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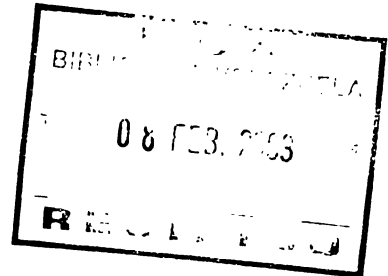


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**NATIONAL REPORT ON
INSTITUTIONAL REFORMS IN AGRICULTURE
IN TRINIDAD AND TOBAGO**





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**Area of Concentration I: Socioeconomic Policies, Trade & Investment
@ March 1996**

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**NATIONAL REPORT ON INSTITUTIONAL REFORMS IN AGRICULTURE
TRINIDAD AND TOBAGO**

SECTION 1. AGRICULTURE AND RURAL AREAS

1.1 Concept and content

a. Scope and areas of action for agriculture

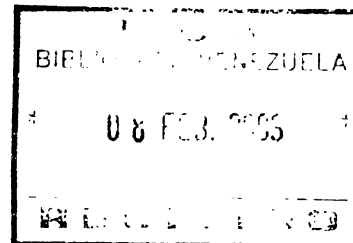
Public - Government

The agricultural sector is viewed as an important contributor to national development. To this end, agricultural policy is directed at ensuring that the "sector is organized to maximise efficiency, competitiveness and sustainable development" within the context of regional and international developments particularly as they relate to trade liberalisation and globalisation. Strategies will focus in the following areas:

- i. employment generation
- ii. food and nutrition security
- iii. private sector involvement and investment
- iv. promotion of environmental stability in respect of land, water, forest and marine resources
- v. generation of foreign exchange
- vi. rural development and social stability (social mitigation programmes)
- vii. revitalisation of agriculture in Tobago
- viii. rationalisation of state owned enterprises in the sector
- ix. infrastructure enhancement and development (rural access roads, drains, buildings etc.)
- x. land management/administration/distribution programme
- xi. administrative reform and institutional support

Private

The Trinidad and Tobago Chamber of Industry and Commerce, one of the main organisations representing the private sector is committed to promoting sustainable development in all aspects of agri-business. It recognises that the agricultural industry has an important role to play in the country's development (employment, foreign exchange, inflation, value added, food security)





and at the micro level provides adequate financial returns to persons who invest and manage agricultural activities in a professional disciplined manner. Opportunities for private sector involvement in agriculture originate from an awareness of the need to attain some degree of self sufficiency in food production, the increased local demand for food resulting from the expansion of the tourism industry, and the expanding market (locally and internationally) for high quality premium grade fresh produce. It was however recognised that in order to successfully undertake investment in agri-business there is need to have adequate inputs both physical and human and to combine them effectively; to collaborate with government, farmers, processors, retailers and distributors; and to provide products that consumers require. Price and quality were identified as critical factors in the liberalised world trade environment. It was noted however that there still remain a heavy subsidisation of agricultural produce in respect of developed countries despite the provisions of the GATT(Uruguay Round). The development of the sector depends to large extent on private farmers and processors. Government must therefore facilitate the needs of the private sector through:

- i. a policy which is supportive of unfair external competition(subsidised imports)
 - ii. adequate physical infrastructure, education and training, research and development and advisory services
 - iii. Amendments and enforcement of praedial larceny legislation
- b. Characteristics and roles of public and private organisations regarded as key actors in the agricultural sector.**

There are a number of institutions and organisations both public and private which play a key role in the development of the agricultural sector. However, public organisations predominate in the agricultural sector.

i. Public

The institutional framework of public organisations which serve the agricultural sector comprise a wide range of institutions from state owned companies and statutory bodies to regional and international bodies all of which are critical to the development of the sector. The following public institutions (as identified by the MOA) provide support to the agricultural sector. The

areas of support are wide ranging from policy formulation, regulation, research, extension, education and training, finance and credit, market information, physical infrastructure and supply of inputs and negotiation of agreements. The institutions are local, regional and international. There is also some overlap. The characteristics and roles of some of the key actors are highlighted below.

