institutionalize successful strategies for generation and transfer programs with small farmers in the design of new projects. (a)

2.2 The Modernization of the Public Agricultural Sector

In order to strengthen national capabilities for the formulation and follow-up of sectoral policies and linking them to overall policies, the JPA should:

A. encourage Governments to analyze and exchange experiences regarding mechanisms to ensure that governments in power dialogue with the opposition and arrive at agreement for continuation of high-impact development programs from one administration to the next in the national and regional interest.

B. diagnose why Caribbean public agriculture systems have deteriorated, i.e. the Jamaican agricultural system since 1969 is a case in point. (a,b,g)

C. assess the current implementation and impact of Caribbean regional management strengthening programs for the agriculture sector agencies and recommend complimentary actions. (a,b,c)

In order to identify and evaluate areas of critical importance in which action should be taken to modernize the service providers, the JPA should:

- D. develop a methodology for institutional management self-diagnosis, including a skills inventory. (a,b,g)
- E. develop strategies and tools for improving interpersonal relations by improving communication. (a,b,e)
- F. develop concrete management tools for improving institutional efficiency and effectiveness, such as building consensus and management by objectives. (a,b,c,d,e,f)

3. PROGRAM III TOPICS

3.1 Land Tenure

In order to provide the countries with more equitable means for distribution of land, the JPA should:

- A. identify and propose strategies for more equitable distribution of land. Incentives to encourage access to land (credit, rental laws) and disincentives to discourage ownership of idle land (taxes) should be considered in this context. (a)
- B. encourage the dialogue between Caribbean countries (those with severe pressure on land and those where land is not scarce) concerning inter-country migration of persons willing to farm. (b)

3.2 Micro-management

In order to boost the participation of small-scale farmers in the reactivation of agriculture, the JPA should:

- A. encourage governments to analyze the economic situation and constraints faced by small-scale farmers and to convey these to program planners and managers. This should allow government agencies to develop and execute programs and projects more suited to solving small-scale farmer problems. (a,b)
- B. study and recommend ways and means of providing small-scale farmers with access to information which will enable them to decide on more efficient use of their resources, new investment opportunities and

appropriate technologies, such as the development of farm planning guides with enterprise budgets under alternative technologies, as well as feasibility studies with financial and cash flow information on farm investment alternatives on crops and livestock, produced for the micro-management level. (c,e,f)

- C. study successful models of service delivery to small-scale farmers and identify critical components which are weak or lacking in IICA member country agriculture sector public institutions and foster the design and implementation of innovative approaches to address these institutional weaknesses. (d,e,f)

In order to strengthen the MTP and make it more relevant to the Caribbean area, Programme 3 in the MTP should:

- D. consider not only the micro-management needs of farmer's organizations, such as cooperatives, but the individual small farmer's needs as well. (see p. 64-65 (d))

3.3 Attitude and Value Changes

In order to assure the transfer of technologies and the success of development programs in general, the JPA should:

- A. encourage the governments to develop national models for value and attitude improvement, which may be studied at the regional level and implemented nationally to obtain bottom-up planning and decision-making. (a,b,d,f)
- B. encourage government educational institutions to address the issue of improving attitudes towards farming, as well as motivating young people to increase production and productivity. (b,c,d)

In order to strengthen the MTP:

- C. problems, objectives and strategies relating to improving values and attitudes should be included.

4. PROGRAM IV TOPICS

4.1 Small-scale Farmers and the Export Market

In order to emphasize actions which boost the participation of the small-scale farmer in producing agricultural goods for domestic consumption and for export, the JPA should identify the required technical and financial support from donor countries and agencies to:

- A. strengthen national extension and related services in order to facilitate the more rapid transfer of technology; this should be done through increased personnel, increased remuneration and upgrading of technical competence. (a,f)
- B. improve collection and dissemination of market and price information. (a,f)
- C. strengthen Commodity Boards in their services to small-scale farmers through improved collection of produce, timely payments and provision of planting material. JPA should also encourage implementation of Commodity Board credit programs for small-scale farmers. (a,f)

4.2 Markets and Marketing

In order to analyze the potential for improved access to external markets for the member countries, the JPA should :

- A. encourage the Caribbean countries to ask CARICOM to study the feasibility of creating a Commodity Trading Unit with the Secretariat, whose purpose would be to market specific surplus agricultural commodities produced by several member states, eg winter vegetables, citrus, coffee, cocoa, root crops, and bananas and products of agro-industries.

This Unit could also purchase raw materials in bulk for member countries' agro-industries.

It could provide information on international markets to member states, as well as information on trade laws, prices, volumes, etc. (a,b,d,e,f)

- B. analyze the Israeli National Agro-Industry support institution (TNUVA) as a potential institutional model for IICA member countries to propel agro-industrial development. (a,d,f)
- C. encourage the Caribbean countries to strengthen the institutions which provide market information to

producers and to exchange this information among Member States. (a,b,c,d)

4.3 Agro-industrial Development

In order to examine the region's potential for agroindustrial development and possibilities for increasing the added value of agricultural raw materials, the JPA should:

- A. study the feasibility of Caribbean countries coordinating policies and strategies to improve agricultural raw material processing and linkages. Consideration should be given to expanding the domestic processing of high quality agricultural products, eg. ginger, pimento. (a,b,d)
- B. recommend that countries analyze and share experiences with regard to product exchange, ie bartering, which enlarges the market, increases regional food security and acts as a stimulus to agricultural production. (a,b,g)
- C. encourage Governments to place more emphasis on the generation and transfer of agro-industrial processing technology and to establish common standards for quality control to maintain product reputation within the sub-region. (a,b,d)
- D. encourage Governments to stimulate investment in processing agricultural products for export markets through tax incentives and other policies, such as removal of trade barriers. (a,d)
- E. encourage countries to incorporate agro-industries in national planning of rural development strategies through the establishment of viable projects incorporating youth and women into the generation of additional family income (a,b,e)

5. PROGRAM V TOPICS

5.1 Animal Health and Plant Protection

In order to identify and analyze high priority areas in which the countries of the region can undertake joint action for increasing agricultural productivity and facilitating trade relations, the JPA should :

- A. study the animal health and plant protection requirements of the Caribbean area, develop the appropriate programs to address these and assist governments and IICA to allocate the financial and human resources necessary for implementation.
(a,b,d,e,f,g)
- B. encourage governments in the sub-region to continue to give support to:
 - i. the joint program for Blue Tongue eradication.
 - ii. the animal health information and data monitoring systems for CARICOM member states and Suriname.
(d,f)
- C. encourage countries to analyze and exchange experiences with reference to enforcement of plant and animal health regulations and encourage countries to set up off-shore quarantine facilities where necessary, as a first line of protection against intrusion of pests and diseases.
(a,b,d,f,g)

6. Follow-up Activities

Two suggestions for concrete follow-up activities to the preparation of this document include: holding a series of Round Table Meetings to obtain input from the Jamaican officials and developing a consistent format for analyzing agricultural sector data for all Caribbean countries. Plans have begun to organize the five Round Table Meetings (see programming chart p.46). The question of analyzing country data using a consistent format will be raised at the April St. Lucia meeting.

7. Other Recommendations

The ongoing projects were discussed and projections for 88-89 and beyond were reviewed. It was decided that the 1988 Jamaica Report was the most recent description of project status and projections for the office.

The office should have a project in each programme area in order to provide the GOJ with the scope of IICA's expertise. Currently, the status is:

Programme 1 : a regional policy meeting may be held in Jamaica in 1988. Both the Minister of Agriculture and the Prime Minister's Office have expressed interest in this. It is hoped that this meeting and/or other activities will lead to a permanent project with an IPP with competence in the area to assist Jamaica. This is a priority.

Programme 2 : the Cropping Systems Project is entering Phase II with IDRC funding and increased attention and support from the MOA. This will facilitate institutionalization. A second externally funding project based on the same methodology is under negotiation with USAID.

Programme 3 : the Small Business Management project is entering Phase II and the Farm Management Training is starting-up successfully.

The Medium Term Plan does not include the issue of the skewed land distribution and the need to analyze mechanisms to increase access to land by landless and near-landless farmers. In addition, as mentioned before, the MTP addresses farm management in associative terms, rather than including individual farmers as is more commonly the case in the Caribbean.

Programme 4 : this year, the office became engaged in the Yam Export (yamex) initiative, which is the first such marketing activity for the office. This initiative brings together producers, marketers and government agencies to solve the problems relating to the export of yam, particularly those produced with the mini-sett technology. The hope is that this will lead to an externally financed project in this programme area.

Programme 5 : some activity is ongoing in the animal health part of this programme area (blue tongue epidemiological study), but it is underfunded. There is interest in addressing the problem of CAE, but no funding is available. On the plant protection side, efforts have been made to create an inter agency committee to deal with problems of pesticide management policy, a serious issue in Jamaica.

Again, the funding is a problem.

There is much to be done in Jamaica in this programme area and GOJ officials are continually turning to IICA; it is difficult to make any commitments without being sure of the funding base.

Organizational and administrative issues which should be considered:

1. increase the delegation of authority, such as:

 sales and purchase of equipment, simplify the procedures and delegate the authority

 increase the Rep discretionary funds to enable response to national requests
2. simplify the preparation of Operative and info's ;
 make the approval processes (ie budget, projects, agreements) more expedient. do the budgets at SC without our involvement, if they are going to be dramatically changed anyway
3. improve the mechanism for adjusting the salary scales for local staff; such as the one for the IPP's
4. actively pursue a strategy to acquire buildings for the IICA Representations, through donations, long-term free use, etc.
5. hire more women, Blacks, Caribbean and other minorities

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PREFACE

The professional staff of the IICA office in Jamaica decided to spend time in "retreat" discussing the formulation of the Joint Plan of Action (JPA) and our recommendations to its constructors. Two days, February 11 and 12, were spent at Pine Grove, our favourite "think site".

Another three sessions were conducted by the group in refining the initial discussions and recommendations, on February 25-26, March 4 and 11.

The process utilized was that of examining issues and preparing recommendations to those constructing the JPA. The IICA conceptual frameworks (Medium Term Plan, Programme Guidelines and JPA Guidelines) were used for initial orientation.

The question of regional resources and regional institutions as coordinating bodies was discussed in the context of each topic, as this issue provides a vertical line of thinking which connects all of the topics.

The JPA Guidelines give a partial list of major results, which are listed below with a letter code given to each one; these same letters have been inserted in parenthesis following each of our recommendations for easy reference to the types of results we envisage. The major results anticipated by the JPA Guidelines are:


- a. Thoughts and ideas will be kindled on problems of agricultural development and alternative actions for solving them.
- b. Forums will be held for discussion and exchange of ideas among technical specialists and officials of the countries, to explicate ideas and bring the countries closer together.
- c. Publications will be prepared for broad circulation, providing information and training in problems and possibilities for agriculture in the region.
- d. Institutional mechanisms will be designed for coordinating action among countries and for channeling external resources in areas that are essential for the modernization and reactivation of the agricultural sector.
- e. A portfolio of projects, both national and multinational, will be identified and prepared to be

included, projects should have the support of countries involved, put forth concrete actions for the revitalization of agriculture, and specify local resources available as well as needs for external assistance.

- f. International sources of technical and financial cooperation (organizations, countries, etc.) will be identified, with descriptions of their operating approaches and a breakdown of those facets of implementation of the Plan that might prove interesting to them.
- g. The scope and content of the Plan will be broadly publicized in the countries of LAC and in developed countries, so as to contribute to the formation of a body of opinion on it and facilitate negotiations on its implementation

In response to the Director General's memo 427 of February 26, 1988 regarding "meetings to set priorities for 1988-1989 actions", we have added to our recommendations those pertaining to strengthening of the Medium Term Plan and the administration/organization of the Institute, according to our experience. Our analysis of activities completed, projections for 1988 and beyond may be found in the 1988 Jamaica Report.

The recommendations in this document are preliminary. We require more guidance from those constructing the JPA and we must consult with government officials. We had some serendipitous input from the Honourable Minister of Agriculture and the Head of Policy and Plans, as the Representative attended a meeting with them scheduled on the afternoon of the first retreat day.



Jan Hurwitch-MacDonald
Representative

BACKGROUND

InterAmerican Board of Agriculture Resolution 10

CONSIDERING :

That the declaration and recommendations developed in this, the Ninth Inter-American Conference of Ministers of Agriculture, cover a broad spectrum of issues and initiatives, and are addressed to various regions, subregions, and organizations, as well as member countries;

That all the countries of the hemisphere agree on the need for reviving and modernization agriculture, and that to this end, they have indicated their willingness to coordinate their work at the regional and subregional levels, and to increase North-South cooperation;

That increasingly, international technical and financial cooperation must be implemented on a multilateral rather than just a national basis, in order to ensure a greater impact on the regional economy and greater efficiency and a broader multiplier effect of the resources committed ;

That specialized technical agencies, national governments, and other institutions have conducted and continue to conduct technical studies on the problems of agriculture and rural development in the countries of Latin America and the Caribbean, providing an excellent basis for the design of joint action to revitalize the agricultural sector;

That there is an operational need for a framework that will provide consistency to existing and new initiatives to revitalize the agricultural sector in Latin American and Caribbean countries;

That such a framework would help to ensure that the translation of our recommendations into action is coordinated for maximum complementarity and synergy;

That there is a need to establish a framework that will give impetus to the further development of each of the program areas in IICA's Medium Term Plan; and

That the prioritization and coordination of actions under such a framework would facilitate the decisions of donor countries and international financial institutions, and serve to attract and make better use of funding.

RECOMMENDS :

That the IABA charge IICA with developing, in collaboration with member countries and the other specialised agencies, a strategic plan of joint action in support of agricultural revitalization and economic development in Latin

America and the Caribbean based on the foregoing guidelines, and with a focus on :

1. joint actions among countries, at the regional and subregional level, to resolve concrete problems;
2. maximizing the complimentarity and synergy of the diverse initiatives to revitalize the sector;
3. the required technical and financial support from donor countries and agencies;
4. suggested mechanisms for inter-institutional coordination
5. setting of priorities for all joint actions and initiatives so to use available resources to the greatest advantage.

INTRODUCTION

Foundations of a Strategy for Reactivation and Modernization of Agriculture as a Means to Economic and Social Development in LAC Countries

IICA JPA Guidelines :

This will be a general document laying the conceptual groundwork for the proposed strategy. It will cover the following areas: a diagnostic study of the economy and agriculture; possible scenarios for international trade and technological development; sources of reactivation and uncertainties of demand; and the problems of poverty and food security. The study will analyze the potential for production expansion in the region, with special emphasis on increased productivity. General discussion will cover the issue of the LAC countries' comparative advantages for agricultural technology in modernization and poverty, and the role of external cooperation and regional integration in the revitalization of agriculture. The general document outlining foundations of the strategy will be supplemented with specific documents prepared for each subregion to identify central issues that ought to be addressed at that particular level in the proposals for action.

Summary of Issues

The focus of the IICA Jamaica office is on strengthening the role of the small-scale farmer as well as those institutions serving the small-scale farmer.

1. Because of the marginal terrain and the types of subsistence agriculture with which small-scale farmers are involved, technological development must be appropriate to their specific needs.
2. Small-scale farmers contribution to feeding each nation should be quantified.
3. Analyses should be done on small-scale farmer attitudes to adopting certain technologies and a typology developed which could guide development planners when strategies to increase production and productivity are being put into place.
4. In Jamaica, Agro-21, an institution developed to attract investment for export agriculture, should be a focus of institution's study with regard to: its impact on small-scale farmers and the level of success of its strategies to involve small-scale farmers in its programmes.

Summary of Discussion

1. 93% of Jamaica's farmers hold 36% of the land, most of these being small-scale farmers on marginal land, therefore appropriate technological development must be accompanied by increased access to land for these farmers.
2. Technologies appropriate to marginal farming which optimize production and improve conservation would most greatly benefit the small-scale farmers, such as highly productive varieties adapted to low soil fertility.
3. Youth need to be incorporated - attitude toward farming tends to be as drudgery.
4. 25% of the root crops in Jamaica are lost to praedial larceny.

Recommendations

- A. In order for JPA to address the question of technological development, the foundations of a strategy for reactivating and modernizing agriculture must take into consideration the small-scale farmer and in light of this:
 - i. appropriate technologies for marginal farming which optimize production and conserve the ecosystem should be researched and recommended.
 - ii. mechanisms to increase access to land in conjunction with technology transfer should be recommended.
 - iii. concrete incentives should be recommended to motivate youth in to farming as a profitable business.
(a,b,e,f)
- B. In order to address the question of comparative advantage, it is recommended that JPA sponsor regional meetings of Caribbean Member Countries to formulate strategies:
 - i. which create new areas of Caribbean comparative advantage which address small-scale farmers' needs and potential.
 - ii. which take into consideration the impact of international trade (liberalization, restriction) and special programmes, such as CBI, on Caribbean exports and on small-scale farmer income. (a,b,g)

1. PROGRAM I TOPICS

1.1 Specific Policies for Tackling Rural Poverty

1.1.1 IICA Guidelines

A. Medium Term Plan:

Broad sectors of the rural population in Latin America and the Caribbean operate under severely restricted access to basic production resources (land, water, capital) and services (technical assistance, marketing, education, health). These resources and services are essential if the rural family is to escape from poverty, organize the other families to incorporate itself into the social and political fabric of the countries, and begin to feel the benefits of development.

B. Joint Plan of Action:

The problem needs to be measured, weighing factors of urgency and feasibility and determining the magnitude and nature of the target group. The document should study relevant, feasible experiences to be encouraged throughout the region. Emphasis will be placed on policies for promoting small-scale farming because of its major role in producing agricultural goods for domestic consumption and for export. Similarly, an analysis should be done of the way in which small-scale farming fits into the overall process of agricultural modernization so as to decide what policies and actions are needed for boosting the participation of the small-scale farm sector in activating agriculture and the regional economy.

C. Programme I:

The central problems of agriculture in the region should be identified, analyzed and discussed by officials and technicians of the agricultural sector and other sector and other related sectors, and by those responsible for macroeconomic policy, as a basis for the identification of alternative development strategies for the sector.

The technical abilities of the countries to analyze and manage high priority policy instruments for economic incentives and agricultural investment strategies should be adequately developed.