| | Education/Training and Technical Support | Marketing Facilities and Information | Research and Development |
|----------------------|--|---|---|
| Local | Ministry of Agriculture -ECIAF -CFTDI -Extension Service -IMA CARIRI Ministry of Education -Youth Camps THA -DAFMA -Kendal Farm School | NAMDEVCO ETC THA SBDC ACT | Caroni(1975) Limited Ministry of Agriculture ADB SFC THA NAMDEVCO CARIRI IMA |
| Regional | UWI | CFC | CARDI UWI |
| International | FAO, IDB, OAS, EC, IICA | EC, FAO, IICA | IICA, FAO, OAS, EC, IDB |

Ministry of Agriculture Land and Marine Resources(MALMR)

The MALMR is the primary agricultural public sector institution. It is responsible for agriculture; agricultural marketing; agricultural land development and distribution; forestry, parks and open spaces; horticulture; food production; and fisheries and marine exploitation. It also has responsibility for statutory boards and similar bodies and designated majority owned state enterprises. The MALMR is also responsible for policy formulation and the coordination of the institutions serving agriculture.

CFTDI(Caribbean Fisheries Training and Development Institute)

The CFTDI is under the aegis of the MALMR is responsible for the development of the human resource in respect of the fishing industry, the Merchant Marine, sea food technology and product development, gear technology and coordination of artisanal fisheries training in the English speaking Caribbean and Suriname.

ECIAF(Eastern Caribbean Institute of Agriculture and Forestry)

This is a training institute run by the MALMR which provides theoretical and practical training in agriculture at the sub-professional(diploma) level. The institute serves the Eastern Caribbean and Trinidad and Tobago. Training in agriculture and forestry is undertaken at the Institute's School of Agriculture and the School of Forestry and training for teachers is undertaken under the Agricultural Teacher Education programme. The teacher programme trains teachers from the Ministry of Education to teach agricultural science at the secondary level.

SFC(Sugarcane Feeds Centre)

The Sugarcane Feeds Centre is a demonstration station which is funded by the Government of Trinidad and Tobago and which is operated by Caroni(1975) Limited, a state owned company. The main objectives of the Centre are i)to develop the sugarcane feeding technology in Trinidad and Tobago and to facilitate the transfer of such technology within Trinidad and Tobago; ii) to develop and formulate diets by incorporating local and/or farm-grown ingredients to the fullest extent feasible;iii) to develop feeding and management systems for ruminants to improve production in Trinidad and Tobago and the Caribbean region and iv)to continue work on protein, energy and other supplementation.

ADB(Agricultural Development Bank)

The Agricultural Development Bank is a specialist agricultural lending institution which is 97% owned by the Government of Trinidad and Tobago. The primary role of the ADB is the promotion of the development of the agricultural, commercial fishing and agroindustry sectors of the country through the provision of credit facilities to these sectors.

Institute of Marine Affairs(IMA)

The IMA is a fisheries and marine resource research facility which is funded by the Government of Trinidad and Tobago.

CARDI(Caribbean Agricultural Research and Development Institute)

CARDI is a regional institution and its mission is to "contribute to agricultural development through the generation and dissemination of appropriate technology that benefits the Caribbean people". The main areas of research are crop and animal production and technology adoption and transfer.

CARIRI(Caribbean Industrial Research Institute)

CARIRI is a regional institute whose main activities include the development of appropriate technology and guidelines for agro-processing and post harvest handling on a commercial scale. CARIRI also provides consultancy services for feasibility studies.

CFC(Caribbean Food Corporation)

CFC is a regional venture capital company its main objectives being the development of traditional and non-traditional agriculture and viable agri-business enterprises. CFC is funded by regional governments(Caribbean) and international agencies eg EEC, USAID.

THA(Tobago House of Assembly)

The Tobago House of Assembly is local government body responsible for certain aspects of Tobago affairs. Its two main divisions with direct responsibility to the agricultural sector are the Division of Agriculture, Forestry and Marine Affairs(DAFMA) and the Marketing Division. The DAFMA has overall responsibility in respect of the planning, formulation and implementation of policy and the development and management of the natural resources of Tobago(land, forest, marine). The Marketing Division is primarily responsible for the marketing of agricultural produce in the island via the public market, the administering of guaranteed markets and the provision of low cost inputs. The THA is also responsible for Kendal Farm School, a agricultural training institution.

UWI(University of the West Indies)

The University of the West Indies, Faculty of Agriculture is part of a regional university system which provides agricultural training. The programme includes a distance teaching programme which provides advanced training in agriculture.

Water Supply

Water and Sewerage Authority, Water Resource Agency, Ministry of Works - Drainage Division.

Services

Local Authorities - Abbatoirs, Ministry of Health -Food and Drugs Division and the Veterinary Public Health Unit, Small Business Development Company Limited

Policy and Planning

Ministry of Planning and Development, Ministry of Finance(Investments)

General Administration

Chief Personnel Officer, Public Service Commission and Organisation and Management Division

Agricultural Society of Trinidad and Tobago(ASTT)

This is a statutory body whose objectives are "the dissemination of agricultural knowledge, and the consideration, encouragement, and advancement of all branches of agriculture." All farmers are represented by the ASTT.

Cocoa and Coffee Industry Board(CCIB)

The CCIB is a statutory body which regulates the collecting, marketing through exporters of cocoa and coffee and the administration of a price support system (paying the farmers a guaranteed price).

County Agricultural Consultative Committees(CACC)

CACC comprise representatives of farmers' groups and are established on a regional basis. The primary object is the inclusion of the farmers viewpoint in the planning process of the MALMR. The CACC is a mechanism to enable farmers to put forward their recommendations, ideas and concerns to the Ministry for consideration.

State Owned Enterprises

National Flour Mills - rice, flour, oil

Caroni (1975) Limited - sugar cultivation and manufacture(monopoly), rice

Tanteak - forestry

Non-pareil - cocoa

NAMDEVCO - marketing

International agencies

Food and Agriculture Organisation(FAO), Inter-American Institute for Cooperation on Agriculture(IICA), Inter-American Development Bank(IDB), Organisation of American States(OAS), and the European Community(EC).

ii. Private

The primary private sector organisations are farmers groups and product associations and agribusiness firms.

Cooperative Citrus Growers Association of Trinidad and Tobago Limited (CCGA) is an agricultural cooperative comprising some 400 citrus growers. The CCGA owns a processing plant and affiliated farmers sell part or their entire fruit crop to the CCGA plant(assured outlet). The association processes members fruits into single strength or frozen concentrated juices and the waste is manufactured into citrus pulp meal for animals. The plant also imports concentrate from Belize, where CCGA has invested in a citrus processing plant. CCGA profits are divided among its members according to the quantities supplied to the plant. The CCGA also administers the citrus support schemes and provides agriculture extension service for members.

National Food Crop Farmers Association(NFFA)

This is a farmer organisation which operates similar to a union. It was established with objective of representing farmers and to support their cause. Issues addressed include land security, marketing, praedial larceny, and infrastructural development. Its major activity involves the settling of land disputes.

Coconut Growers Association Limited(CGA)

The main responsibilities of the CGA are the processing of copra and the administration of the copra prices support scheme. The CGA is a highly automated manufacturing company producing a range of items including shortening, detergents and fabric softeners and cleaners. The CGA comprises 28 members.

Export Trading Company(ETC)

The ETC is a private sector company which was formed in 1987. It was however affiliated with the Government's Export Development Company(EDC). While the EDC was engaged in the development work in respect of accessing external markets the ETC concentrated on actual marketing of products. With the merger of the EDC to form the Tourism and Industrial Development Company Limited(TIDCO) in 1994 this affiliation ended and ETC continues to concentrate on the marketing of products under its brand name.