1.1.2 Summary of Issues

1. Rural poverty exists mainly because small-scale agriculture which is the backbone of the rural economy has been neglected.
2. Enabling schemes which once helped farmers to cultivate their crops, providing, grants for land preparation, seeds, and agricultural information have been disbanded.
3. The rural hospitals and clinics which once served the rural poor have either been eliminated or down graded.
4.
 - a. Education facilities and scholarships to High Schools have been greatly minimised, as only those who have won recognised designated scholarships are now aided by grants.
 - b. Tertiary institutions which were once free are now charging fees which make it impossible for the very poor to enter as they have not the wherewithal to pay.
 - c. These systems militate against the rural poor as the best schools and most tertiary institutions are in the cities.
5. It is felt that a portion of funds spent on several industries such as tourism which caters for the more elite and rich entrepreneurs, should be spent on general services of the nature where an agro-industrial base is maintained to help the marketing of the small rural farmers e.g. a revitalizing of the Agricultural Marketing Corporation and re-introduction of the ADC tractor pools that once did land preparation for a nominal fee.
6. The magnitude of the problem is great as it stretches over a wide cross section of the rural population. The above-mentioned ills should be addressed as a matter of urgency.

1.1.3 Summary of Discussion

Considerations:

- The Jamaica Agricultural Society and the Jamaica Banana Producers Association seem to be the only grass roots organisations that voice small-scale farmer concerns. Why is this? Lack of recognition of this sector.

- Needed: further definition of what JPA refers to re "rural poverty".

- We need to recognize how agricultural policy affects multi-sector development.

1.1.4 Recommendations

In order to encourage policies for promoting small-scale farming because of its major role in producing agricultural goods for domestic consumption and export, the JPA should:

- A. assist governments to analyze and exchange experiences, regarding small-scale farmers contribution to GDP and export earnings in the Caribbean. (b)
- B. provide governments with tools to develop policies which consider agriculture within the context of the rural development situation of their countries. (a)
- C. recommend establishing a Caribbean "talent bank" on which countries could draw for high-level technical expertise. (a)

In order to measure problem needs and weigh factors of urgency, the JPA should:

- D. encourage governments to establish agro-socio-economic data bases in order to have foundations for developing more realistic policies; (a, c, d)

In order to boost the participation of small-scale farmers in the reactivation of agriculture, the JPA should:

- E. include suggested measures to governments which will foster their recognition of farmers' organisations and include their participation in the formulation of agricultural policies. (a)
- F. assess existing models which involve farmers in the formulation of agricultural policy and recommend to countries those most appropriate. (a, b)

1.2 Coordination of Agricultural Policies

1.2.1 IICA Guidelines

A. Medium Term Plan:

The program will be active in this area to help design and implement appropriate mechanisms that will guide coordinated implementation of high priority plans, policies and programs, strengthening joint action by the public and private sectors. For this purpose, the program will carry out the following types of action :

- i. Identify and interpret general organizational constraints and mechanisms for participation, as well as the potential and needs in the countries for effectively carrying out the process of policy planning and implementation.
- ii. Strengthen the units responsible for policy planning and implementation at the national and regional levels, to create the capacity for designing strategies to be followed in coordinating the implementation of high priority plans, policies, programs and projects.
- iii. Support these units in the design, testing, implementation, operation and adaptation of mechanisms that will facilitate coordination of public and private actions to carry out plans, policies, programs and projects. The programs will also seek participation in making the decisions that affect them, and coordination with higher decision making levels.
- iv. Support the countries in preparing projects to train public and private sector managers and technicians, so that their participation in planning and implementing agrarian policy will be more effective.

B. Joint Plan of Action:

The document will review prospects for coordination of agricultural policies in the region and by subregion, and the implications of such an undertaking. It will begin with past experiences in Latin America and the Caribbean and in other regions (such as the EEC) and will pinpoint the major features and variables that must be consistent in different macroeconomic and sectoral policies if progress is to be made in policy coordination. The

document will also establish technical and institutional requirements for bringing about this coordination.

C. Programme I:

The technical abilities of the countries to analyze and manage high priority policy instruments for economic incentives and agricultural investment strategies should be adequately developed.

Institutional systems responsible for the planning and implementation of agricultural reactivation and development policies should be strengthened.

1.2.2 Summary of the Issues

I. Export Expansion & Import Substitution

The general government policy in agriculture is aimed at expansion of exports and import substitution. Agro-21 was created for the first purpose. The largest import in terms of value is maize; this commodity can be imported more cheaply than it can be produced locally. The IICA cassava project is designed to address the question of replacing imported corn in animal feed.

II. Macro-economic policies which affect the agricultural sector

- i. Exchange rate
- ii. Interest rate
- iii. Staff redundancies
- iv. Fiscal reductions

III Structural adjustment policies

- i. External marketing organizations
- ii. Credit
- iii. Land use
- iv. Sugar
- v. Bananas
- vi. Other

IV Incentives for farmers

- i. Devaluations
- ii. Stimulation of export crops
- iii. Stimulation of domestic crops
- iv. Import substitution crops
- v. Livestock and dairy
- vi. Non-traditional export crops

V Agro-21

1.2.3 Summary of the Discussion

The relations between CARICOM countries at the policy level are not as strong as the supra-national relations within projects at the technical level. These projects include:

FAO Root Crop Network
IRRI/CIAT Rice Research Network
CARDATS

JPA guidelines outlined above include, "Public sector use of direct technical assistance services and research findings as tools in adopting policy decisions"

Discussion touched on the economic components of technical projects and whether or not the results of projects are applicable to policy decision-making.

Discussion noted that the IMF discourages barter policies..

1.2.4 Recommendations

In order to review prospects for coordination of agricultural policies in the region and by subregion, the JPA should :

- A. review existing regional mechanisms, such as the Standing Committee of Ministers of Agriculture (SCMA), which could become stronger vehicles for:
 - I. identifying areas for regional policy coordination
 - II. formulation of these coordinated policies
 - III. promoting the implementation of coordinated policies
 - IV. monitoring and assessing these coordinated policies.
 - (a)
- B. recommend that governments encourage intra-regional trade, in agro-industrial related products, e.g bartering of Guyanese rice for Jamaican manufactured products.
 - (a,d)
- C. study ongoing regional research projects which can provide important input into the creation and coordination of regional agricultural policies. One result of such a study would be to encourage the interaction between Caribbean research projects and the coordination of CARICOM agricultural policy.
 - (a,b,c,d,f)
- D. recommend mechanisms through which IICA can become more active and take greater advantage of the regional meetings of countries and international agencies (such as the World

Bank Caribbean Group for Cooperation for Economic Development (CGCED)) so as to provide greater support to the countries.
(b,g)

1.3 Food Security

1.3.1 IICA Guidelines

A. Medium Term Plan:

Food security is one of the objectives of the Marketing and Agro-industry programme. This programme will help with the design and implementation of a policy for marketing and agro-industry processing, geared toward food security. It will :

- i. Cooperate in strengthening intraregional market systems for agricultural products, using the economic cooperation model put forth by other regional institutions.
- ii. Encourage the establishment of cooperation mechanisms among countries and organizations. This is necessary for encouraging the exchange of information as a basis for decisions to coordinate production and enter intraregional markets. A strategy will be adopted for reciprocal support in the area of food security and joint coordinated participation in extraregional markets.
- iii. Support the countries in promoting, implementing and evaluating producer organizations for agricultural export

B. Joint Plan of Action:

This will be a general document laying the conceptual groundwork for the proposed strategy. It will cover the following areas: a diagnostic study of the economy and agriculture; possible scenarios for international trade and technological development; sources of reactivation and uncertainties of demand; and the problems of poverty and food security. The study will analyze the potential for production expansion in the region, with special emphasis on increased productivity. General discussion will cover the issue of the LAC countries' comparative advantages for agricultural technology in modernization and poverty, and the role of external

cooperation and regional integration in the revitalization of agriculture. The general document outlining foundations of the strategy will be supplemented with specific documents prepared for each subregion to identify central issues that ought to be addressed at that particular level in the proposals for action.

C. Programme I:

The central problems of agriculture in the region should be identified, analyzed and discussed by officials and technicians of the agricultural sector and other sector and other related sectors, and by those responsible for macroeconomic policy, as a basis for the identification of alternative development strategies for the sector.

The technical abilities of the countries to analyze and manage high priority policy instruments for economic incentives and agricultural investment strategies should be adequately developed.

Institutional systems responsible for the planning and implementation of agricultural reactivation and development policies should be strengthened.

1.3.2 Summary of Issues

A. The revitalization of agriculture in the Latin American and Caribbean countries is concerned with improving food production and rural well-being. It is likely to have a significant effect on the internal stability of the countries (particularly those which have a large and poor rural population). This revitalization is premised on Governments' promulgation of policies and execution of actions aimed at:

- I. creating an environment that would encourage the rural population to be more preoccupied with food production activities than they are at present;
- II. reducing the level of discontent in rural areas.

B. Matters of concern regarding the issue of Food Security with reference to Jamaica are:

- I. Jamaica's extreme dependence on imported cereals (rice, maize and wheat), legumes (mainly soybean) for human consumption, and livestock feeds;

II. the Government should seriously consider promoting:

- i. improved and increased rice production by small-scale farmers; current government policy does not integrate the farmer support necessary for this; (this recommendation can be made of many countries);
- ii. increased cassava production to substitute cassava for imported maize; sorghum can be used as a substitute if the government dedicates Research and Development to sorghum;
- iii. Research and Development work on soybean with the objective of introducing this crop on small-scale farms so that the production base could be as wide as possible;
- iv. research and development work on sorghum (utilizing the best adapted cultivars developed at the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), with the objectives of substituting this grain for imported maize and for up to 25% of imported wheat and wheat flour, and of introducing this crop on small-scale farms in order to have as wide a production base as possible;
- v. reorganization of the dairy industry to concentrate major milk production areas in close proximity to processing factories; Research and Development on domestically produced dairy products, many of which can be economical on the small-scale to medium scale.

1.3.3 Summary of Discussion

In Biblical times, Joseph was the guiding light for Egypt's food security plan. His interpretation of the Pharaoh's dream about the 7 fat and the 7 lean calves as an oncoming famine, encouraged the Pharaoh to put him in charge of securing food for Egypt's future.

It was noted by the group that the policy of many Caribbean governments has been such that if a product can be imported at less cost than it can be domestically produced, then it will be imported. The government then hopes that another domestic agricultural product will be able to generate the foreign exchange to pay for the first product's import.

Some government agricultural policies conflict with each other.

Look at the research aspects of becoming more secure.

JPA must address problem of countries having policies and not committing to implement them.

Alternative use of lands to improve food security.

Improving and maintaining the existing agriculture institutions is necessary for food security.

Developing models of the agriculture/economic system so that the consequences of alternative strategies can be analyzed.

Some crops which are considered essential to countries' food security in the Caribbean are not considered economical by small farmers, i.e. rice and corn. However, medium to large farmers who can enjoy the benefits of economies of scale should be encouraged by governments to grow these crops in the national interest.

Note that changes made in policy structure of any one country may have adverse effects on the economies of other countries.

It was noted by the group that the Regional Food and Nutrition Strategy was formulated with food security as one of its objectives. Volume 2 on Food Programmes notes that "self-sufficiency and self-reliance are two important issues that must be considered in any strategy for food security" (p.8)

1.3.4 Recommendations

In order to complete a diagnostic study of the economy and agriculture, which includes problems of food security, the JPA should :

- A. analyze Caribbean governments' agricultural policies relating to food security, identify any inconsistencies, and provide suggested tools to correct these differences to government, such as providing current information on the impact of present agricultural policies. (a)
- B. analyze Caribbean governments' agricultural policies relating to food security and assist in developing policies which will gradually lead to the reduction of reliance on imports concomitant with an efficient use of natural resources, such as JPA recommending that IICA host a regional workshop of agricultural planners and behavioral scientists to address issues of comparative advantages in agricultural production. (b)
- C. assess the Caribbean countries' dependence on importation of cereals, legumes, and dairy products and identify strategies to increase the level of self reliance with respect to these commodities, such as intra-regional trade arrangements. (a)

- D. analyze Caribbean governments' agricultural research policies in light of long-term food security strategies and encourage a strong inter-relationship. (a)

1.4 Investment and Agricultural Reactivation

1.4.1 IICA Guidelines

A. Medium Term Plan:

Investment and agricultural reactivation spans all of IICA's programmes. These guidelines are extracted from several programmes.

These areas of concentration are:

To provide short-term unanticipated technical assistance and carry out pre-investment activities. (Prog. I).

To provide support in the specific area of concentration by highlighting the need of adequate financing as investment input into the consolidation of productive research and technology transfer (Prog. II).

In support of the efforts of countries to increase the efficiencies of their marketing procedures, as an element of sustained investment, by:

Improving the design of information channels and systems, increasing investments in agro-industry and promoting non-traditional exports.

B. Joint Plan of Action:

This will provide quantification information on overall and sectoral requirements for investment and how they are related to economic growth; the outlook for domestic savings and external financial resource requirements. It will also examine experience acquired with different mechanisms for absorbing and channeling external assistance (such as the Alliance for Progress) and possibilities for alternative institutional arrangements. It will analyze the most common approaches to lending (investment projects, sectoral adjustment programs) and other promising options to ensure that investment is more effective.

C. Programme 1 :

One of the intermediate objectives of this programme is that the technical framework should be fully developed and the related area if concentration should:

Support countries in strengthening analytical and advisory skills for the design and management of high priority instruments of the agricultural investment and economic incentive policies.

1.4.2 Summary of Issues

In 1985 Jamaica's total external debt was US\$3,775 million. Included in this we had a Public debt/Public guarantee of US\$2,823 million, private negotiated debt of US\$90 million, Public Short-term debt of US\$169 million and used IMF Credit of US\$693 million.

During this same period the country showed a debt service ratio of 36.5, this is a percentage of Exports of Goods and Services (G.D.P.). It is also of importance to note that government borrowings attracted an average interest rate of 7.7%, loans also had an average maturity period of 15 years.

The official development assistance receipts ranged from US\$123 million in 1979 to a high of US\$181 million in 1983 then back down to US\$169 in 1985. The country had an average annual inflation rate of 18.3% from 1980-85.

Issues (Local)

1. Mobilizing domestic savings through fiscal and financial sector policies to create pool of investment funds to the agricultural sector.
2. Improving the efficiency of the Private Sector investments by reforming trade and domestic policies
3. Reform institutional arrangements to support adjustment, growth and monitoring of investment projects in the Agricultural Sector.
4. What are the expectations in terms of growth performance when we compare the stock of capital to its level of productivity? Will it encourage higher savings rate and productivity growth within the economy?
5. Can domestic savings rise because a higher level of income is generated by exports and by this token an addition to savings?

6. The effect of the real interest rate as an incentive for the level of savings in the economy.
7. The effect of currency devaluation on the output of agricultural production, aiming at the exportable products.
8. The provision for Research and Development as a tool for agricultural productivity.
9. Inflation : Escalating inflation, this distorts asset values and commodity prices in agriculture. The Caribbean scenario is a wide adjustment to the problem.
- 10 Business support to agriculture
Loss of economic activity has affected the social infrastructure of many rural communities, with cut back in schools, library and health services.
- 11 Credit
The control of financial stress in agriculture and implications for policy regulations e.g. stress on rural lending institutions
- 12 Improve the quality of credit data so as to detect problem loans. This could correct the lender/borrower perception of levels of problem detection.
- 13 Consideration of a reduction of risk and uncertainty to operators/farmers as agricultural products seeks to expand into the international market place
- 14 Design a special monetary policy to assist :
 - (a) maintain price stability
 - (b) Reduce the rate of inflation
 - (c) Influence currency exchange rate
 - (d) Lower real interest rates
 - (e) Reduce budget deficit
- 15 Analyse the effect of deregulation on credit systems, with reference to the lending institutions, noting effects on interest rates, asset values.

1.4.3 Summary of Discussion

-What are the requirements/demands for loans/credit through rural lending institutions?

1.4.4 Recommendations

In order to strengthen the role of investment in agricultural reactivation, the JPA should:

- A. study the past agriculture investment policies and programs in the Caribbean countries and regionally and recommend monetary policy guidelines which will result in the appropriate allocation of financial resources at the national and regional levels. This should be done in collaboration with the CDB and should aim to achieve:
 - i) agricultural price stability;
 - ii) mobilization of domestic funding.
(f)

In order to foster linkages between public and private sector support to agricultural reactivation, the JPA should:

- B. encourage countries to exchange information and strengthen facilities to accommodate the mobilization of private funding to support agricultural development, for example Jamaica Agricultural Development Foundation (JADF) model. (b)
- C. include in its analysis of quantitative information, the lending constraints of rural credit institutions, as well as supply and demand requirements. In addition, alternative institutional arrangements should be studied which facilitate financial flow from regional financial institutions (i.e. CDB) to grass roots lending agencies (i.e. P.C. Banks). (d)

jpa.2

2. PROGRAMME II TOPIC

2.1 Technology Generation and Transfer

2.1.1 IICA Guidelines

A. Medium Term Plan:

IICA's activities will not lose sight of the poor fit between opportunities and problems in Latin America and the Caribbean. Opportunities abound because the countries of Latin America and the Caribbean have the infrastructure and specific experiences needed to develop new technologies required for agricultural transformation in the region. Problems are also many, due to the severe shortcomings that hold down productivity and reduce effectiveness. IICA's activities will be directed toward cooperating with the member countries to solve their problems and overcome restrictions so as to reap the full benefit of available opportunities and resources.

B. Joint Plan of Action:

The document will examine constraints on the transfer of available technology; and design of new strategies, especially for work with small-scale producers. A second area of concern will be to evaluate present approaches to institutional orchestration of the North-South transfer of technology (universities, CGIAR, national institutes, etc), as well as the need for these approaches to be upgraded and made more efficient for developing new technologies. Biotechnology will be the third focus of attention, with a view to its potential implications for the agricultural sector in LAC countries and the institutional and financial support required for putting it to proper use in the region. Finally, the problems of investment in technological development will come under study, with special attention to the body of regulations covering investment and the incentives available (linkages between the public and private sectors, patent law, etc.)

C. Programme:

Contribute to and support the design and implementation of policies that will make it possible to take full advantage of the potential contribution of technology to agricultural development and the economic growth of the countries of the region.

Contribute to and support the countries of the region in designing and implementing mechanisms for coordination between the public and private sectors to ensure that full advantage is taken of all the scientific and technical capacities in each country.

2.1.2 Summary of the Issues

Technology needs to be designed with "appropriateness" as the paramount characteristic. The present system utilized by the agencies responsible for transferring technologies to farmers is not as effective as it could be. The system is in dire need of additional innovative approaches.

- Inadequate funding of research in commodity boards (except perhaps, sugar research) and in the research and Development Division of the Ministry of Agriculture;
- Inadequate funding of agricultural extension
- If the agencies are considered as arms of Government whose objective is to design and transfer agricultural technology, the administrative superstructure is wasteful of public funds. At the technical level since the individual agencies cannot afford a critical mass of qualified personnel both their actions and effectiveness are severely limited in scope
- Additional and complementary strategy for technology design and transfer that would be more effective needs to be identified.