Agribusiness

Nestle(Trinidad Food Products Limited) - major purchaser of fresh cows milk.

Farmers and other organisations - Federation of Agricultural Organisations, Poultry Farmers Association, Trinidad Islandwide Rice Growers Association, Trinidad Islandwide Cane Farmers Association, Tobago Farmers Association, Trinidad and Tobago Dairy Farmers Association, Trinidad and Tobago Holstein Association, Horticultural Society of Trinidad and Tobago, Beekeepers Association, Cane farmers Union, Trinidad and Tobago Manufacturers Association, Trinidad and Tobago Chamber of Industry and Commerce, Association for Caribbean

Transformation(ACT).

1.2 Institutional Adjustment

1.2.1 Public Sector

a. Present fields of activity and functions of the MALMRs

The MALMR is responsible for the development of the agriculture, forestry and fisheries sector.

In respect of the agricultural sector the MALMR is involved in:

- i. policy analysis and decision making for the sector; and
- ii. provision of professional, technical and facilitative support to domestic agriculture in a liberalised environment. This includes certification, grading and standardisation, Research and Development, extension, training and infrastructure development, veterinary services, planting material and quarantine.

b. Fields of activity and functions transferred from the MALMR

The role of the MALMR was reviewed in 1991/2 as part of the institutional restructuring of the agricultural sector. This institutional reform focussed on adapting the existing system to make it more responsive to the policy change adopted which emphasised the need for competitiveness and sustainable development. This policy change and the adoption of the role of facilitator of economic development by the Government and promoter of private sector involvement was prompted in large part by structural adjustment imperatives and the changes in the international economic and trade environment.

The functions and responsibilities of the MALMR were restated as follows: In respect of the services provided the MALMR will continue providing public goods and would attempt to do so efficiently. These public goods were designated - basic and temporary. Basic goods referred to physical infrastructure, regulation infrastructure, education and training, research and development, information and administration. Temporary goods are products which the private sector can provide but is unable to do so because of the risk involved, lack of technical know-how and finance. The MALMR would provide these services until the private sector is able to assume responsibilities in these areas. The transfer of activities to the private sector was

expected to take the form of partial or total privatisation or divestment. Examples of the services include seed and plant production, laboratory services and artificial insemination.

The change in policy focus of the Ministry resulted in:

- i. reduction in the number of daily rated employees;
- ii. reduction in involvement in directly productive activities which can be undertaken by the private sector;
- iii. closure of stations(work centers);
- iv. consolidation and improvement in stations/areas which are to be retained.

With respect to the state enterprises, several have been divested in an attempt to reduce the state's involvement in the actual operations of the entity providing opportunities and incentives to the private sector to become more actively involved in these entities. As at January 1, 1992 the government had majority shareholding in eight agro-based companies. Government also held minority or indirect shareholding in a number of agrobased companies. There were also several state owned agricultural companies which were not in operation or were in liquidation. Three such companies have been completely divested to date - National Fruit Processors which was sold to the employees, National Poultry which was sold through an open national bidding process and National Fisheries Company Limited sold by open bids. National Flour Mills was partially divested by way of the local stock exchange. The Food and Agriculture Corporation which was charged with promoting agricultural development through the identification, formulation and financing of bankable investment projects was also liquidated.

Other areas for private involvement in the provision of agricultural services particularly in the areas of extension and research are under consideration. There has been little transfer of such services to the private sector.

National Policies re Participation in Industrial and Commercial Activities

The state as facilitator of economic activity will continue participation in directly productive activities in the following circumstances:

- the industry is of strategic importance;
- the industry is essential to economic diversification and the private sector is unable to provide the financing required; and
- foreign investors undertaking a major project and wishing to limit his risk.

The mechanism used is not be limited to divestment but includes liquidation, restructuring and mergers. Every effort is also made to encourage widest participation in the divestment exercise.

c. Personnel Policies

Changes in the personnel structure has largely been limited to daily paid workers on demonstration farmers and similar work stations. The primary means of transfer of personnel from the public to the private sector has been through the divestment of state enterprises.

The following strategies were identified in the area of human resource management:

- i. Establishment of a Human Resources Division in the Ministry: Recruitment and/or training of staff to undertake the Ministry's human resource function.
- ii. Human Resource Planning: Improvement of the organisational structure to allow for optimum productivity ie. ensuring appropriate staff allocation and assignment
- iii. Human Resource Information System(HRIS): Introduction of HRIS to improve information flow both internal and external
- iv. Performance Management System: Implementation of a results oriented management system to provide information for personnel function eg training, rewarding performance, succession planning and disciplinary procedures
- v. Institutional Strengthening: Strengthen the capacity of staff to improve delivery of services. Provides training and updated information, participation in seminars and conferences for technical and administrative officers

In July 1989 a Voluntary Termination of Employment Plan (VTEP) for government employees was introduced. The programme includes a voluntary retirement scheme for employees aged 50 to 60 years and a voluntary severance scheme for employees under 50 years of age. Both schemes provide enhanced termination and pension benefits based on the number years of services. Programmes were also introduced to provide training for self-employed persons, those who opt for early retirement and voluntary severance schemes and other retrenched workers.

d. Institutional Structure

The institutional structure of the MALMR remains unchanged since 1988 when a comprehensive programme of restructuring and decentralisation of functions and personnel was initiated. The major objective of this exercise was to develop an integrated multidisciplinary approach as well as to improve the delivery of services at the regional and county levels. Changes implemented included the setting of two regional offices and the merging of two divisions, Agricultural Engineering and Development Division and Project Implementation Unit into the Land and Water Division and the integration into a new Division, Animal Production and Health, of the Livestock Production Unit of Agricultural Services and Livestock Research Unit of the Research Division. The resulting organisational structure is presented in Appendix 1.

1.2.2 Private Sector

a. Private Sector Organisations

The agricultural private sector is largely involved in farming, agroprocessing and marketing. Many of the farmers are part of a farmers' organisation or cooperative for example the Dairy Farmers Organisation and the Cooperative Citrus Growers Association. These organisations provide an assured market for farmers produce as well as provide extension and training services to members. Farmers' organisations in large part however suffer from a number of shortcomings and many are inactive. Among the problems identified are over fragmentation and low memberships which limits the effectiveness of these organisations. The MALMR attempted to establish agricultural consultative committees at the county, regional and national level to encourage farmer participation in the planning process. Interest in these institutions have waned

and several have since ceased to exist.

There are also a number of business associations the main ones being the Trinidad and Tobago Chamber of Industry and Commerce which has set up an Agricultural Sub-Committee to meet the challenges of the changing environment, the South Chamber of Industry and Commerce and the Trinidad and Tobago Manufacturers' Association.

b. Measures adopted to promote competitiveness

A joint venture company of a consortium of local financial institutions and manufacturers' associations, and the Brussels based Centre for Development of Industry was formed. The company provides assistance in production, marketing, partnership agreements and launching of new manufacturing projects. A World Trade Centre has also been established which provides marketing support services and access to data bases for sourcing marketing information.

The Trinidad and Tobago Chamber of Industry and Commerce has established an Agri-Business Committee whose role is to review and discuss issues relevant to the development of the sector. Emphasis is placed on monitoring and influencing policies, monitoring worldwide trends, generating dialogue between interested parties in both the public and private sector and facilitating events aimed toward enhancing a programme for sustainable development. This initiative is as a direct response to developments in world trade and increased external competition. This makes it necessary that all players come together if the sector's development is to proceed and to benefit from a total agri-business approach to agriculture.

c. See 3.1

1.3 Agricultural Legislation

Sugar Industry Control Board Act (1995)

Act repealed and the Divestment Secretariat of the Ministry of Finance(Investments) in conjunction with a Cabinet Appointed Committee to oversee winding up. In the event of a surplus of assets over liabilities to utilise such in a project that would benefit cane farmers.