2.1.3 Summary of Discussion

2.1.4 Recommendations

In order to examine constraints on the transfer of available technology and on the design of new strategies especially

for work with small-scale farmers, the JPA should :

- A. analyze the effects of changes in successive governments and severe budgetary constraints on the continuity of agricultural research and extension projects and institutions. (a)
- B. encourage the Governments to:
 - * analyze and exchange experiences regarding existing regional networks which are funded by international agencies (a,b,c)
 - * identify common problems and support the development of appropriate regional technology generation and transfer programs which take into account the physical, social, cultural, and economic environment of the small-scale farmer at all stages of planning and execution (d,e,f)
 - * institutionalize successful strategies for generation and transfer programs with small farmers in the design of new projects. (a)

2.2 Modernization of Public Agricultural Sector

2.2.1 IICA Guidelines

A. Medium Term Plan:

Support for strengthening the administration and management of national technology research and transfer systems.

Efforts in this area will focus on the development and implementation of new approaches and working methods for key issues of the administrative and managerial process.

This could include planning and programming mechanisms, human resources management programmes, and follow-up and evaluation systems. Training activities will be organized for managers of national research and technology transfer systems and will be designed so as to encourage the institutionalization of management training for research and technology transfer over the medium term, in universities, graduate programmes, and other organizations for human resources training, whether in the agricultural sciences or management sciences.

B. Joint Plan of Action:

This document will cover two key areas. The first section will be on adapting and strengthening national capabilities for the formulation and follow-up of sectoral policies and linking them to overall policies. The second will be on modernization of service providers in the public agricultural sector (government enterprises). The study will identify and evaluate areas of critical importance in which action should be taken, and will discuss technical requirements (training, assistance, etc.), material needs and institutional facilities that are essential for increasing the effectiveness of action by the government, which both provides services and guides economic activities.

C. Programme:

Encourage the development of organizational structures for technology generation and transfer that will facilitate making use of the potential for new scientific advances and will accurately reflect the characteristics, possibilities and specific needs of each country.

Contribute to and promote the design and adoption of mechanisms by the technological institutions of the region; to plan, program, implement, follow-up and evaluate technology generation and transfer activities that will ensure more effective use of all public and private resources available for such activities at the international and country levels.

2.2.2 Summary of Issues

The principal problems are :

- A. Fragmentation : This leads to competition for resources; lack of personnel; loss of capability
- B. Professional Personnel : Shortage of professional staff due to - high turn over; low income and motivation; lack of transportation; decision making procedures; lack of clear cut hierarchy; poor collaboration and coordination; poor interpersonal relationships
- C. Operational planning : Accounting procedures; communication; operational planning (management by objectives); feedback mechanisms; management style; decision making processes.

2.2.3 Summary of Discussion

Considerations:

- Diagnosis should be done of why Jamaican public agriculture system has deteriorated so dramatically since 1969.
- Modernization of service providers.

2.2.4 Recommendations

In order to strengthen national capabilities for the formulation and follow-up of sectoral policies and linking them to overall policies, the JPA should:

- A. encourage Governments to analyze and exchange experiences regarding mechanisms to ensure that governments in power dialogue with the opposition and arrive at agreement for continuation of high-impact development programmes from one administration to the next in the national and regional interest.
- B. diagnose why Caribbean public agriculture systems have deteriorated, i.e. the Jamaican agricultural system since 1969 is a case in point. (a,b,g)
- C. assess the current implementation and impact of Caribbean regional management strengthening programmes for the agriculture sector agencies and recommend complimentary actions. (a,b,c)

In order to identify and evaluate areas of critical importance in which action should be taken to modernize the service providers, the JPA should:

- D. develop a methodology for institutional management self-diagnosis, including a skills inventory. (a,b,g)
- E. develop strategies and tools for improving interpersonal relations by improving communication. (a,b,e)
- F. develop concrete management tools for improving institutional efficiency and effectiveness, such as building consensus and management by objectives. (a,b,c,d,e,f)

3. PROGRAMME III TOPICS

3.1 Land Tenure

3.1.1 IICA Guidelines

A. Medium Term Plan:

Broad sectors of the rural population in Latin America and the Caribbean operate under severely restricted access to basic production resources (land, water, capital) and services (technical assistance, marketing, education, health). These resources and services are essential if the rural family is to escape from poverty, organize with other families to incorporate itself into the social and political fabric of the countries, and begin to feel the benefits of development.

Landless workers, small farmers, tenant farmers and their families in rural zones display all the common traits of rural poverty. These include :

- little or no access to land and or capital resources
- little or no access to production support (credit, marketing, research and technical assistance), education, health and other services essential for a better standard of living.

B. Joint Plan of Action:

The problem needs to be measured, weighing factors of urgency and feasibility and determining the magnitude and nature of the target group. The document should study relevant, feasible experiences to be encouraged throughout the region. Emphasis will be placed on policies for promoting small-scale farming because of its major role in producing agricultural goods for domestic consumption and for export. Similarly, an analysis should be done of the way in which small-scale farming fits into the overall process of agricultural modernization so as to decide what policies and actions are needed for boosting the participation of the small-scale farm sector in activating agriculture and the regional economy.

C. Programme: none available

3.1.2 Summary of the Issues

GOJ Agricultural Sector Goals

- Creation of a firm basis for ensuring sustained social and economic progress in Jamaica through the modernization and transformation of agriculture (Five-year Food and Agricultural Policy and Production Plan, 1983/84-1987/88) Strategy.

Production

The central objective is to increase exports, reduce imports and increase domestic supplies of food and agricultural raw materials

- .increase agricultural production
- .increase investment
- .increase productivity

Land

The central objective of the land policy is to maximize the yield and the rate of return from agricultural land

- .eliminate unused land
- .improve access to land
- .improve land tenure
- .halt the degrading use of land

Land Reform Issues

Land Reform as a means to achieve:

- Better distribution of income
- Increase agricultural production
- Increase agricultural exports
- Improve soil conservation
- Others

Alternative strategies to achieve the objectives mentioned above

- Better distribution of income
 - . Long term credit to purchase land

. Revised rental law to protect owners
writes and tenants investment on the land

- Increase agricultural production

3.1.3 Summary of Discussion

The group noted that the JPA Guidelines do not address the question of land tenure and analyzed a number of means for more equitable distribution of land.

3.1.4 Recommendations

In order to provide the countries with more equitable means for distribution of land, the JPA should:

- A. identify and propose strategies for more equitable distribution of land. Incentives to encourage access to land (credit, rental laws) and disincentives to discourage ownership of idle land (taxes) should be considered in this context. (a)
- B. encourage the dialogue between Caribbean countries (those with severe pressure on land and those where land is not scarce) concerning inter-country migration of persons willing to farm. (b)

3.2 Micro-management

3.2.1 IICA Guidelines

A. Medium Term Plan

Managerial skills are lacking in production and service businesses. There is a severe shortage of personnel training to provide technical assistance to production and service businesses. Actions will be targeted primarily to cooperate with the countries in developing their institutional abilities to identify, design and implement training programmes for farmers organizations, and to improve information systems on rural poverty and on actions taken by the countries to overcome it, as a way to strengthen their capability for action at different levels of political decision making.

B. Joint Plan of Action

Emphasis will be placed on policies for promoting small-scale farming because of its major role in producing agricultural goods for domestic consumption and for export. Similarly, an analysis should be done of the way in which small farming fits into the overall process of agricultural modernization, so as to decide what policies and actions are needed for boosting the participation of the small farm sector in activating agriculture and the regional economy.

C. Programme: none available

3.2.2 Summary of the Issues

Small farmers:

- i) use low levels of technology and credit;
- ii) lack information which restricts their ability to interpret the changes (markets) and the ways to respond effectively in order to maintain/improve their welfare;
- iii) lack of information which restricts their ability to organize their activities as a business for profit;
- iv) need a better understanding of the principles of management/production, market and financial plan and farm plan control in order to use its tools to improve their decision making process.

There is a need to:

- i) generate information regarding the small farmer economic situation and constraints to allow government agencies to develop programmes more suited to small farmer problems;
- ii) develop farm planning data with enterprise budgets under traditional and intermediate technology to facilitate farmers decision making process;
- iii) develop feasibility studies with financial and cash flow information on farm investment alternatives on crops and livestock.

- iv) understand farmers production decision making process and goals to develop technologies and programs suited to their needs.

3.2.3 Summary of the Discussion

3.2.4 Recommendations

In order to boost the participation of small-scale farmers in the reactivation of agriculture, the JPA should:

- A. encourage governments to analyze the economic situation and constraints faced by small-scale farmers and to convey these to programme planners and managers. This should allow government agencies to develop and execute programmes and projects more suited to solving small-scale farmer problems. (a,b)
- B. study and recommend ways and means of providing small-scale farmers with access to information which will enable them to decide on more efficient use of their resources, new investment opportunities and appropriate technologies, such as the development of farm planning guides with enterprise budgets under alternative technologies, as well as feasibility studies with financial and cash flow information on farm investment alternatives on crops and livestock, produced for the micro-management level. (c,e,f)
- C. study successful models of service delivery to small-scale farmers and identify critical components which are weak or lacking in IICA member country agriculture sector public institutions and foster the design and implementation of innovative approaches to address these institutional weaknesses. (d,e,f)

In order to strengthen the MTP and make it more relevant to the Caribbean area, Programme 3 in the MTP should:

- D. consider not only the micro-management needs of farmer's organizations, such as cooperatives, but the individual small farmer's needs as well. (see p. 64-65 (d))

3.3 Attitude and Value Changes

3.3.1 IICA Guidelines

- A. Medium Term Plan : none available
- B. JPA : none available
- C. Programme: none available

3.3.2 Summary of Issues

Background: The most vital and dynamic element in any organization is its human resources. Enduring changes - improvements- in this element are essential for the improvement in the organization's sustained performance. Emphasis will center on two aspects : know-how and values and attitudes. This session will address the latter.

Values and attitudes. Knowledge per se is not sufficient. It must be utilized. Values and attitudes (V's & A's) toward the development process and the individual's organization largely determine the extent to which the know-how which the organization's human resources possess are effectively utilized.

V's & A's are rarely changed by an exclusively academic approach. Rather, they are altered most readily by experiential learning/ modifying processes. When something different than the customary produces desired results on a sustained basis, it tends in time to modify an individual's or group's values and attitudes.

Some of the important V's and A's are those relating to : leadership, work ethic, discipline, integrity, motivation, incentives, participatory processes and commitment.

3.3.2. Summary of Issues

1. We need to understand the small-scale farmer's current system of values in order to design projects which the farmer will consider beneficial. Improved productivity requiring additional small-scale farmer labour may yield more foreign exchange (and more farmer income) at the expense of the farmer's well-being.
2. We should be sure that efforts to changes values and attitudes (example: acceptance of an improved variety) are made freely and not unknowingly.
3. We need to encourage the JPA to address the issue of values and attitudes.

3.2.3 Summary of Discussion

3.2.4 Recommendations

In order to assure the transfer of technologies and the success of development programmes in general, the JPA should:

- A. encourage the governments to develop national models for value and attitude improvement, which may be studied at the regional level and implemented nationally to obtain bottom-up planning and decision-making. (a,b,d,f)
- B. encourage government educational institutions to address the issue of improving attitudes towards farming, as well as motivating young people to increase production and productivity. (b,c,d)

In order to strengthen the MTP:

- C. problems, objectives and strategies relating to improving values and attitudes should be included.

4. PROGRAMME IV TOPICS

4.1 Small-scale Farmers and the Export Market

4.1.1 IICA Guidelines

A. Medium Term Plan:

The purpose of the Marketing and Agroindustry Programme is to support the countries in their efforts to increase the efficiency of their marketing processes. The programme will also work to improve the effective participation of agricultural products in international, bilateral and multilateral trade in the region and the world. This will be done by improving the design of information channels and systems, increasing investments in rural agroindustry and promoting nontraditional agricultural export.

B. Joint Plan of Action:

The analysis will focus on three concrete facets which appear essential if the countries of LAC are to acquire improved access to external markets: the multilateral trade negotiations at the GATT round in

Uruguay, intraregional trade, and export diversification. The first facet will require an up-to-date analysis of market trends and prospects for the countries of LAC and the identification of action that might be taken to enhance the role these countries can play in negotiations. The discussion of the second point will focus on a review of several mechanisms already in place (the Caribbean Basin Initiative, protocols for integration by Argentina, Brazil and Uruguay, etc.) and the possibility for making them more dynamic. Finally, the review of possibilities for export diversification will contain studies of demand trends for new products in developed countries and mechanisms for market penetration that could lead to specific projects during the second phase of preparing the Plan of Action.

C. Programme:

The programme will work in the countries to promote relations between the public and private sectors for the production and export of agricultural products with high added value. The following activities will be carried out :

- i. Encourage and support the organization of national and multinational programmes for training farmers and other groups interested in participating in agricultural export businesses
- ii. Encourage the organization of meetings and events to bring individuals from countries of the region together with potential importing countries, to exchange experiences and develop technical and trade relations between the two groups. This will lead to joint venture projects.
- iii Support the countries to develop capabilities for the generation and use of information on external market opportunities and conditions, for export planning.

4.1.2 Summary of the Issues

In Jamaica, small-scale farmers primarily cultivate the following crops:

i) Export crops

- banana - cocoa - citrus
- coffee - pimento

ii) Non-traditional export crops

- cassava - yams - dasheen - eddoes - plantain
- okra - avocado - fruits - pumpkin - mango
- ackee - sweet pepper - sweet potato

Development and transfer of technology to small-scale farmers

Development of technology:

There exists enough knowledge to economically increase productivity. The priority problem, currently, is the dissemination of information.

Transfer of technology:

Strengthen extension service to facilitate rapid transfer of technology

Marketing Strategy

- i) Information dissemination needs to improve for all those involved in marketing, both farmers and higglers

- ii) Government collection, analysis, utilization of information needs to improve

Institutional Support Requirements

- i) Commodity Boards need to strengthen their operations re the services to small-scale farmers (i.e. collection of produce, timely payment and provision of planting materials
- ii) Extension needs strengthening in numbers, resources, etc.
- iii) Improved credit policies needed, through Commodity Boards

4.1.3 Summary of Discussion

4.1.4 Recommendations

In order to emphasize actions which boost the participation of the small-scale farmer in producing agricultural goods for domestic consumption and for export, the JPA should identify the required technical and financial support from donor countries and agencies to:

- A. strengthen national extension and related services in order to facilitate the more rapid transfer of technology; this should be done through increased personnel, increased remuneration and upgrading of technical competence. (a,f)
- B. improve collection and dissemination of market and price information. (a,f)
- C. strengthen Commodity Boards in their services to small-scale farmers through improved collection of produce, timely payments and provision of planting material. JPA should also encourage implementation of Commodity Board credit programmes for small-scale farmers. (a,f)

4.2 Markets and Marketing

4.2.1 IICA Guidelines

A. Medium Term Plan:

The purpose of the Marketing and Agroindustry Programme is to support the countries in their efforts to increase the efficiency of their marketing

processes. The programme will also work to improve the effective participation of agricultural products in international, bilateral and multilateral trade in the region and the world. This will be done by improving the design of information channels and systems, increasing investments in rural agroindustry and promoting nontraditional agricultural export.

B. Joint Plan of Action:

The analysis will focus on three concrete facets which appear essential if the countries of LAC are to acquire improved access to external markets: the multilateral trade negotiations at the GATT round in Uruguay, intraregional trade, and export diversification. The first facet will require an up-to-date analysis of market trends and prospects for the countries of LAC and the identification of action that might be taken to enhance the role these countries can play in negotiations. The discussion of the second point will focus on a review of several mechanisms already in place (the Caribbean Basin Initiative, protocols for integration by Argentina, Brazil and Uruguay, etc.) and the possibility for making them more dynamic. Finally, the review of

possibilities for export diversification will contain studies of demand trends for new products in developed countries and mechanisms for market penetration that could lead to specific projects during the second phase of preparing the Plan of Action.

C. Programme:

The programme will work in the countries to promote strategies and policies for bringing industry into agricultural areas and increasing the rural added value of production. This will recast the relations between industry and agriculture, and emphasis will be placed on processing agricultural goods. The following actions will be carried out :

- i. Support the countries in setting up organizations to promote small and medium sized enterprises that will develop agroindustry, domestic marketing of agricultural products and inputs, and export
- ii Promote and support the countries' efforts to develop institutional capabilities for training in the preparation of agroindustry projects

4.2.2 Summary of the Issues

Over 80% of farm produce is sold on the domestic market, while approximately 20% is sold as export. Produce for the local market is sold in selected supermarkets, hotels, restaurants, households, processors, cruise ships, and rural and urban markets.

One significant advantage of local distribution is the elimination of the usual long line of "middlemen" leading to high mark up which is prevalent in foreign markets. Farmers now sell their products directly to the retail trade at a price cheaper for the consumer.

To effectively study the agricultural produce market, the following are important areas for consideration : (a) Consumer analysis; (b) Analysis of the competitive environment; (c) The marketing plan; (d) Demand forecasting

4.2.3 Summary of Discussion

Considerations:

- Development of a more meaningful regional marketing system vs. strengthening CARICOM. CARICOM is insular and may not be able to compete with external competition.
- Can CARICOM set up a Marketing Division which can market all national surplus earmarked for export -- a sort of clearing house for exports.
- The IICA/Jamaica farm model project will by then have tested a method at the national level which could have potential for regional adaptation to support the CTU.
- Deregulation vs. increased economic control

4.2.4 Recommendations

In order to analyze the potential for improved access to external markets for the member countries, the JPA should :

- A. encourage the Caribbean countries to ask CARICOM to study the feasibility of creating a Commodity Trading Unit (CTU) within the Secretariat, whose purpose would be to market specific surplus agricultural commodities produced by several member states, e.g: winter vegetables, citrus, coffee, cocoa, root crops, and bananas and products of agro-industries.

This Unit could also purchase raw materials in bulk for member countries' agro-industries.

It could provide information on international markets to member states, as well as information on trade laws, prices, volumes, etc. (a,b,d,e,f)

- B. analyze the Israeli National Agro-Industry support institution (TNEUVA) as a potential institutional model for IICA member countries to propel agro-industrial development. (a,d,f)
- C. encourage the Caribbean countries to strengthen the institutions which provide market information to producers and to exchange this information among Member States. (a,b,c,d)

4.3 Agro-industrial Development

4.3.1 IICA Guidelines

A. Medium Term Plan:

The purpose of the Marketing and Agroindustry Programme is to support the countries in their efforts to increase the efficiency of their marketing processes.

The programme will also work to improve the effective participation of agricultural products in international, bilateral and multilateral trade in the region and the world. This will be done by improving the design of information channels and systems, increasing investments in rural agroindustry and promoting nontraditional agricultural export.

B. Joint Plan of Action:

The document will examine the region's potential for agroindustrial development and possibilities for increasing the added value of agricultural raw materials. High-priority attention will focus on four central considerations : problems and needs for industrial reconversion of "mature industries" (such as sugar); requirements and actions needed to bolster rural agroindustries; evaluation of the institutional structure already present in the countries and needs for upgrading; and the technological problems of agroindustrial development and other alternative approaches (such as horizontal cooperation among the countries of the region, coordination of public and private research systems between Latin America and the Caribbean and developed countries, etc.).

C. Programme: none available

4.3.2 Summary of the Issues

4.3.3 Summary of Discussion

For our discussion I would like to highlight the following view points as they relate to our assignment.

1. The examination of existing and the creation of new linkages within the Agricultural Sector to advance the integration of our food and fiber production systems both locally and for the region - e.g. linkages refer to the supporting institutions and operating organizations which are: farms, transporters, warehouses, processors, farm suppliers, financial institutions, research centres, etc.
2. Regarding Agro-Industries as the centre of the agricultural chain, its dependence on raw materials from the farms and the market which is the outlet for the processed product, what type of strategies should be developed to stimulate agricultural production to achieve its full potential.
3. Should the encouragement of Agro-processing be a "tool" which could be used as a value added strategy for development.
4. Exploring the need to support Research and Development with particular emphasis on the areas of genetics, field experimentation, market research, etc. with the task being implemented by private, government or jointly.
5. The establishment of standards for quality control, and inspecting systems for domestic and export products; with emphasis on safety and the nutritional value of processed foods.
6. How income policies will affect support prices to farmers, price controls on finished goods to consumers and also its effect on the level of profits.
7. Analysis of the effect of monetary policies on the development of Agro-processing plants as relating to the mobilization of resources for different types of Agro-Industries by sizes and location.
8. The importance of Agro-Industries in national planning of rural development strategies through the establishment of viable projects.
9. What are the benefits to be derived from foreign investor input to the national development strategy for a viable Agro-Industrial Sector.

10. To develop strategies to ensure viability of the three basic component activities, i.e. procurement, processing and marketing, both in the external and internal environment.

11. To determine the product design process in relationship to consumer or market needs.

12. To analyze the Agricultural Production policy, in order to determine the effects of the primary elements of the procurement system.

This primarily refers to the supply of raw materials in adequate quantity, and acceptable quality, at the appropriate time for a reasonable cost.

In summary, the areas of concern in raw materials procurement are:

- Quantity
- Quality
- Time
- Cost
- Organization

4.3.4 Recommendations

In order to examine the region's potential for agroindustrial development and possibilities for increasing the added value of agricultural raw materials, the JPA should:

- A. study the feasibility of Caribbean countries coordinating policies and strategies to improve agricultural raw material processing and linkages. Consideration should be given to expanding the domestic processing of high quality agricultural products, e.g: ginger, pimento. (a,b,d)
- B. recommend that countries analyze and share experiences with regard to product exchange, i.e: bartering, which enlarges the market, increases regional food security and acts as a stimulus to agricultural production. (a,b,g)
- C. encourage Governments to place more emphasis on the generation and transfer of agro-industrial processing technology and to establish common standards for quality control to maintain product reputation within the sub-region. (a,b,d)

- D. encourage Governments to stimulate investment in processing agricultural products for export markets through tax incentives and other policies, such as removal of trade barriers. (a,d)

- E. encourage countries to incorporate agro-industries in national planning of rural development strategies through the establishment of viable projects incorporating youth and women into the generation of additional family income (a,b,e)

5. PROGRAMME V TOPICS

5.1 Animal Health and Plant Protection

5.1.1 IICA Guidelines

A. Medium Term Plan:

The Animal Health and Plant Protection Programme will cooperate with the countries in strengthening specific national institutions in this field. It will seem to increase their capability and effectiveness in reducing economic losses caused by pests and diseases during agricultural production and marketing, preventing the introduction of exotic pests and diseases, and controlling the spread of diseases already in the countries.

B. Joint Plan of Action:

The documents will analyze and identify high-priority areas in which the countries of the region can undertake joint action for increasing agricultural productivity and facilitating trade relations. It will include activities designed to eradicate plant and animal diseases, coordinate regulations and policies for eliminating health barriers, and modernizing national agencies responsible for animal health and plant protection. Technical, financial and institutional requirements for implementation of joint action in these areas must be specified.

C. Programme: none available

5.1.2 Summary of the Issues

There needs to be regulations governing the movement of plants and animals from one country to the other to prevent the spread of diseases.

This needs to be a regional cooperation based on the situational position of each country in terms of diseases and/or pests that are common to all countries or endemic to only some countries.

The protocol governing movements of plants and animals has to be one of high confidence and trust as visual

examinations cannot always give immediate diagnosis. Countries must realise their inter-dependence and allow for passing of information pertaining to quarantine matters without pressure.

Plant and animal health must be viewed as a regional rather than an individual country matter.

5.1.3 Summary of Discussion

5.1.4 Recommendations

In order to identify and analyze high priority areas in which the countries of the region can undertake joint action for increasing agricultural productivity and facilitating trade relations, the JPA should :

- A. study the animal health and plant protection requirements of the Caribbean area, develop the appropriate programmes to address these and assist governments and IICA to allocate the financial and human resources necessary for implementation (a,b,d,e,f,g)
- B. encourage governments in the sub-region to continue to give support to:
 - i. the joint programme for Blue Tongue eradication.
 - ii. the animal health information and data monitoring systems for CARICOM member states and Suriname. (d,f)
- C. encourage countries to analyze and exchange experiences with reference to enforcement of plant and animal health regulations and encourage countries to set up off-shore quarantine facilities where necessary, as a first line of protection against intrusion of pests and diseases. (a,b,d,f,g)

6. FOLLOW-UP ACTIVITIES

I. At Regional Level

1. At April meeting, discuss possibility of using one format for analyzing agricultural sector problems in all Caribbean countries. This information could be fed into data base for analysis.
2. Obtain 1988-89 strategy documents from other Caribbean IICA offices. These could be the basis for analyzing problems and similarities throughout the region.

II. At National Level

1. Five round-table meetings (July - November 1988) to discuss issues and recommendations, organized by programmes.
2. Data analysis on each Caribbean country.

PROPOSALS FOR ROUND TABLE MEETINGS - DATES & INVITEES

Programme 3 July 28 (JTM)

- 1 * Fraser
- 2 * Boyne
- 3 CAIB
- 4 McPherson - CIDCO
- 5 Ramdatt
- 6 * Campbell
- 7 * Sangster -ACB
- 8 Leslie - CFNI
- 9 NDF
- 10 Mignott - CFA
- 11 Whittaker - JBPA
- 12 * Malcolm MacDonald
- 13 Fletcher
- 14 Vernon Morris

Programme 2 August 25 (AVC)

- 1 Lowe
- 2 van Whervin
- 3 *Baker
- 4 Jennings
- 5 Coke
- 6 *Asnani
- 7 Taffe
- 8 Dunbar (CAIB)
- 9 Williams (CIB)
- 10 Ramdatt
- 11*Fraser
- 12*Wilson
- 13 Suah

Programme 5 October 27 (ACM)
(LCO)

1 * Dr. L Bryan
2 * Dr G Grant
3 Dr C Marsh
4 Dr C Wellington
5 Dr D Oliviera
6 Dr C L Gray
7 * Dr Keith Amiel
8 * Dr McLaren
9 * Dr Peter Bent

Programme 4 Sept. 29

1 Croft
2 Richardson
3 Pottinger
4 Irving
5 Henry
6 *Morgan
7 *Richards
8 Jones
9 *I E Johnson
10 Telfer
11* Dr M MacDonald

Programme 1 Nov. 11 (JHM)

1 Roache
2 Franklin
3 * Shaw
4 * Strachan
5 Lowe
6 Jackson
7 Pickersgill
8 McKie
9 * Stuart
10 Logan
11 * McLaren
12 Munn
13 Thompson

* = steering ctte.

CHART DEPICTING STEPS FOR PLANNING THE ROUND TABLE MEETINGS
ORGANIZED BY PROGRAMME AREAS

Step	Programme Area				
	1	2	3	4	5
IICA Meeting 1 - 4	Sept 15	June 23	May 26	July 28	Aug 25
Final IICA Meeting	Sept 29	July 7	June 9	Aug. 11	Sept 8
Steering Committee 1	Oct 6	July 14	June 16	Aug 18	Sept 15
Steering Committee 2	Oct 20	July 28	June 30	Sept 1	Sept 29
Steering Committee 3	Nov 3	Aug 11	July 14	Sept 14	Oct 13
Roundtable	Nov 17	Aug 25	July 28	Sept 29	Oct 27
Follow-up	Dec 1	Sept 1	Aug 4	Oct 6	Nov 3

Format for Round Table
Meeting Result

Agenda

JPA Doc Sections:

1. IICA Guidelines

2.

Elaboration of the Issues

3.

Narrative of Discussion

4.

Listing of Recommendations

Section 1 :

9-11 Presentation of Topics by
(15 - 20 mins) A-B-C *

Section 2 :

11-1 Discussion of Topics
with different
discussion leaders
A-B-C

1-2 lunch

Section 3 :

Formulation of recommendations
A-B-C leaders

(* letters indicate same
topic, but different person
in each section)

PROCEDURES

1. Select Steering Committee
2. Define role of Steering Committee and meeting dates.
Review tentative Agenda. Make final selection of
individuals and review the guidelines for issues paper
3. Send letters
Tentative Agendas for the Roundtable
Objectives and Procedures
List of participants
Background statement

4. Tentative selection of A, B, C persons for each topic and each section
5. Hold Steering Committee Meeting

7. OTHER RECOMMENDATIONS

To be inserted later: responses to DG's memo 427

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7. OTHER RECOMMENDATIONS

The ongoing projects were discussed and projections for 88-89 and beyond were reviewed. It was decided that the 1988 Jamaica Report was the most recent description of project status and projections for the office.

The office should have a project in each programme area in order to provide the GOJ with the scope of IICA's expertise. Currently, the status is:

Programme 1 : a regional policy meeting may be held in Jamaica in 1988. Both the Minister of Agriculture and the Prime Minister's Office have expressed interest in this. It is hoped that this meeting and/or other activities will lead to a permanent project with an IPP with competence in the area to assist Jamaica. This is a priority.

Programme 2 : the Cropping Systems Project is entering Phase II with IDRC funding and increased attention and support from the MOA. This will facilitate institutionalization. A second externally funding project based on the same methodology is under negotiation with USAID.

Programme 3 : the Small Business Management project is entering Phase II and the Farm Management Training is starting-up successfully.

The Medium Term Plan does not include the issue of the skewed land distribution and the need to analyze mechanisms to increase access to land by landless and near-landless farmers. In addition, as mentioned before, the MTP addresses farm management in associative terms, rather than including individual farmers as is more commonly the case in the Caribbean.

Programme 4 : this year, the office became engaged in the Yam Export (yamex) initiative, which is the first such marketing activity for the office. This initiative brings together producers, marketers and government agencies to solve the problems relating to the export of yam, particularly those produced with the mini-sett technology. The hope is that this will lead to an externally financed project in this programme area.

Programme 5 : some activity is ongoing in the animal health part of this programme area (blue tongue epidemiological study), but it is underfunded. There is interest in

addressing the problem of CAE, but no funding is available. On the plant protection side, efforts have been made to create an inter-agency committee to deal with problems of pesticide management policy, a serious issue in Jamaica. Again, the funding is a problem.

There is much to be done in Jamaica in this programme area and GOJ are continually turning to IICA; it is difficult to make any commitments without being sure of the funding base.

Organizational and administrative issues which should be considered:

1. increase the delegation of authority, such as:

sales and purchase of equipment, simplify the procedures and delegate the authority

increase the Rep discretionary funds to enable response to national requests
2. simplify the preparation of Operativo and info's ; make the approval processes (ie budget, projects, agreements) more expedient. do the budgets at SC without our involvement, if they are going to be dramatically changed anyway
3. improve the mechanism for adjusting the salary scales for local staff; such as the one for the IPP's
4. actively pursue a strategy to acquire buildings for the IICA Representations, through donations, long-term free use, etc.
5. hire more women, Blacks, Caribbean and other minorities

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Annex A: Lists of participants attending meetings

February 11 and 12, 1988 :

Jan Hurwitch-MacDonald	A.C. MacDonald
Tomas Mulleady	Leslie Orr
Vivian Chin	

February 25 and 26, 1988 :

Jan Hurwitch-MacDonald	A.C. MacDonald
Tomas Mulleady	Leslie Orr
Vivian Chin	Jonice Louden

March 4, 1988 :

Jan Hurwitch-MacDonald	A.C. MacDonald
Tomas Mulleady	Leslie Orr
Vivian Chin	Jonice Louden

March 11, 1988 :

Jan Hurwitch-MacDonald	A.C. MacDonald
Tomas Mulleady	Leslie Orr
Vivian Chin	Jonice Louden

Computer Operators/Notetakers :

Rodney Rieks
Richard Reiter



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Annex B: Agendas

PROFESSIONAL RETREAT II

IICA OFFICE IN JAMAICA

FEBRUARY 11 - 12, 1988

AGENDA

Thursday, February 11, 1988

- | | |
|-------|--|
| 7:00 | Depart Kingston |
| 8:00 | Breakfast |
| 9:00 | Introduction and Orientation
Jan Hurwitch-MacDonald |
| 9:30 | Session A : Specific Policies for Tackling
Rural Poverty
A. C. MacDonald |
| 10:30 | Session B : Coordination of Agricultural
Policies
Jan Hurwitch-MacDonald |
| 11:00 | Session C : Modernization of Public
Agricultural Sector/Institutional Management
Jonice Louden |
| 12:00 | Lunch |
| 1:00 | Session D : Food Security
A. V. Chin |
| 2:00 | Session E : Small-scale Farmer Export
J. Tomas Mulleady |
| 3:00 | Session F : Technology Generation and Transfer
A. Vivian Chin |
| 5:00 | Session G : Land Reform
J. Tomas Mulleady |
| 6:00 | Session H : Attitudes/Value Changes
Jan Hurwitch-MacDonald |
| 7:00 | Dinner |
| 8:00 | Review of computer printout of days work |

Friday February 12, 1988

- 7:00 **Breakfast**
- 8:00 **Session I : Financing/Investments/Savings**
Leslie Orr
- 9:00 **Session J : Markets and Marketing**
Leslie Orr
- 10:00 **Session K : Micro Management**
J. Tomas Mulleady
- 11:00 **Session L : Agro Industry**
Leslie Orr
- 12:00 **Lunch**
- 1:00 **Session M : Health**
A. C. MacDonald
- 2:00 **Session N : Regional Resources**
Jan Hurwitch-MacDonald
- 3:00 **Break**
- 4:00 **Review printout/make corrections for final**
document
- 6:00 **Overview of Farm Management Training &**
Generation of Information
J. Tomas Mulleady
- 6:45 **Overview of SEDPRO**
Jan Hurwitch-MacDonald
- 7:00 **Dinner**
- 8:00 **Overview of Cropping Systems Project**
A. V. Chin/A. C. MacDonald/Leslie Orr

Saturday February 13, 1988

- 7:00 **Breakfast**
- 8:00 **Depart from Pine Grove**

IICA JAMAICA'S RECOMMENDATIONS FOR
THE JOINT PLAN OF ACTION
PROFESSIONAL RETREAT 1988 (SESSION II)
WYNDHAM HOTEL, FEBRUARY 25 & 26, 1988

A G E N D A

Thursday, February 25, 1988

- 2:30 Depart Fairway Avenue office
- 3:00 Session N: Foundations of a strategy for reactivation and modernization of agriculture as a means to economic and social development in LAC countries
Jan Hurwitch-MacDonald
- 4:00 Session C: Modernization of Public Agricultural Sector/Institutional Management
Jonice Loudon
- 5:00 Session H: Attitudes/Value Changes
Jan Hurwitch-MacDonald
- 7:00 Dinner
- 8:00 IICA projects: Farm Management Training and Generation of Information
Tomas Mulleady
- 8:45 SEDPRO
Jan Hurwitch-MacDonald
- 9:00 Cropping Systems Project
Vivian Chin, A.C. MacDonald, Leslie Orr

Friday, February 26, 1988

- 9:00 Review of draft 1 of JPA recommendations
- 12:30 Lunch
- 1:30 Continuation
- 5:00 Closing



ANNEX C : Background papers and materials

Session A: Specific Policies for Tackling Rural Poverty
A.C. MacDonald

Introduction

Jamaica is an island comprising of 4,207 square miles. It is the largest of the British West Indies with a population of approximately 2.5 million.

Of this number, 1.5 million live in the rural areas, the other million is divided among the cities - Kingston accounting for half a million and Mandeville - Montego Bay and Port Antonio. The bulk of the population in the deep rural area enjoys little or none of the benefits of the tax revenue.

It is a system in Jamaica to have all the amenities geared and channelled to the urban areas. Because of this, the lot of the rural poor becomes increasingly worse in every sector of the administrative structure.

1. Agriculture
2. Health
3. Education
4. Construction - Roads
5. Housing
6. General Services
7. Credit and Financing

To aid the cause and upgrade the condition of rural poverty, the seven items listed above must be dealt with in depth bringing into focus the cause, the effect and the solution.

1. AGRICULTURE

Jamaica is basically an agricultural country. Seventy-five per cent (75%) of the total population is engaged either in agricultural farming or in agri-business or in agricultural marketing. Although it may not provide the highest figure in foreign exchange, yet its impact on the island is more influential and useful than all the other sectors put together. To understand why rural poverty is so rampant, one must understand the pattern of land distribution and land ownership. Some of the people categorized as farmers are

barely subsistent and earn little toward their total livelihood.

To understand this, one should be aware that there are approximately 155,314 farmers occupying approximately 923,845 acres. However, the distribution is such that it makes the majority of the farmers little above the landless line.

Seventy-eight percent (78%) of the farmers own 20% of the land. All these fall in the category of owning less than 5 acres of land. Another 15%, own less than 10 acres making it a system whereby 93% of the farmers own 36% of the land and 7% own 64%. This inequitable distribution creates and continue to perpetuate rural poverty.