Tourism and Industrial Development Company Limited(TIDCO)Vesting Act (1995)

Repeals the Industrial Corporation Act, the Trinidad and Tobago Export Development Corporation Act and the Trinidad and Tobago Tourism Development Authority Act and transfers all assets, liabilities and functions to TIDCO.

Land Acquisition Act (1994)

Act to govern the acquisition of land for public purposes such purposes being defined as the fulfilling of any obligation of the state under any treaty or agreement made by the Government of any country, territory or place.

Foreign Investment Act(1990)

Provides for the acquisition of any interest in land or shares in local private or public companies and for the formation of companies by foreign investors and also to facilitate investments by citizens of CARICOM member countries.

National Agricultural Marketing and Development Corporation Act(1991)

Provided for the establishment of the National Agricultural Marketing and Development Corporation. Functions of the corporation are to create, facilitate and maintain an environment conducive to the efficient marketing of agricultural produce and food products through the provision of marketing services and the stimulation of business investment in the agro-industrial sector of Trinidad and Tobago. The Central Marketing Agency Act was repealed. However the regulations in respect of the Registration of Producers of Agricultural Produce, the Poultry Industry and Wholesale Marketing continued in force.

Customs Amendment Act(1992)

Partial Scope Agreement between Trinidad and Tobago and Venezuela signed in 1989.

Antidumping and Countervailing Duties(1992) Amended 1995

Authorises the imposition of anti-dumping duties and countervailing duties where goods have been dumped or subsidised; to provide for an Anti-dumping Authority to investigate dumping or subsidising of goods. Customs Duties (Dumping and Subsidies) Act repealed.

Environmental Management Act (1995)

To provide for management of the environment within Trinidad and Tobago through the establishment and operation of an Environment Management Agency, an Environmental Trust Fund and an Environmental Commission, to define the powers and duties thereof

Companies Act (1995)

To revise and amend the law relating to companies. Areas addressed include corporate relationships, public distribution of corporate securities, formation and operation of companies, protection of creditors, companies without share capital, winding up of companies, company names and the register of companies.

Agricultural Development Bank (ADB) Act Amendment (1993, 1995)

ADB Act amended to improve the governance and operational procedures of the bank.

Animals (Diseases and Importation) Act

List of notifiable diseases repealed and replaced (1993)

Diseases of Animals (Vet Export Certificates) (Amended 1992, 1993)

Animals (Importation) Control Regulations (Amended 1993)

Specified Countries (Amended 1994)

Copra Products Control Act (Amended 1990, 1991)

Price paid by a manufacture for all copra delivered to the manufacturer fixed at \$121 per 45 kg.

Legal Notice No, 175 of 1989 revoked.

Food and Drugs Amendment Regulations

Regulation 21 of the Food and Drugs Regulations amended by inserting after 6(a) subregulation 6(a) does not apply to a label on meat or poultry products intended for export to the effect that the product has been inspected and passed for wholesomeness by an inspector appointed under the Act. General Notice No. 130 of 1964 amended.

Country Markets Act

Public Markets Order and Byelaws - Macoya off-Highway Market 1990

Fisheries Act

Control of Demersal (Bottom) Trawling Activities - Regulation

1991 (Expired 1993), 1994 to expire 1996

Sets out restrictions to bottom trawling in respect of area (geographical), equipment specification - nets, chafing gear, engine size. Regulations do not apply to research and training activities approved by the Minister.

Income Tax (Extension of Period of exemption) (Commercial Farming) Order 1991

Exemption referred to in Section 14(1) of the Income Tax Act extended for two years with effect from 1st January 1991 to 31st December 1992.