Because of the foregoing where 93% of the farmers own 36% of the lands and 7% own the remaining 64%, it aggravates the situation even more since this 36% represents steep hillsides and rocky out-cropping with a very small-scale proportion of arable and mechanically cultivated lands.

It is with this background knowledge that makes it necessary for the stress for policies to be introduced to aid the rural poor since 90% or more of this sector is represented by rural subsistence farmers.

How did they survive

They survive because they had a will to live and eke out an existence and because of the programmes that were carried out over the past 40 years. However, within the past ten years these programmes have either been completely removed or very little done to encourage them.

Small-scale farmers over the years have benefitted from:

1. the Farm Development Scheme
2. the Farm Recovery Scheme
3. the SSFDP Programme
4. Farm Housing Scheme
5. Farm Building Scheme
6. Domestic Tank Building Programme
7. Crop assistance (e.g. Gungo Peas subsidy)

and many other small-scale programmes that assisted the poor rural farmers and their families.

All the schemes/programmes had a very high element of subsidy. These factors greatly helped to make life for the poor rural farmer bearable.

During these periods, there was great emphasis placed on farmer education in farm training, boosted by field demonstration and agricultural field days.

The Ministry of Agriculture was equipped with a cadre of Extension Officers in all the main villages and the J.A.S. showed a strong presence. Over the past ten years, the emphasis has shifted from small farmer participation in agriculture and likewise, the removal of the resources to make agriculture work. The Production and Extension Division of the Ministry of Agriculture, which was responsible to service the small farmers, has been whittled down to 25% of its former size.

The Research and Development section of the Ministry of Agriculture has also been pirated to the point that there remains only a skeletal staff. It is to be borne in mind that along with the help of the Production and Extension Service, small farmers were able to obtain their supply of materials from the various Government stations over the island that supplied planting materials at a nominal cost. A list of these stations and the materials will give an indication of the service the small farmer received.

- In the Southern region, (St. Thomas, St. Andrew and St. Catherine there were stations at Lyssons, Hope Gardens, Lawrence Field, Bodles, Charlton. These supplied, coffee seedlings, cocoa plants, citrus plants, mango plants and horticultural plants at nominal fees.
- In the Central region, there were nurseries at Grove Place and Chudleigh which supplied citrus, coffee and several other plants that farmers needed.
- In the Northern region, there were nurseries at Caenwood and Orange River that supplied planting materials of cocoa, coffee, citrus, blackpepper, and coconut to mention the major ones.
- In the Western region, there were stations at Irwin Mt. Pelier that supplied citrus, coffee and other plants.

These are just examples to identify the vast changes that have taken place.

A few examples of prices will indicate the gaps that now exist which make it impossible for the poor rural farmer to participate in any new project (next page).

Plants	Price up to 1978	Price now	Where applicable
Mango	\$2.50	\$15.00	
Citrus	1.50	10.00	
Coffee	Free		
Cocoa	Free	.25	
Ackee	0.10	.25	Not available
Coconut	Free	3.00	
Breadfruit	0.20		Not available
Cashew	Free		Not available
Apple	Free		Not available
Sour Sop	Free		Not available
Lychee	5.00	20.00	
Guava	Free		Not available
Pimento	Free	12.00	

It can be easily observed that at these new prices, and the difficulty in obtaining the plants, the rural poor farmer is completely left out of the picture.

Some recommendations to adjust this situation are:

- Reintroduce the basics
 - (a) Farm Housing
 - (b) Domestic Tank Building
 - (c) Soil conservation programme
 - (d) Re-establish a major nursery in at least each of the regions
 - (e) Make the price of plants within the reach of the poor
 - (f) Allow small farmer participation in the banana export business
 - (g) Re-establish a cadre of Extension Officers to go among the farmers
 - (h) Restore the Research and Development Division
 - (i) Upgrade the J.A.S. to its former strength so that rural farmers may again obtain agricultural information in the group system.

The above were some of the systems available to the rural small farmer which enabled him to cope in his own small way. These are just a few factors mentioned but future policies should ensure that these are not eroded.

2. HEALTH

Perhaps the next important item to the rural poor is a good health system that allows for care of everyone to some degree.

As it is today, the health care and provisions made to deal with this has been badly eroded. Health centres have been closed, hospitals have been down-graded, areas that once had District Medical Officers for over 80 years are today without such a person. The percentage of patients to doctors have more than tripled because of the non-availability of doctors. Expatriate doctors from India and Cuba, which once did a good job in alleviating this situation have either been dismissed or harrassed to the point where their positions became intolerable and so they leave. The price of drugs, to those who cannot afford to be a member of some health insurance company, make it impossible for many to obtain primary health care.

There should be policies to ensure that everyone should be able to obtain some measure of health care.

1. Restore the hospitals to their former usefulness
2. Upgrade the village clinics
3. Reappoint District Medical Officers for traditional areas
4. Seek sources where generic drugs can be obtained at reasonable prices that all can afford
5. Reintroduce on a regular basis the school dental programme
6. Have ambulances in workable conditions at all times
7. Reintroduce and maintain the rural nurses aid
8. Equip the district maternity nurses sufficiently to cope with their work in the rural areas
9. Set a controlled price on certain basic drugs.

3. EDUCATION

Any policy to help the rural poor must take into account the educational system that exists.

The very good schools are to be found in the large cities and in the larger villages of Jamaica. However, children of the poor get the worst education in the worst physical situations despite all this there are many from these circumstances who have aspired and have achieved.

The new Secondary Schools in the rural areas should be upgraded so that students would be able to get an education up to the level of entering tertiary institutions. This needs the upgrading of the staff of these institutions and the provision of suitable desks, chairs and airy suitable classrooms.

The system should also allow access to bright students who aspire to go to University not to be deterred but encouraged. The cess that has been placed on our tertiary institutions is a disincentive to the bright poor student. These should be removed so as to allow easy access to intelligent poor

students who only need a chance to make good. Other than this, some of our brightest brains will be relegated to the HEART and SOLIDARITY programmes which though they serve a purpose, do not speak to educating the rural poor.

4. CONSTRUCTION

While roads leading into the city and in the urban areas are continually being upgraded and while this is desirable, priority must be given by the Ministry of Construction to farmers' roads. These need to be upgraded as in the majority of areas farmers' roads are in a deplorable condition. This causes loss to the farmers as they are not able to transport their products to the markets. Many roads that were usable 6 years ago have become totally unusable and farmers who once placed their goods at the gates of their holdings have to transport them now for miles on donkeys and mules.

In the case of sugar cane where a farmer once used 2 donkeys to get out a load of ten tons of cane in a day, because of the disrepair to the roads he now has to use 4 donkeys for 3 days each to do the same job. These and other similar factors militate against the small-scale farmer and creates more rural poverty.

5. HOUSING

Perhaps this is one of the most important entity that should be looked into. There was a time when there were low cost and low income houses. Today, these are non-existent. The farm housing scheme, which existed in the seventies, should be reintroduced. When this programme was operating, many poor rural farmers got their start from the help they obtained in the first one-room they got under the scheme.

In time they would proceed to add to these and eventually complete fairly comfortable homes. It must and should be a policy that the rural farmer who produces 80% of the foodstuffs of the country, should live in something a little bit better than in the shacks they now occupy.

6. GENERAL SERVICES

In this factor with the curtailment of the Research and Development Division of the Ministry of Agriculture and also the whittling down of the extension service, general services in every sector are badly lacking.

Lack of:

1. Veterinary service and assistance
2. Absence or complete lack of artificial insemination service
3. Extension teaching and training
4. Demonstration plots where farmers were accustomed to observe how to do what
5. The cadre of officers who taught farmers how to bud, layer, circumpose, graft and making simple things as a compost.
6. How to apply fertilizers, to spray and how to do simple farming practices.

7. CREDIT AND FINANCING

With the removal of the main factors that kept the small-scale rural farmer alive, consideration should be given to the thought of how he can cope in competitive situation. The rate of interest by all the leading agencies is far too high for poor subsistence farmers to pay.

To aid rural subsistence farmers, ways and means should be worked out to arrange for special interest rate, liberal moratorium on loans, and grants and subsidies where possible. Most of the loans borrowed by Government are always at very low interest rates. These are referred to as soft loans from the lending country but in Jamaica, the handling and management of these loans put them in the area of impossibility for the rural poor farmer.

Finally, while it is very good to spend a lot of the nations wealth on beautification, etc. it is now time to take a hard look and give priority to essentials rather than to the esthetics.

SUMMARY

SPECIFIC POLICIES FOR TACKLING RURAL POVERTY

The main areas under which the rural poor exists can be helped:

1. AGRICULTURE

- (a) Need for land space, (agricultural reform)
- (b) Need for training (extension)
- (c) Need for improved roads
- (d) Need for nurseries/planting materials
- (e) Need for low interest rates
- (f) Need for marketing facilities

2. HEALTH

- (a) Restore the closed hospitals
- (b) Upgrade the clinics
- (c) Reintroduce the dental school programme
- (d) Reintroduce the services of nurses aids
- (e) Upgrade the duties and functions of the District Maternity Nurse
- (f) Recruit doctors to fill the vacancies that exist in the rural areas
- (g) Fix control price on drugs
- (h) Obtain generic drugs from cheapest sources

3. EDUCATION

- (a) Upgrade the rural Primary and New Secondary School
- (b) Equip them with suitable staff and equipment
- (c) Remove the cess from the poor who try to enter tertiary Institutions
- (d) Make more scholarships and free places available to the bright but poor student

4. ROADS

- (a) Upgrade the main roads that lead into the villages
- (b) Upgrade the parochial roads that mainly serve the farming community
- (c) Maintain agricultural feeder roads
- (d) Reopen agricultural farm roads that were cut in the seventies by the land authorities

5. HOUSING

- (a) Reestablish the farm housing scheme
- (b) Provide cheap units at reasonable cost
- (c) Help to provide the first basic structure on which the poor farmer can build and add
- (d) Give priority to need rather than greed

6. GENERAL SERVICES

An effort should be made to address the matter of the general services that were once available but now are either non-existent or very poor.

- (a) Veterinary services and assistance
- (b) Artificial insemination service
- (c) Extension, teaching and training
- (d) Farmers' field day demonstration
- (e) Reviving in training in the art of budding and grafting
- (f) Disseminate general agricultural instructions

7. CREDIT AND FINANCING

Farm loans are too high and particularly so for the poor rural subsistence farmer.

- (a) Soft loans should be made available
- (b) Sources of cheap farm credit should be identified
- (c) Priority should be given to needy enterprises rather than cosmetic entities
- (d) Loans should be made over sufficiently long period, with moratorium so as to enable the farmer to achieve his goal.

Session B: Coordination of Agricultural Policies (JHM)

A. Current Agricultural Policies in Jamaica

Background on the topic was provided by reviewing the following two documents of importance to the agricultural sector:

Agricultural Sector Policy Review , Report of the FAO/World Bank Cooperative Programme Investment Centre, September 1986

Socioeconomic Report: Jamaica, Inter-American Development Bank, January 1988

I. Export Expansion & Import Substitution

The general government policy in agriculture is aimed at expansion of exports and import substitution. Agro-21 was created for the first purpose. The largest import in terms of value is maize; this commodity can be imported more cheaply than it can be produced locally. The IICA cassava project is designed to address the question of replacing imported corn in animal feed.

II. Macro-economic policies which affect the agricultural sector

- i. Exchange rate
- ii. Interest rate
- iii. Staff redundancies
- iv. Fiscal reductions

III Structural adjustment policies

- i. External marketing organizations
- ii. Credit
- iii. Land use
- iv. Sugar
- v. Bananas
- vi. Other

IV Incentives for farmers

- i. Devaluations
- ii. Stimulation of export crops
- iii. Stimulation of domestic crops
- iv. Import substitution crops
- v. Livestock and dairy
- vi. Non-traditional export crops

V Agro-21

VI Other initiatives

- i. World Bank export crops project
- ii. Rural parish (markets) programmes
- iii. PMOs
- iv. Closure of AMC (Ag Mktg Corp)
- v. Fumigation and certification programme
- vi. Small-scale farmer development programme
- vii. Agricultural research projects (IDB/ USAID)
- viii. Hillside (complete name)
- ix. Agricultural incentives
- x. Import duty concessions

B. Policy Coordination at the regional level: resources and institutional coordination

I. Regional institutions

CARICOM
CDB
CARDI
UWI

II. Regional projects

CARDATS

Chart Depicting Program I areas of concentration and IICA action tools

Action Tools\ Areas of conc.	1	2	3	4	5	6
1. Analysis & ex- change of experience	x	x			x	x
2. Analysis & mgmt of high-priority instruments		x	x			x
3. Strengthening Institutional systems for Agricultural pol- icy planning and implementation		x	x			x

Session C: The Modernization of the Public Agricultural Sector/Institutions (JL)

Management

The public agricultural sector includes MOA, Agro 21, Commodity boards, each of which have significant implementation responsibility for similar functions in different parts of the sector.

The principal problems are:

(1) Fragmentation

This leads to:

Competition for resources
Lack of personnel
Loss of capability

(2) Professional personnel

Shortage of professional staff due to:

High turn over
Low income and motivation
Lack of transportation
Decision making procedures
Lack of clear cut hierarchy
Poor collaboration and coordination
Poor interpersonal relationships

(3) Operational planning

Accounting procedures
Communication
Operational planning (Management by objectives)
Feedback Mechanisms
Management style
Decision making processes.

Session D: Food Security (AVC)

- A. The revitalization of agriculture in the Latin American and Caribbean countries is concerned with improving food production and rural well-being. It is likely to have a significant effect on the internal stability of the countries (particularly those which have a large and poor rural population). This revitalization is premised on Governments' promulgation of policies and execution of actions aimed at:
- I. creating an environment that would encourage the rural population to be more preoccupied with food production activities than they are at present;
 - II. reducing the level of discontent in rural areas.
- B. Matters of concern regarding the issue of Food Security with reference to Jamaica are:
- I. Jamaica's extreme dependence on imported cereals (rice, maize and wheat), legumes (mainly soybean) for human consumption, and livestock feeds;
 - II. the Government should seriously consider promoting:
 - i. improved and increased rice production by small-scale farmers; current government policy does not integrate the farmer support necessary for this; (this recommendation can be made of many countries);
 - ii. increased cassava production to substitute cassava for imported maize; sorghum can be used as a substitute if the government dedicates Research and Development to sorghum;
 - iii. Research and Development work on soybean with the objective of introducing this crop on small-scale farms so that the production base could be as wide as possible;
 - iv. research and development work on sorghum (utilizing the best adapted cultivars developed at the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), with the objectives of substituting this grain for imported maize and for up to 25% of imported wheat and wheat flour, and of introducing this crop on small-scale farms in order to have as wide a production base as possible;
 - v. reorganization of the dairy industry to concentrate major milk production areas in close proximity to processing factories; Research and Development on

domestically produced dairy products, many of which can be economical on the small-scale to medium scale.

C. The value and quantity of 1986 Jamaican imports of rice, maize, soybean, and dairy products are as follows:

Commodity	Quantity Imported (,000 tons)	Cost (million J\$)
Total Rice (quantities adjusted to milled rice)	54.3	\$96.0
Maize	121.8	\$78.3
Soybean	48.0	\$58.7
Total Dairy Products (net imports)	17.4	\$91.9
	<hr/>	<hr/>
Total	241.5	\$324.9

Figures from "External Trade 1986", The Statistical Institute of Jamaica.

Session E : Small-scale Farmer Export (JTM)

Agricultural Sector Statistics

Population (1985) million	2.23
Rural population	
Gross Domestic Product (US\$m.)	2,142.
Proportion of Agricultural GDP (1986)	6 percent

Foreign Trade

Total Exports (1986 US\$m.)	566.
Traditional (bauxite/alumina)	404.
Non-traditional	162.

Agricultural Exports

Export crops	115.
-sugar/rum	60.
-non-traditional (yam, fruits, vegetables, root crops, ornamentals)	33.
-traditional (coffee, banana, citrus, pimento)	22.

Food Trade Balance

Deficit (meat, dairy, fish, oils)	55.
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Land Distribution (1978-1979)

	<u>Farms</u>	<u>%</u>	<u>Acres(th.)</u>	<u>%</u>
Individual farms	178,000	99.1	825	62.0
Others	1,428	.8	373	28.0
Government	136	.1	122	10.0
TOTAL	179,564	100	1320	100

Export Crop Production (Statistical Yearbook of Jamaica/1986)

<u>Farm Size</u>	<u>Farms</u>	<u>Acres(th.)</u>
<10 acres	51,668	134 - 10% of total
>500 acres		284 - 22% of total
TOTAL	56,723	31% 567 - 43% of total

Session F : Technology Generation and Transfer (AVC)

The objective of technology generation and transfer must be to effectively support the policies and actions aimed at increasing food security and food production for export.

Based on the premise that over the years, through trial and error, farmers have optimized the use of their limited resources in trying to attain their objectives using their present technologies, the specific purpose of technology generation and transfer should be to identify and adapt to their environment (physical, social, cultural and economic) appropriate technologies that utilize their resources more efficiently and effectively.

It is only through provision of alternative appropriate technologies (in the context referred to above) to farmers that the increased efficiency of agriculture necessary for the revitalization process can be achieved. Some alternative technologies may have already been identified in-country but may not have been tested for appropriateness (adaptability to farmers' environments) on farms.

Revitalization of agriculture may have as a short-term objective the physical expansion of agriculture using the present technologies practiced by farmers. This may be achieved through actions aimed at increasing the resources available to farmers such as the provision of grants and loans, with concomitant actions to improve the farmers' accessibility to inputs, marketing and extension services.

Matters of concern regarding the issue of Technology Generation and Transfer with reference to Jamaica are:

A. Technology Generation

Technology needs to be generated with "appropriateness" as the paramount characteristic. (Applicable to all countries.)

B. Technology Transfer

In general, the present system utilized by the agencies responsible for transferring technologies to farmers is not effective. The transfer of technology to farmers requires:

- a. commitment by Government (through the provision of adequate funding for extension actions); present situation--insufficient funds for farmers' training, on-farm demonstrations, and transportation of personnel, and a greatly reduced number of extension personnel as compared to the established number in 1980.
- b. commitment by Government employees in agriculture at all levels, but especially at the level of the extension officer who is the interface between farmers and the Governments; present situation -- actions which could

indicate commitment and which are not hampered by budgetary constraints are not being executed generally. These actions would be those which require initially only the knowledge and physical effort of the officer.

Farmers are quick to recognize commitment in this context and generally respond through collaboration, which is the most important pre-requisite for initiating technology transfer.

C. Strategies for Technology Generation and Transfer

The strategies for technology generation and transfer (TGT) have been:

- a. the establishment of commodity boards which are responsible for TGT for their respective commodities;
- b. the establishment of the Department of Science, Technology, Research and Development within the Ministry of Agriculture with responsibilities as follows:
 1. Research and Development Division: responsible for technology generation and development.
 2. Science and Technology Division: responsible for agro-industry research and development.
- c. the establishment of the Production and Extension Division within the Ministry of Agriculture responsible for the transfer of agricultural technology (including those commodities handled by Commodity Boards -there is some overlap.

Matters of concern regarding this strategy are:

- A. inadequate funding of research in commodity boards (except perhaps, sugar research) and in the Research and Development Division of the Ministry of Agriculture;
- B. if the agencies are considered as arms of a single organization whose objective is to generate and transfer agricultural technology, the administrative superstructure is wasteful of public funds. At the technical level since the individual agencies cannot afford a critical mass of qualified personnel both their actions and effectiveness are severely limited in scope.
- C. the need to identify alternative and complementary strategy for technology generation and transfer that would be more effective: at present the strategy of utilizing a Farming Systems Research and Extension Approach to technology generation and transfer is the only alternative complementary strategy tested, the results of which have been encouraging.

Session G: Land Tenure (JTM)

Land capability		acres (th.)
. agricultural		1683
I and II	359	
III and IV	862	
V	452	
. non-agricultural		867
Total		2550

Land Distribution(1978-79)	Farms	%	Acres (th.)	%
Individual farms	178,000	99.1	825	62
Others	1,428	.8	373	28
Government farms	136	.1	122	10
Total	179,564		1320	100

Farm Size

less than 5 acres	144,000	80	211	16
more than 25 acres			845	60

Land Issues**GOJ Agricultural Sector Goals**

- Creation of a firm basis for ensuring sustained social and economic progress in Jamaica through the modernisation and transformation of agriculture(Five-Year Food and Agricultural Policy and Production Plan, 1983/84-1987/88

Strategy**Production**

The central objective is to increase exports, reduce imports and increase domestic supplies of food and agricultural raw materials

- . increase agricultural production
- . increase investment
- . increase productivity

Land

The central objective of the land policy is to maximize the yield and the rate of return from agricultural land

- .eliminate unused land
- .improve access to land
- .improve land tenure
- .halt the degrading use of land

Land Reform Issues

Land Reform as a mean to achieve:

- Better distribution of income
- Increase agricultural production
- Increase agricultural exports
- Improve soil conservation
- Others

Alternative strategies to achieve the objectives mentioned above

- Better distribution of income
 - . Long term credit to purchase land
 - . Revised rental law to protect owners
writes and tenants investment on the land
 - .
 - .

- Increase agricultural production
 - .
 - .
 - .

Session H : Attitudes and Value Changes (JHM)

JPA Guidelines: none

Background: The most vital and dynamic element in any organization is its human resources. Enduring changes - improvements- in this element are essential for the improvement in the organization's sustained performance. Emphasis will center on two aspects : know-how and values and attitudes. This session will address the latter.

Values and attitudes. Knowledge per se is not sufficient. It must be utilized. Values and attitudes (V's & A's) toward the development process and the individual's organization largely determine the extent to which the know-how which the organization's human resources possess are effectively utilized.

V's & A's are rarely changed by an exclusively academic approach. Rather, they are altered most readily by experiential learning/ modifying processes. When something different than the customary produce desired results on a sustained basis, it tends in time to modify an individual's or group's values and attitudes.

Some of the important V's and A's are those relating to : leadership, work ethic, discipline, integrity, motivation, incentives, participatory processes and commitment.

Issues:

1. We need to understand the small farmer's current system of values in order to design projects which the farmer will consider beneficial. Improved productivity requiring additional small farmer labour may yield more foreign exchange (and more farmer income) at the expense of the farmer's well-being.

2. We should be sure that efforts to changes values and attitudes (example: acceptance of an improved variety) are made freely and not unknowingly.

3. We need to encourage the JPA to address the issue of values and attitudes.

Session 1: Investment and Agricultural Reactivation (LCU)

Overview:

Jamaica is recognized as a country endowed with natural resources, human resources, which includes well educated and skilled manpower and also a relatively developed financial system.

By the same token Jamaica has been classified externally as an highly indebted country, and suffers from considerable disadvantages arising from the openness of the economy which makes it highly sensitive to international price and demand changes.

In 1985 Jamaica's total external debt was US\$3,775 million. Included in this we had a Public debt/Public guarantee of US\$2,823 million, private negotiated debt of US\$ 90 million, Public Short-term debt of U.S.\$169 million and used IMF Credit of US\$693 million.

During this same period the country showed a debt service ratio of 36.5, this is a percentage of Exports of Goods and Services (G.D.P.). It is also of importance to note that government borrowings attracted an average interest rate of 7.7%, loans also had a average maturity period of 15 years.

The official development assistance receipts ranged from US\$123 million in 1979 to a high of US\$181 million in 1983 then back down to US\$169 in 1985. Had an average annual inflation rate of 18.3% from 1980-85.

Interest rates commercial banks

Deposit rates in 1980 was 10.29% and for 1985 it was 21.31%. The lending rates for 1980 were 13% and for 1985 it was 21.90%.

Recent Economic Trends

Real G.D.P. showed a trend of rapid growth up to 1973 then a drastic decline after 1980. Recently G.D.P. has exhibited a rapid growth, and at present stands at a growth rate of 5% for 1986-87.

During the period 1980-86 Jamaica's agriculture "value added" grew at a rate of 12% a year. In spite of stabilization programme which was extended in 1980 with the IMF when the present government came to power, the early financial years were very painful. However since then the economy has taken a slow creep back on a path of self sustained growth. During

this period it was government policy that the private sector was given the mandate to be the engine of growth. Through this concept the government was committed to financial management geared to achieving surpluses on current account for financial expenditure.

It is also a stated monetary policy that the Jamaican Economy was to be geared towards mobilizing savings and ensuring that sufficient bank credit is made available particularly to the agricultural sector.

Financial Trend

The scope of the Financial performance in the country today is directly related to the performance of the total economy. Looking at the stated policy of the government we are now guided by the results of the Recovery Economic programme. Quoting from the booklet "The Economic Recovery Programme" (a progress report): The six major indicators used to measure the economic health of the country; are listed as:

- . Rate of inflation which is now 9.4%; This is a fall from 19.6% in 1980/81.
- . The net international reserve (NIR). This stood at a positive U.S.\$177 million in March 1972; deteriorated to minus US\$582 million at March 1981. This now shows improvement in the NIR which now amounts to US\$566 million (deficit) at the end of March 1987.
- . Unemployment now down to 23.6% in 1986.
- . The level of investment. The investment G.D.P. ratio fell from 30.7% in 1971/72 to 17% in 1980/81. However, by 1985/86 the ratio had risen to 24.2%. This is reflecting the expansion in the production capacity of the economy.
- . Real G.D.P. rose by 4.6% in 1971/72 and by some 7% in the following fiscal year. Since then there were consecutive declines until 1981/82 when there was an increase of 2.3% and 3.2% in 84/85 and 1985-86 respectively. There was a return to real growth in 1986/87 when an increase in G.D.P. of 3.8% was recorded due largely to improvements in real consumption, investment and the trade balance.

Agricultural Finance

The portion of Public debt under consideration is the amount which goes to fund projects in the agricultural sector. The

level of expansion of the sector over the last 10 years was not trouble free, but instead was plagued by a mixture of secular problems that have re-emerged after a brief respite in the early 1970's.

Because of these problems, traditional agricultural exports have slumped, asset values have declined and farm income has stagnated at levels unacceptably low for many farmers.

The real value added to the economy by agriculture, (all sectors i.e. agriculture, forestry and fishery) amounts to J\$305.8 million in 1986. This was an increase over the previous 2 years. This however, was less than J\$309.8 million recorded for 1983.

Money Supply

The currency in circulation in 1986 was 727 million J\$ and Demand deposit of 940.6 million dollars.

Quasi-money

Time deposit for 1986 1,183.3 million dollars.
Saving Deposit 2,646.8 million dollars.

Thus the money supply as a percentage of G.D.P. for 1986 was 12.5% while Quasi-money as percentage of G.D.P. was 28.7%.

From these figures we can see that large quantities of Domestic money is available for investment but yet agriculture attracts less than 6% of the available funds for investment. Conversely the trend is for investment in this sector. It usually attracts external funding from many of the International agencies i.e. World Bank, C.D.B. etc. which caters for easy term money as reflected in low interest rates, and longer terms for repayment. These grants are available with special provisions governing their usage.

Most times by way of the terms of these agreements, often times matching local funds are required to be put in place before draw down on loans can be implemented. Very often in the Jamaican situation there is difficulty to achieve these conditions and so the project is thrown off schedule, or in the long run remains only partially developed.

In this light we need to examine how finance for agriculture can best be utilized to achieve the best benefit at favourable cost to the total economy.

The approach we can use to investigate these problems is by analysis of the listed issues below:

Issues (Local)

1. Mobilizing domestic savings through fiscal and financial sector policies to create pool of investment funds to the agricultural sector.
2. Improving the efficiency of the Private Sector investments by reforming trade and domestic policies.
3. Reform institutional arrangements to support adjustment, growth and monitoring of investment projects in the Agricultural Sector.
4. What are the expectations in terms of growth performance when we compare the stock of capital to its level of productivity? Will it encourage higher savings rate and productivity growth within the economy.
5. Can domestic savings rise because a higher level of income is generated by exports and by this token, an addition to savings?
6. The effect of the real interest rate as an incentive for the level of savings in the economy.
7. The effect of currency devaluation on the output of agricultural production, aiming at the exportable products.
8. The provision for Research and Development as a tool and agricultural productivity.
9. Inflation: Escalating inflation, this distorts asset values and commodity prices in agriculture. The Caribbean scenario is a wide adjustment to the problem.
10. Business support to agriculture

Loss of economic activity has affected the social infrastructure of many rural communities, with cut back in schools, library and health services.
11. Credit

The control of financial stress in agriculture and implications for policy regulations e.g. stress on rural lending institutions.

12. Improve the quality of credit data so as to detect problem loans. This could correct the lender/borrower perception of levels of problem detection.
13. Consideration of a reduction of risk and uncertainty to operators/farmers as agricultural products seeks to expand into the international market place.
14. Design a special monetary policy to assist:
 - (a) To maintain price stability
 - (b) Reduce the rate of inflation
 - (c) Influence currency exchange rate
 - (d) Lower real interest rates
 - (e) Reduce budget deficit
15. Analyses the effect of deregulation on credit systems, with reference to the lending institutions, noting effects on interest rates, asset values.

Session: J: Markets and Marketing of Agricultural Products
(LCO)

"The Market" has been defined as the area where the forces of supply and demand operate in order to establish a single price. For the purpose of this discussion, that definition must be interpreted in the wider sense of the existence of a group of individuals whose requirements demonstrate the supply and demand situation leading to the establishment of a price.

Marketing on the other hand is understood to mean the flow of goods between producers and consumers.

In Jamaica, the Agricultural System obviously requires both markets and supplies for growth and development of the sector. Historically, a production bias has always dominated Agriculture, and markets were considered secondary issues.

Our discussion on the above subject has been based on a free market economy or one where perfect competition exists among all market participants. Actually, there are many types of markets that may exist. Farmers and firms, when selling goods and/or services, usually are classified in the following market types.

1. Perfect competition
2. Monopolistic competition
3. Oligopoly and
4. Monopoly

When buying goods and services, firms usually are classified into these types of markets: monopsony, oligopsony, perfect competition, and monopolistic competition.

The design, quality and variety of farm products will in one form or the other be distributed through the marketing system. Here in Jamaica, farm produce is sold either on the local market or to the export trade, e.g. non-traditional export crops, root crops, citrus, coffee, etc. On the whole, over 80% of our farm produce finds its way into the domestic or local market, e.g. beef, milk, eggs, fish, food and grains. Produce sold to the local market is sold in selected supermarkets, major hotels, restaurants, households, processors, cruise ships, rural and urban markets.

The simplicity of the local distribution system eliminates some of the traditional high mark-up as seen in the foreign market. This enables farmers to sell their products to the trade at a price cheaper to the consumer.

To effectively study the marketing of agricultural products, elements to be considered are:

- (a) Consumer analysis: here we look at consumer needs, market segmentation, the purchasing process and market research.
- (b) Analysis of the competitive environment: examining market structure, basis of competition and institutional constraints.
- (c) The marketing plan: this defines the elements of product design, pricing, distribution and promotion that constitute the firms marketing strategy.
- (d) Demand forecasting: the analyst examines techniques and considerations for projecting sales.

Since the mere classification of a market does not provide sufficient appraisal of the local market performance, we would like to raise some issues for clarification which could aim at improving marketing both on the domestic as well as on the regional markets.

ISSUES

Should a commodity system for the region be developed to concentrate its financial and managerial resources to mobilize agricultural production and what function should it perform?

1. What balance should the region seek between domestic, i.e. (CARICOM) and International Agricultural produce sales?
2. How should regional farming activities be coordinated with marketing activities to achieve optimum returns to the farming sector?
3. To develop a strategy to avoid price fluctuations.
4. Need to evaluate product specifications, including quality control aspects, packaging and preservation.
5. The impact of price on consumer demand.
6. What will be the competitive situation between similar products, i.e. chicken, pork and offals.
7. What is the present and likely future market potential within the Jamaican economy for agricultural produce.

8. What improvements are needed in: production, processing, graded quality control, storage and distribution and suggested pricing formula?

9. The improvements needed in marketing - with a clear definition of target markets and their particular requirements.

10. The constraints on the development of marketing - as regards production, processing, distribution and marketing, and how they can best be overcome.

11. The effect of deregulation versus control of regional economies, e.g. Government involvement in commercial operations with specific interest in price control, rent control, import licensing and reduction of the operations of the State Marketing Corporation,

12. Effort to expand the export of non-traditional crops to become a leading force in the growth and diversification of the Jamaican economy.

MARKETING

CARICOM protected market

Need to break out of the sheltered market of CARICOM
For non-traditional export to become a leading force in the growth and diversification of the Jamaican economy, a major effort will be needed to expand sales to extra regional markets.

Policy objectives of deregulation versus control of the economy, i.e. the reduction of Government involvement in commercial operations, OR the elimination of unnecessary or unproductive bureaucratic controls that disturbs Private Sector activities.

Issues here are:

Price controls, rent control, import licensing and reduction of the operations of the State Marketing Corporation.

Session K: Micro-management (JTM)

Small-scale farmers:

- i) use low levels of technology and credit;
- ii) lack information which restricts their ability to interpret the changes (markets) and the ways to respond effectively in order to maintain/improve their welfare;
- iii) lack of information which restricts their ability to organize their activities as a business for profit;
- iv) need a better understanding of the principles of management/production, market and financial plan and farm plan control in order to use its tools to improve their decision making process.

Generation of information:

- i) needed regarding the small-scale farmer economic situation and constraints (farm models) would allow government agencies to develop programmes more suited to small-scale farmer problems;
- ii) should include the development of farm planning guide with enterprise budgets under traditional and intermediate technology;
- iii) should include the development of feasibility studies with financial and cash flow information on farm investment alternatives on crops and livestock.

Session L: Agro-industrial Development (LCO)

An Agro-Industry is an enterprise that processes Agricultural Raw Materials, including crops and livestock. The degree of processing can vary tremendously, ranging from the cleaning and grinding of vegetables, e.g. carrots, to the milling of rice, to the cooking, mixing and chemical alteration that creates a textured food, e.g. vegetables, corn tomato, pears. etc. sugar, milk, orange juice, jams, jellies.

Agro-Industry can be roughly categorized according to the degree of which the raw material is transformed.

Regional Development

Agro-Industries can play a critical role in regional development because of their relationship to agricultural production and urban marketing. Fiscal incentives and investments in public sector infrastructure can attract industry to new regions, e.g. penetration roads can allow a processing plant to procure raw materials and thereby develop the region's agricultural resources more fully.

Types of processing activities associated with Agro-Industries are:

Cleaning	Grinding	Cooking	Chemical Alteration
Grading	Milling	Pasteurizing	Texturization
	Cutting	Canning	
	Mixing	Dehydration	
		Freezing	
		Extraction	
		Assembly	

Illustrative products

Fresh Fruits	Cereals	Dairy products	Instant foods
Fresh Vegetables	Meat	Sauces	Veg. Products
Eggs	Animal	Oils	
	Feeds	Sugar	
	Jute	Beverages	
	Lumber		

Factors affecting raw materials

- Seasonality
- Perishability
- Variability

SPECIAL NOTE

Is that procurement operations fundamentally shape the economics of the enterprise.

Agro-Industrial products are also necessities, and an interest in them will often be high thereby making social, economic, political and cultural consideration, particularly important for national and regional planning to enhance development.

Finally, Agro-Industry is :

- (a) a door to agricultural production
- (b) a corner stone of the manufacturing sector
- (c) an export generator and
- (d) a nutritional factor

Session M: Health (ACM)

Plant and Animal Health has always been of prime importance to the well being of Jamaica.

There are several laws enacted to prevent the importation of plants from certain countries which have been known to have certain diseases e.g. Irish potatoes for planting have never been imported into Jamaica from the U.S.A. because they have the "Golden Nematode" as a disease causing agent. In the case of animals dogs from the U.S.A. are never allowed into the country because of the fear of rabies which is not present on the Island.

Because of this a strict quarantine is maintained, but these need upgrading to meet the demand of a growing Tourist and Horticultural Industry. A programme geared to the protection of the Flora and Fauna of the country should include factors such as:

- (1) Plant Quarantine Station where plants can be placed under observation for the appropriate time to see reactions.

This however, could be burdensome and laborious, hence the - protocol that governs international relationship in the movement of plant and animals is stringently observed.

With the boom in the Horticultural Industry and with the new C.B.I. initiative where non traditional exports are being sent to the United States it will become even more necessary to upgrade these monitoring facilities.

- (1) Offshore Quarantine
- (2) Training courses for technicians
- (3) Facilities for eradication
- (4) Understanding the Food and Drug Administration which gives clearance to use the various food and drug items.

In the case of Animals the regime must maintain a system to guard against diseases such as:

- (1) Rabies - dogs and cats
- (2) Antrax - All
- (3) Foot and Mouth Disease - cattle, sheep, goat
- (4) Equine Encephalomyelitis (horse mane stock)
- (5) C.A.E. rummants (small)
- (6) Blue tongue

These are the major ones for animals while diseases for plants such as:

- (1) Black Sekatoka - bananas
- (2) Golden Nematode - Potatoes
- (3) Various species of nematodes - (Flowers)
viruses

Proposed Regional Pesticide Seminar

Along with the above the proposed pesticide seminar in August 1988 should address the subject of control of the use of pesticides and the impact it has on both flora and fauna. The following points should form a basis for indepth discussion.