Public Health Ordinance, Chapter 12, No. 4: The Public Health (Cholera) (No. 2) Regulations 1992. August 24, 1992.

- The regulations prohibits, for one year, the harvest, importation and sale of shell fish (oysters, clams, mussels, scallops and other valvate molluscs) without the permission of the Minister of Health. This legislation sought to address the concern for the outbreak of cholera in the country

Plant Quarantine Legislation amended to include the Pink Mealybug as a plant quarantine pest. Legislation has been effected making the Pink Mealybug a notifiable Pest under the Plant Pest and Disease (Eradication) Act.

Trade Ordinance Act, No. 19 of 1958

i. Price of Good Amendment N. 5 Regulations 1992, July 22 1992

The regulation was amended to provide for an increase in the domestic price of rice.

ii. Negative List, Notice to Importers, No. 7 of 1992. Open General Licence, July 6 1992

This regulation was amended to delete sweetened condensed and evaporated milk from the Negative List.

iii. Negative List, Notice to Importers No. 5 of 1992. Open General Licence, June 24 1992

This regulation was amended to delete from the negative list the following: beef, veal, shrimp, lobster, crabmeat, canned fish, slated fish, liquid milk, potatoes, onions, garlic, olives, ground coffee, spices, sugar, cocoa powder, cocoa paste, confectionery jams and jellies.

iv. Price of Goods Amendment No. 3 Regulations 1992, January 21, 1992

This regulation was amended to provide for an increase in the price of sugar.

v. Prices of Goods (Amendment) No. 1 Regulations 1993, January 1993

This regulation was amended to provide for an increase in the domestic price of sugar.

Animal (Diseases and Importation) Act Chapter 67:02, Regulation No. 2, 1954

Ovine Brucellosis (Infected Place) Order

Regulation was enacted so as to control the removal of infected sheep from the Mon Jaloux farm of Caroni(1975) Limited.

Customs Act, Chapter 78:01 The Common External Tariff(Suspension) Order 1993, January 20, 1993

The regulation governing the Common External Tariff was suspended in relation to those goods identified, namely: salted pork, butter (fresh and salted), cheddar cheese, carrots (fresh or chilled), onions (preserved), peas and beans (fresh or frozen), garlic (preserved), tea, pigeon peas, chick peas and black eye peas.

Act No. 21 of 1993. Act for the Incorporation of the Foundation for the Environment of Trinidad and Tobago, August 1993

Foundation is intended to promote, undertake and/or assist in promoting or undertaking projects or activities which will emphasise and enhance environmental protection and pollution control in Trinidad and Tobago.

TRADE AGREEMENTS

Agreement on Trade and Investment between CARICOM and Venezuela signed October 1992

The objective of the agreement is to strengthen the economic and trade relations between CARICOM and Venezuela through the promotion and expansion of the sale of goods originating in CARICOM through one-way duty free access to the Venezuelan market, promotion of investment to strengthen competitiveness and the facilitation of joint ventures.

Agreement on Trade, Economic and Technical Cooperation between CARICOM and Colombia signed June 1994

The objective is the strengthen the trade and economic relations and technical cooperation between the parties through the promotion and expansion of the sale of goods originating in Caricom with emphasis on exports from Caricom exports in the first stages of the agreement, investment promotion to promote competitiveness, facilitation of joint ventures, scientific and technical cooperation activities as well as the promotion of private sector activities.

Trinidad and Tobago Venezuela Partial Scope Agreement signed in 1989. Came into force in 1992 (Act No. 5 of 1992 - Customs Duties)

The objective is the stimulation of trade between the countries through the granting of tariff preference and the elimination or reduction in non-tariff barriers.