Factors to be borne in mind in Plant and Animal Health with relation to Pesticides and their uses.

Methods of estimating effects.

Response of mamalian species to pesticides

Problems in the evaluation of agricultural chemicals.

Effects of pesticides on man.

Agricultural Chemicals and fresh-water ecological systems.

Effect of pesticides on land drainage in Farm Ponds waters.

Pesticides effect on Mariculture.

Pesticide-wildlife relationship.

Chemicals and the control of plants.

Pesticides persistence in public water, their detection and removal.

Problems associated with insecticidal residues in soil.

Persistence of residues in food.

Intentional removal of pesticides residues.

Evaluation of long term exposure to man.

Legal position (a) Act

(b) Regulations.

Training in the use and application

Sustained Educational awareness.

Developing & Revising Pesticide Plan

Description

Scope of the Plan

Elements

Methodology

- I. (a) General country information
 - (b) Direct impact assessment
 - (c) Indirect impact assessment
 - (d) Policies and programmes.
-
- II. Identification of the Pesticide Problem and functional classification of the population at Risk and Determinants of the Pesticide problem.
 - (a) Pesticide problem
 - (i) nature
 - (ii) magnitude
 - (iii) trends
 - (iv) factors in the situation.
 - (b) Functional Classification
 - (i) persons affected
 - (ii) magnitude
 - (iii) location
 - (iv) trends
 - (v) factors in the situation.
 - (c) Determinants
 - (i) resource availability
 - (ii) pesticide implications of existing policies and sectorial programmes
 - (iii) objectives and targets.

Elaborating the Selected programmes.

- (a) (i) identification of responsible ministry and/or agencies
- (ii) elaborating programme areas
- (iii) implementing
- (iv) monitoring
- (v) evaluation

- (b) **Establishing priorities**
 - (c) **Resources**
Budget
 - (d) **Role of Pesticide Advisory Council**
 - (i) **implementation**
 - (ii) **evaluation**
 - (iii) **inter-sectoral organisation**
 - (iv) **reformulation of plan**
 - (e) **Identification and Evaluation of possible programmes alternatives**
 - (i) **existing programmes**
 - (ii) **upgrading existing programmes**
 - (iii) **new programmes**
 - (f) **Evaluation**
 - (i) **cost/benefits**
 - (ii) **adequacy of resources**
 - (iii) **employment impact**
 - (iv) **import content**
 - (v) **political implications and acceptability**
- A.
- (i) **Uses of Pesticides**
 - (ii) **Environmental contamination by pesticides**
 - (iii) **Health hazards to man**
 - (iv) **Public and government concern**
 - (v) **The assessment of hazards to health**
 - (vi) **Prevention and risks from pesticides**
 - (vii) **Scope of assignment**
- B. **Insecticides and Environmental Health**
- (a) **Background**
 - (b) **Problems of Human Health**
 - (c) **Effects upon Wildlife**
 - (d) **Effects upon non-target organism**

J: Maxine/Protreat/A. C. Mc

Session N: Foundations of a strategy for reactivation and modernization of agriculture as a means toward economic and social development in LAC countries. (JHM)

JPA Guidelines: This will be a general document laying the conceptual groundwork for the proposed strategy. It will cover the following areas: a diagnostic study of the economy and agriculture; possible scenarios for international trade and technological development; sources of reactivation and uncertainties of demand; and the problems of poverty and food security. The study will analyze the potential for production expansion in the region, with special emphasis on increased productivity. General discussion will cover the issue of the LAC countries' comparative advantages for agricultural technology in modernization and poverty, and the role of external cooperation and regional integration in the revitalization of agriculture. The general document outlining foundations of the strategy will be supplemented with specific documents prepared for each subregion to identify central issues that ought to be addressed at that particular level in the proposals for action.

Orientation: the focus of the IICA Jamaica office is on strengthening the role of the small farmer as well as those institutions serving the small farmer.

Background:

In the mid-1970's, the small farmer sector included 60 to 65 million people, that is, a little more than half the rural population and about 20 percent of the total population of LAC. There are about 13.5 million holdings in the sector. The small farmers control slightly less than one-fifth of all land under agriculture . 1/

In Colombia, small production provides 85% of the supply of plaintain, 60 % of cassava, 69 % of beans and 47 % of maize. 2/

In the Andean region it is estimated that small farmers provide 50 - 60 % of the nations' food. In Central America, the small farmer contribution to the nations' food consumption was estimated in the 1970's to be:

Costa Rica 36%
El Salvador 62%
Honduras 64%

Guatemala 53%
Nicaragua 90% (maize & beans)

3/

To summarize, it is evident that small scale agriculture is a key factor in assuring food security for the region, and for this reason the JPA should study aspects of the issues which follow.

Issues:

1. Because of the marginal terrain and the types of subsistence agriculture with which small farmers are involved, technological development must be appropriate to their specific needs.
2. Small farmers contribution to feeding each nation should be quantified.
3. Analyses should be done on small farmer attitudes to adopting certain technologies and a typology developed which could guide development planners when strategies to increase production and productivity are being put into place.
4. In Jamaica, Agro-21, an institution developed to promote export agriculture, should be a focus of institutional study with regard to: its negative impact on small farmers and the level of success of its strategies to involve small farmers in its programmes.

1. Helping the Small Farmer. Nineteenth FAO Regional Conference for Latin America and the Caribbean, Barbados, 5-13 August, 1986

2. National Planning Dept., IRD Programme. El Sub-sector de la pequena produccion y el programa DRI. Bogota, July 1979

3. Same as # 1.



Annex D: Attachments

JAMAICA
AGRICULTURAL SECTOR POLICY REVIEW

Table 1 - Jamaica: Economic Indicators

<u>Indicator</u>	<u>Basic Indicators</u>						<u>Change</u>
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1980-85</u> (%)
Population (m)	2.19	2.08	2.12	2.16	2.20	2.23	1.8
GDP (US\$m)	2,669	2,942	3,186	2,046	1,893	2,142	-19.7
GDP/head (US\$)	1,219	1,414	1,503	947	860	961	-21.2
Balance of payments:							
(US\$m)							
- Imports	-1,179	-1,474	-1,382	-1,281	-1,182	-1,190	(0.9)
- Exports	965	975	768	686	739	600	-37.8
- Services (net)	-60	-17	61	38	-111	30	(50.0)
- Transfers (net)	91	124	150	102	127	130	42.8
Current Balance:	-183	-392	-403	-455	-427	-430	-135.0
Capital (net)	134	294	476	157	505	500	273.1
External debt (net):							
(US\$m)							
- Central Government	838	1,063	1,426	1,643	1,776	1,826	<1> 117.9
- Government guaranteed	322	307	295	269	265	307	<2> -4.7
- Bank of Jamaica	537	776	836	1,216	1,195	965	<1> 79.7
Total:	1,697	2,146	2,557	3,128	3,237	3,098	82.6
<1>	September 1985.						
<2>	August 1985.						
Debt service ratio %	12.0	28.2	35.5	57.8	49.4<P>	42.0<E>	
<P>	Preliminary.						
<E>	Estimate.						
Inflation - annual changes in general price index:							
Percent per annum	28.2	11.9	6.5	11.3	27.8	23.5	-
Rates of Exchange with US\$1 at end-year:							
J\$	1.78	1.78	1.78	3.30	4.95	5.50	212.5

Note: Auction system introduced in November 1983.

JAMAICAAGRICULTURAL SECTOR POLICY REVIEWTable 2 - Volume and Value of Major Crops Exported 1980-1984

	<u>Volume</u> <u>'000 Short Tons</u>					<u>Value</u> <u>J\$ Million</u>				
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
A. <u>Major Crops</u>										
Sugar	162	133	170	151	173	115.8	109.4	107.0	122.1	267.2
Bananas	36.4	20.0	23.3	25.4	11.9	19.7	7.6	8.3	13.2	6.1
Citrus	3.5	2.1	2.9	2.8	3.1	3.2	2.0	2.4	2.5	4.2
Pimento	2.1	2.4	2.3	3.3	2.8	6.9	7.9	8.2	16.6	25.4
Ginger	0.2	0.1	0.2	0.2	0.1	0.8	0.5	0.6	0.9	1.5
Cocoa	1.4	1.8	1.5	2.2	2.5	8.7	9.9	6.3	10.4	23.5
Coffee	1.1	0.9	1.2	1.2	1.5	9.5	10.0	13.0	19.8	34.0
Root Crops	5.3	7.3	8.2	9.5	10.6	6.0	9.5	9.9	15.7	21.3
					<u>Total</u>	170.6	156.8	155.7	201.2	383.2
B. <u>Non-Traditional</u>										
Vegetables <1>	n.a.	1.0	1.5	3.1	4.8					
Fruit <2>	•	0.4	0.7	0.8	1.8					
Other <3>	•	1.0	1.0	1.0	0.8					
							<u>Average Rate J\$ to US\$1</u>			
						1.78	1.78	1.78	1.83	3.68
							<u>Equivalent in US\$million</u>			
					<u>Total</u>	95.8	88.1	87.5	109.9	104.1

- <1> Mainly pumpkin, tomato, peppers.
 <2> Mainly melons.
 <3> Mainly kola nuts.

Source: A. Data Bank, MOA.
 B. Economic and Social Survey 1984, PIOJ.

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Table 3 - Production of Major Agricultural Commodities 1980-1984

		<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u> <2>
<u>Crops</u>						
Sugar, commercial	'000s tons	242	198	196	193	190
Bananas, export	" "	33	19	22	23	11
Citrus <1>	'000 boxes	1,117	883	933	676	570
Spices	tons	1,255	3,490	2,188	2,666	3,691
Cocoa	"	1,369	1,814	1,426	2,738	2,710
Coffee <1>	'000 boxes	250	288	300	298	326
Copra	Sh.tons	1,738	887	1,429	2,373	1,487
<u>Livestock Products & Fish</u>						
Beef & Veal	'000 Sh.tons	13.3	13.0	13.5	15.5	17.9
Poultry	"	32.9	32.6	29.3	36.0	37.8
Other meat <3>	"	8.5	8.6	8.5	7.9	8.8
Fish	"	18.5	16.0	9.0	5.0	6.0
Eggs	million	98.0	95.0	82.2	18.2	17.0
Milk	million quarts	n.a.	n.a.	41.0	42.0	n.a.

- <1> Deliveries to processing plants.
 <2> Provisional.
 <3> Mainly pork, some goat, negligible mutton.

Note: Figures for sugar, bananas, citrus, spices, cocoa and coffee relate to crop years.

Source: Economic and Social Survey 1984, Planning Institute of Jamaica.

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AGRICULTURAL SECTOR POLICY REVIEW

Table 4 - Achievements and Targets for the National
Agro 21 Programme: Cumulative Acreage

SUB-SECTOR	ACTUAL		PROJECTED			
	1983/84	1984/85	1985/86	1986/87	1987/88	1988/89
<u>Agro 21 Corporation Ltd.^a</u>						
1. Aquaculture						
Fish	-	916	1,300	2,000	2,800	3,500
Shrimp	-	-	75	200	500	1,000
2. Dairy	-	-	4,945	8,945	11,909	16,519
3. Beef	-	15	3,825	14,023	23,240	23,934
4. Soyabean ^c	-	-	-	-	-	-
5. Rice	-	2,500	4,500	7,500	12,000	14,000
6. Cassava	-	-	200	2,000	7,000	10,000
7. Corn & sorghum	-	624	5,330	10,656	15,000	15,000
8. Winter vegetables	-	1,500	3,500	8,500	14,000	14,000
<u>Ministry of Agriculture^a</u>						
9. Pineapple	-	230	630	1,230	1,830	1,830
10. Ethnic Crops	-	7,536	11,040	14,750	16,500	17,700
Plantain						
Dasheen						
Yams						
11. Apiculture ^d			(9,000)	(12,000)	(22,000)	(22,000)
12. Cocoa	-	-	900	2,150	3,250	5,000
13. Banana	2,690	4,750	5,650	7,800	9,950	9,950
14. Tobacco		530	650	800	1,000	1,100
15. Coffee	1,333	1,633	3,016	4,899	6,680	8,180
16. Coconut	6,290	10,496	16,000	21,000	25,000	25,000
17. Citrus	-	-	1,000	3,500	6,000	8,000
<u>FIDCO^a</u>						
18. Forestry	3,938	8,153	9,196	12,196	15,196	18,196
<u>Jamaica National Investment Promotion Ltd.^a</u>						
19. Ornamental horticulture	194	237	490	981	1,131	1,281
20. Orchard crops			1,325	2,750	3,900	3,900
21. Aloe vera	-	50	150	250	400	400
TOTAL	14,445	39,170	73,722	126,130	177,286	199,324

^a Major agency with responsibility for initiating, implementing and or monitoring.

^b Pond acres

^c Not included in total acreage; will be rotated with other crops

^d No. of hives

JAMAICAAGRICULTURAL SECTOR POLICY REVIEWCHANGES IN THE POLICY ENVIRONMENT FOR AGRICULTURE SINCE 1980

- 1980 October Change of Government.
- December USAID support for Marketing Division of Ministry of Agriculture.
- 1981 March IMF approved three year Extended Agreement - total financing facility SDR 536 million. Performance criteria included ceilings on bank credit to the public sector; ceilings on domestic assets and international holdings of the Bank of Jamaica; balance of payments targets; limits on new debt; ban on new restrictions on international transfers, and a freezing of import restrictions.
- De facto recognition of informal exchange market.
- October CDC coffee loan; formation of Coffee Industry Development Co.
- December Domestic sugar price raised by 50%.
- 1982 March IBRD agreed Structural Adjustment Loan - total US\$76.1 million, to reinforce over the long term the IMF's short to medium-term objectives. Programmes of particular application to eliminating current account deficits of all public enterprises by 1983/84 and their rehabilitation on a self-sufficient basis: support for the Agricultural Credit Bank and National Development Bank; revised public programme; modification to the import licensing system; promotion of foreign private investment; sale or lease of Government lands to its tenants; assist in reform of the external marketing organizations to eliminate their monopolies, except for sugar and bananas; transfer their extension services to MOA; end their involvement in credit and reduce their input supply function; rehabilitation and rationalisation of the sugar industry; rehabilitation of banana supply; strengthen MOA's extension services; eliminate quantitative restrictions on imports and provide export incentives. The release of the second tranche of funds by the IBRD was to be conditional on progress in certain of these areas.
- August Agricultural Credit Bank started operations.
- December 200 wardens recruited to assist in the protection of crops and livestock from larceny.
- 1983 January A two-tier foreign exchange rate introduced - official and

parallel (higher rate) while traditional crops, mainly sugar and banana, traded at the official rate.

- March** MOA issued deregulation guidelines for coffee, cocoa, citrus and pimento, which relaxed the external monopoly of these EMOs by allowing approved growers/traders to export direct.
Management audits of the EMOs completed.
- June** Second SAL of US\$60 million also addressed to foreign exchange situation; fiscal deficit; sluggish performance by industry and agriculture; over-regulation of economic activity. Action required on completion of SAL I tasks; privatisation or return to viability of some public enterprises; review of tax reform; commitment to remove remaining quantitative restrictions on imports; monitoring of import and export regulation, duties, and incentives; monitoring of rehabilitation in sugar and bananas; review of staffing and management of public administration.
- October** IMF terminated its three year Extended Financing Facility arrangement which was to be replaced with a one year stand-by arrangement from June 1984 and followed by a 22 month stand by for June 1985-March 1987.
- Agro-21 launched to bring up to 200,000 acres into commercial production within four years and to encourage private investment in commercial scale improved technology production.
- November** Unified exchange rate under auction system introduced.
- December** Agricultural Marketing Corporation abolished as retail marketing organisation for domestic crops.
- MOA, under the conditions of SAL II, introduces divestment policy for land and activities operated by the public sector, including sale or lease of unused Government lands and transfer of MOA nurseries and plant protection operation. Programme commenced for the withdrawal of EMOs from some non-marketing activities, including credit and growing projects.
- 1984 May** Production incentives for farmers removed from MOA budget e.g., improvement grants, input subsidies.
- IBRD Export Crops Project started. US\$17.7 million in foreign exchange over four years to expand production and promote marketing by providing the necessary support.
- US Caribbean Basin Initiative opens the US market for some agricultural exports.
- June** Budget for 1984/85 aimed to reduce fiscal deficit from 15% of GDP in 1983/84 to under 8%; to achieve an overall payments surplus of US\$283 million, and to cut the growth of credit to private sector from 30% to 12%. Government was set to create 4,000 redundancies.

- August Tate & Lyle began management of public sector sugar estates at Frome and Monymusk.
- October Agro-21 announced ambitious self-sufficiency programme to develop local production of milk, meat, rice, soya and fish to replace food imports, and to increase cassava production to substitute for imported corn-based animal feed.
- November Third SAL of US\$55 million set conditions which reinforced those imposed under SAL I and II. In respect to agriculture these included the adoption of an acceptable pricing formula for the farmgate prices to be paid by EMOs for sugar, bananas, coffee, cocoa, citrus and pimento; further deregulation in external marketing by EMOs, and divestment of their non-marketing activities; tax reform; further liberalisation of imports; export incentives.
- MOA prepared five-year plan.
- 1985 January MOA started pricing policy study for export crops.
- March Reorganization of banana marketing arrangements through Banana Export Co. (BECO) directed by the growers' representatives.
- April Agro-21 announced Crop Diversification programme for 24,000 acres of sugar and bauxite company land to be developed with NIBJ.
- Abolition of all remaining quantitative restrictions on imports <1>, and major liberalisation of licensing system; increased import duties of 10-40%; full rebates for exporters.
- May Deregulation of EMOs extended to permit smaller volume growers/traders of coffee, pimento and cocoa to export direct.
- June Government not in compliance with IMF performance criteria due to delay in receipt of grant from USAID.
- 1986 January Revised budget statement announcing fiscal reform.
- February Joint IMF/WB/USAID "Fresh look" mission to review possibilities for modifying programmes.

<1> Excepting some 60 basic commodities imported by JCTC, e.g. wheat, rice, soya, fertilizers, to protect domestic production.

JAMAICAAGRICULTURAL SECTOR POLICY REVIEWAGRO-21 GOALS AND STRATEGIES

1. Agro-21 was launched in October 1983. Its goals, objectives and strategies were redefined by the Planning Institute of Jamaica in January 1986. The following is a summary of the institute's definition of the national targets for Agro 21, not all to be the responsibility of Agro 21 Corporation Ltd, but also involving MOA and JNIP.

a) Goals:

- the transformation and modernisation of the agricultural sector;
- strong growth in the gross contribution of agriculture to foreign exchange earnings over the next four years;
- strong annual growth in employment between 1983/84 and 1988/89;
- support comprehensive rural development;
- save foreign exchange by import substitution.

b) Objectives - a quantification of the goals set out above:

- to bring 177,286 acres into full production by 1987/88 and to bring a further 22,038 acres into full production by 1988/89 - see Table 43;
- to earn and save a total of US\$651.9 m. in foreign exchange between 1983/84 and 1988/89, and US\$212.67 m/year thereafter;
- to generate 104,193 new jobs by 1988/89.

c) Strategies - by which these objectives be achieved:

- land policy - 20,100 acres of land once used for sugar is to be diversified to other crops; under the Structural Adjustment Programme government land leased to small farmers is to be privatised; comprehensive land classification by Agro-21 Corp. and MOA; the expansion of irrigated areas from 92,000 to 146,200 acres; rationalisation and expansion of soil conservation; 36,000 acres of government land on 47 properties to be leased by Agro-21 Corp;
- foreign exchange earnings and savings - set up External Marketing Organisations to replace Commodity Boards, without necessarily remove export farmers' prices for

export crops; pursue the Self-Sufficiency Programme to realise some US\$176.66 m savings by 1989. For specific targets see Working paper 3.

2. Table 4 summarises the acreages to be devoted to each subsector to reach a total under full production of 199,324 acres in 1988/89, and includes progress made in 1983 to 1985.

JAMAICA

AGRICULTURAL SECTOR POLICY REVIEW

AGRICULTURAL SECTOR POLICY ISSUES AND PROPOSALS

<u>Policy Issue</u>	<u>Actions Already Taken</u>	<u>Proposed Actions</u>	<u>Proposed Studies and Programme Development</u>
1. Producer Price Incentives	<p>Progressive devaluations of Jamaican dollar since 1983 have restored competitiveness of export agriculture</p> <p>Market-related pricing formulae in place for sugar and bananas</p> <p>Cost of production and pricing policy studies completed for traditional export crops.</p> <p>Technical assistance provided to MOA under Export Crops Project to help in designing market-related producer pricing formulae for traditional export crops.</p>	<p>Exchange rate should not be frozen but allowed to continue to approximate to its equilibrium level</p> <p>Market-related pricing formulae for coffee, cocoa, citrus and pimento to be designed and implemented</p> <p>Specific measures to improve lowland coffee cocoa and pimento prices and a special price to be paid for High Mountain coffee.</p>	<p>Studies of feasibility of import substitution for corn, rice, oilseeds and dairy products leading to revised production targets.</p>
2. Operations of EMOs	<p>Action taken under SALS to de-regulate marketing of sugar and bananas and partially to de-regulate marketing of coffee, cocoa, citrus and pimento.</p> <p>Non-marketing activities of EMOs separated from marketing activities.</p> <p>Management audits completed and management improvements implemented</p> <p>Major re-structuring of sugar and banana EMOs.</p>	<p>De-regulation should not be pursued further for the time being</p> <p>Injection of private capital and management expertise into Jamaica Citrus Growers processing plant</p> <p>Efforts to obtain pit pricing for banana exports</p>	



<u>Actions Already Taken</u>	<u>Proposed Actions</u>	<u>Proposed Studies and Programme Development</u>
<p>Detailed targets prepared for export and import substitution crops.</p> <p>Active promotion of the programme by Agru-21 Corporation, JNIP and NIBJ.</p>	<p>Relevant targets based on re-assessment of their feasibility resulting from proposed study.</p>	<p>Targets to be reviewed to take account of:</p> <ul style="list-style-type: none"> low profitability of some crops; limited implementation capacity and poor links with the market place for non traditional exports; high foreign exchange costs of some of the selected options;
<p>Import duty concessions and income tax relief available to approved agricultural investors based on case - by case assessment.</p> <p>JNIP given the task of helping investors establish new projects.</p> <p>Joint Ministerial Committee set-up to evaluate applications for incentives.</p>	<p>Preparation of a clear and universally applied investment code for agriculture.</p> <p>Streamlining of procedures and system of approvals to obtain incentives.</p>	<p>the results of the proposed import substitution and dairy policy studies (see 1. Producer Price Incentives).</p>

incentives for investors

Proposed Studies and Programme Development

Written investment policy to be prepared by NIBJ.
Timetable and plan for divestment of recent NIBJ investments to be prepared.
Review of management contracts and foreign exchange costs of NIBJ projects.

Proposed Actions

No new public investments in agriculture without full feasibility studies.
Attempt to re-negotiate management contracts with emphasis on lower foreign exchange costs and incentives for viability.

Actions Already Taken

Divestment Committee re-activated in 1984 and older publicly owned agricultural enterprises already divested or in advanced stages of divestment
Closure of loss-making Agricultural Marketing Corporation.

Ministry of Finance to quantify options for re-orienting expenditures in favour of agriculture.

Within agriculture re-orient expenditures in favour of essential services such as planning and policy analysis, research, plant quarantine, and water resources administration.

Fiscal measures implemented as part of IMF programmes including reduction in Central Government budget and staffing.

Public Expenditures

MOA with help from ARP to quantify options for re-orienting expenditures within agriculture including:

- re-allocation of resources;
- better cost recovery;
- further divestment of operations;
- cost sharing with the private sector.

Emphasis on rural infrastructure in 1986/87 budget.



<u>Policy Issue</u>	<u>Actions Already Taken</u>	<u>Proposed Actions</u>	<u>Proposed Studies and Programme Development</u>
The Institutional Framework	<p>Major institutional reforms in export marketing completed (see 2. Operations of EMOs).</p> <p>Differentials in compensation between Central Government and parastatal PMT staff reduced.</p> <p>Creation of Agro-21 Corporation and JNIP Agri-Business Division to promote agriculture.</p> <p>Creation of Agro-21 Steering Committee.</p> <p>Reform of water resources administration initiated.</p> <p>Technical assistance to MOA and other agencies with support from IBRD, USAID, etc.</p>	<p>Agro-21 Steering Committee to issue a statement clearly defining roles of various institutions involved in agriculture to clear up confusion and misunderstanding.</p> <p>Increase compensation in real terms for PMF grade staff in Central Government.</p> <p>Create policy analysis working group under guidance of Agro-21 Steering Committee involving MOA, Agro-21 Corporation and PLOJ.</p> <p>Examine options to rationalise and strengthen agricultural research with international assistance and possibly co-financing with private sector.</p> <p>Implement proposals to strengthen plant quarantine including updating legislation, recruitment of more staff and provision of equipment.</p> <p>Create a Water Resources Authority under the MOA with full powers to monitor and regulate the island's water supply.</p> <p>Administrative Reform Programme to focus on MOA in near future with broader terms of reference than envisaged so far (see proposed studies).</p> <p>Agro-21 Corporation not to be given project implementation responsibilities but to concentrate instead on policy analysis and expediting the implementation of Steering Committee decisions.</p>	<p>ARP to review all institutional issues and options in the agriculture sector including:</p> <ul style="list-style-type: none"> - rules of institutions; and the future of the Agro-21 Corporation; - options for improved mechanisms for policy formulation and planning; - possibilities for strengthening MOA in its priority areas of operation; - MOA's organisation structure; - employee compensation; - human and financial resource requirements; <p>Import substitution policy study should include an examination of the role and functions of the JVIC (see 1. Producer Price Incentives)</p>

Proposed Studies
and Program Development

Study of respective roles of ACB and AC Board with recommendations on transfer of some responsibilities from the Board to the Bank.

Proposed Activities:

Decrease commercial bank interest rates by phasing out 80% liquid assets ratio requirement.

Provide technical assistance to ACB in the form of:

- a loan preparation/ appraisal advisor;
- a co-operative bank management advisor.

Specific measures by ACB to improve P.H system including:

- management development;
- increase number of affiliated PCBs;
- install uniform accounting system
- perform annual audits and hold annual general meetings;
- start programme to mobilise savings;
- increase PCB interest rate spreads from 3% to 4%;

ACB to prepare a written policy with respect to the use of surplus funds generated.

Proposed land titling project to be implemented:

Make lowland cottage eligible for credit under Export Group Project.

Actions Already Taken

Creation of Agricultural Credit Bank and rationalisation of agricultural credit system.

Measures to strengthen the ACB/Peoples' Co-operative Banks system.

Mobilisation of international funds for agricultural credit.

Agreement with IMF and World Bank to release counterpart funds for agricultural credit.

Key Issues

Agricultural Credit



Annex E: Memo

January 6, 1988

AC/JM-009

TO: Reginald E. Pierre
Area II Operations Director

FROM: Jan Hurwitch-MacDonald
Representative in Jamaica

SUBJECT: Strategic Plan of Action (SPA):
Resolution no. 10 of ICMA

1. I hereby remit suggestions with regard to the ICMA resolution no. 10 on the Strategic Plan of Action for the revitalization of agriculture in Latin America and the Caribbean.
2. The process of designing the plan should involve dialogue with the small farmers, as well as the national institutions.
3. The plan should contemplate policy-level actions which involve public and private sector inter-institutional representation, including producer-level associations.
4. The plan should recommend innovative and concrete solutions to the problems of national indebtedness.
5. The plan should recommend concrete strategies for reducing trade barriers.
6. The national offices of IICA should each sponsor a national event to review the Mandate of Ottawa and seek national input into the plan. I discussed this suggestion earlier with you, with regard to Jamaica. I am anxious to hold such a meeting, but would require technical support from Programme 1.
7. With regard to the question of a framework to facilitate coordination and cooperation, it would be useful to scrutinize existing ones; one such framework at the Caribbean level is the World Bank's CGCED. Working within existing frameworks would give IICA increased credibility with donor countries and agencies, as well as access to financing for our work.

8. Mechanisms upon which IICA should focus which are mentioned in the SPA are:

- 8.1 joint actions among countries: IICA should be guided by pronouncements at regional fora already established such as the SCMA of CARICOM and other CARICOM meetings, such as those on business development.
- 8.2 maximizing complementarity of diverse initiatives: This is difficult when competition for funds is so fierce. The most fruitful strategy may be to focus on joint planning.
- 8.3 inter-institutional coordination; just as IICA should take its cue from regional fora pronouncements, regional fora can be appropriate mechanisms by which IICA makes recommendations for action.

9. I have attached comments by Tomas Mulleady regarding this subject.

Your memo 160 also refers to the prospects for procuring external financial support which I believe I covered in detail in my recently remitted INFO 5.

Cordial regards.

cc: Werthein
Pomareda

rep5

Strategic Plan of Joint Action for Agricultural Revitalization in Latin America and the Caribbean

The ninth Inter-American Conference of Ministers of Agriculture in its Recommendation No. X considers: that there is an operational need for a framework that will provide consistency to existing and new initiatives to revitalize the agricultural sector in Latin America and the Caribbean countries; that such a framework would help to ensure that the translation of IICA's recommendations into action is coordinated for maximum complementarity and synergy; that there is a need to establish a framework that will give impetus to the further development of each of the programme areas in IICA's Medium Term Plan.

In the English speaking countries of the Caribbean the level of development of their economies and the agricultural sector vary between countries. The more developed are Barbados, Jamaica and Trinidad and Tobago but all share a series of common problems. Performance of the countries economies has declined during the late 70's to the present and there has been a decline in total agricultural production since 1970, mainly in the traditional export crops. Importation of food is increasing in all the countries of the region and reducing the food deficit can make a significant contribution to the economies and growth in the region. The agricultural sector will have a very important role to play in the future through the increase in exports of traditional and non-traditional export crops and through the increase of food production for local consumption. Given international market conditions, the growth of the agricultural sector should not depend only on the export of traditional crops but on the development of adaptive on-farm research, aimed at diversifying agricultural production into high value, non-traditional crops (fruits, vegetables). Food production for local consumption, mostly in the hands of small producers, will

require improvements in productivity through the development of better technologies and reduction of some of the limiting factors that are affecting increase of output by the small farmer (lack of land titles, technical assistance, credit, farm management information, inputs, praedial larceny, access to markets, market information). Improvements in production and income in the small farmer sector will help to alleviate unemployment and poverty in the rural areas and improve the nutritional level of the rural population and reduce the importation of food. In order to reduce the importation of food, emphasis should be placed on the improvement of production of livestock and livestock products (beef, milk and mutton), animal feed and cereals.

Low world market prices for traditional exports, low rates of generation and adoption of modern technologies, overvalued currencies, high costs of production and low levels of management are some of the other factors affecting the performance of the agricultural sector. Agricultural policy should be directed to provide enough incentives to turn the agricultural sector into a main contributor to the generation of foreign exchange by reducing food imports and increasing exports.

In the document entitled "CARICOM Agricultural Sector Programme (1987-1991)" one of the objectives specified for the agricultural sector is the increase in food production to a desirable level of its basic food requirements and greater diversification of production and markets. The report stresses the need for increased investment in the sector and the need to strengthen research and extension to increase resource productivity by increased labour output and improvement in the managerial capabilities of agricultural producers and traders.

No country in the region has the financial and technical capability to have strong research programmes in every priority commodity and production problem. In many instances the cost of

the research programme is not justified by the size of the market that will benefit from the research results. Large economies and improved research results could be obtained if agricultural research were coordinated at a regional level and research priorities for some specific commodities were assigned based on countries' comparative advantages in terms of trained personnel, equipment and laboratory facilities. There would be one country responsible for the main thrust in any given research programme, and replications and testing of materials and research results could be carried out in different countries of the region. Determination of research priorities, preparation of research proposals to look for financing, coordination of activities and dissemination of results could be the responsibility of a Steering Committee of research specialists (in the particular commodity) from the national research institutions.

International Research Centers (CIMMYT, CIAT, CIP) specialist could participate in the Steering Committee to learn more about countries' research priorities and assist in the solution of the problem. This idea of coordinating agricultural research could be implemented in a pilot programme with one or two commodities in countries interested in exploring the potential of this approach.

This approach is in line with Recommendation No. X, that IICA develop:

"in collaboration with member countries and the other specialized agencies a strategic plan of joint action in support of agricultural revitalization and economic development in Latin America and in the Caribbean based on the foregoing guidelines and with a focus on joint actions among countries at the regional and subregional level, to resolve concrete problems, ----- and on setting of priorities for all joint actions and initiatives to use available resources so to the greatest advantage".

In terms of increasing the managerial capability of producers and traders, there exists the need to develop training materials adapted to the particular needs of the small farmers and traders of the region and train trainers and extension personnel in small business management and to generate information to facilitate and improve managerial decision-making with respect to what and how much to produce, for whom to produce (export and/or local market), how to produce (level of technology), when to produce, when and where to buy (inputs) and when and where to sell production. Farmers and traders need to be trained in managerial techniques and to use and interpret the information available for decision-making.

Regional projects aimed to assist in these two areas - generation and transfer of economically viable technology and training of human resources to improve their managerial skills and decision-making abilities to use available technology and resources more efficiently would be an important input to the solution of increasing food production and agricultural exports in the region.



ORIGINAL

MEMORANDO

Nº OC/DG-427

FECHA February 26, 1988

A. Directors, Advisors, and Representatives IICA's Offices in the Countries

DE Martín E. Piñero, Director General

MAR - 8 1988

ASUNTO Meetings to set priorities for 1988-1989 actions

1. Two years have gone by since the Medium Term Plan was prepared, and we believe it is time to get together to reflect on what has been done, and above all, to define the priorities of our work for the 1988-1989 period. To this end, we have decided to call a series of meetings at Headquarters and in each Area, to analyze ~~compliance~~ with the Medium Term Plan and to set priorities for the activities to be developed during 1988-1989. We also plan to propose any adjustments needed to put them into practice.

2. This task will involve analyzing the ~~degree of compliance~~ with the institutional strategy laid down in the 1987-1991 Medium Term Plan, and any new orientations that may have to be introduced to carry it out. We will also examine any organizational and/or administrative changes that need to be implemented for this same end.

3. A first meeting will be held with Headquarters Staff, in San José, on March 14-16, to establish the main proposals to be later discussed in Areas meetings.

4. Areas meeting will be held "in situ" to discuss the subjects selected and others which may arise. These meetings will take place as follows:

Central Area	San José	March 22-24, 1988
Caribbean Area	St. Lucia	April 5-7, 1988
Andean Area	Caracas	April 10-12, 1988
Southern Area	Buenos Aires	May 2-4, 1988

5. The deputy Director General has the overall responsibility for the organization of these meetings. The Office of the Assistant Deputy Director General for Operations and the Area Directorates will be in charge of the logistics of each meeting. A tentative agenda will be sent very shortly.

6. DIPROE will be in charge of the general follow-up of the products generated at each stage, as well as of the preparation of the general summary and conclusions of this in-house process of consultation and discussion.

7. I believe that everyone agrees with the need and importance of this exercise, which we hope will be constructive and allow us to strengthen the operation of our Institute.



ANNEX F : ACRONYMS

List of Acronyms

CIB	-	Coffee Industry Board
CFA	-	Cane Farmers' Association
JBPA	-	Jamaica Banana Producers Association
GOJ	-	Government of Jamaica
V & A	-	Values and Attitudes
GATT	-	General Agreement on Tariffs and Trade
CTU	-	Commodity Trading Unit
CFNI	-	Caribbean Food and Nutrition Institute
NDF	-	National Development Foundation
CAIB	-	Cocoa Industry Board
CIDCO	-	Coffee Industry Development Company
ACB	-	Agricultural Credit Bank
IMF	-	International Monetary Fund
SCMA	-	Standing Committee of Ministers of Agriculture
CGCED	-	Caribbean Group for Cooperation in Economic Development
JPA	-	Joint Plan of Action
IICA	-	InterAmerican Institute for Cooperation on Agriculture
GDP	-	Gross Domestic Product
EEC	-	European Economic Community
ICRISAT	-	International Crops Research Institute for the Semi-Arid Tropics
IABA	-	InterAmerican Board of Agriculture
CBI	-	Caribbean Basin Initiative
MTP	-	Medium Term Plan
ADC	-	Agricultural Development Corporation
JADF	-	Jamaica Agricultural Development Foundation
PCB's	-	People's Cooperatives Banks
CARICOM	-	Caribbean Community
FAO	-	Food and Agriculture Organization
IRRI	-	International Rice Research Institute
CARDATS	-	Caribbean Agricultural Rural Development Advisory and Training Services
CIAT	-	Centro de Investigacion Agricola Tropical