SECTION 2. POLICIES FOR AGRICULTURE, AGRI-FOOD SYSTEMS AND THE DEVELOPMENT OF RURAL AREAS

a. Central elements of objectives of policies

| Elements/Content | Institutional Actor |
|--|--|
| I. Socio-Economic | |
| 1. Ensure relevance, coherence consistency of the Food and Agriculture Policy | Ministry of Planning and Development(MPD) |
| 2. Undertake reform in trade and price policies | Ministry of Trade and Industry(MOTI), UWI, Ministry of Finance(MOF), MPD, Ministry of Foreign Affairs(MFA) |
| 3. Encourage investment in the sector | MOF, UWI |
| 4. Strengthen linkages with agro-industrial activities as a means of generating employment. | MOTI, UWI, NAMDEVCO, CARIRI |
| 5. Establish a mechanism for directing support to vulnerable producer groups and sub-sectors. | MPD, NGO's, UWI |
| 6. Improve institutional arrangements and legislative framework for land administration and management | CSS |
| 7. Distribute state land for sectoral development | SCA, CSS |
| 8. Control/Rationalise Squatting Problems | SCA, CSS |

| Elements/Content | Institutional Actor |
|---|---|
| 9. Simplify the procedures for establishing legitimate interests in land | Registrar General |
| 10. Promote the development of farmers', fishermen and foresters' organisations | |
| 11. Strengthen institutional support to small farmers. | |
| 12. Encourage private sector investment in areas divested/to be divested by public sector | |
| 13. Adopt gender sensitive approaches to agricultural development. | IICA, OPWA, UWI, NGO's |
| 14. Encourage production for home consumption among low income groups. | |
| 15. Encourage the entry of youth into farming | MDP, ADB |
| 16. Strengthen nutrition education programmes | NFN, CAB |
| 17. Develop an aggressive praedial larceny | SCA |
| II. Agriculture in Tobago | |
| 1. Revitalise agriculture in Tobago | THA, OPM |
| III. State-Owned Enterprises | |
| 1. Reduce monopoly status of SOEs in the sector | MF, State Enterprises, MOTI, MPD, Producers |

| Elements/Content | Institutional Actor |
|---|--|
| V. Administrative Reform and Institutional Support | |
| 1. Strengthen procedures for managing the relationship between the MALMR, other agencies and Ministries | |
| 2. Provide an organisational structure and operation system capable of delivering the goods and services provided by the Ministry | |
| 3. Strengthen the Planning Process of the Ministry | MPD |
| 4. Strengthen the Management Information System within the Ministry | NISC |
| 5. Reform the Personnel Administration System | CPO, DPA, OPM |
| 6. Reform the Accounting Management System | MOF, MPD, OPM |
| 7. Strengthen the Agricultural knowledge and information system | |
| 8. Provide adequate accommodation for employees of the Ministry | MWT |
| VI. Infrastructure Support | |
| 1. Establish water management infrastructural systems in key production areas. | IMA, MWT, MPD, WASA, Farmers Organisations |
| 2. Promote the establishment of on-farm irrigation infrastructure | Farmers organisations |

| Elements/Content | Institutional Actor |
|---|---|
| 3. Develop and rehabilitate agricultural access roads in all agricultural areas. | MWT, Regional Corporations, Farmers organisations |
| 4. Institute a programme for the continuous maintenance of agricultural access roads. | Regional Corporations, Farmers organisations |
| 5. Encourage the participation of beneficiary communities in the maintenance of physical infrastructure | Farmers organisations |
| VII. Natural Resource/Environment | |
| 1. Update legislation to protect natural resources and environment. | Ministry of Legal Affairs |
| 2. Strengthen regulatory services and also encourage community participation in protection. | NGO's, Farmers |

b. Where does responsibility for the development of agriculture and rural areas lie?
The primary responsibility in respect of agriculture and rural areas reside with the MALMR and the Ministry of Social Development. The local authorities are responsible for physical infrastructure including access roads.

c. See 2.2

2.1 Institutions responsible for implementing policies designed to foster

a. the development of competitive agriculture

The MALMR is responsible for determining the competitiveness of various subsectors. This involves the development and updating of commodity profiles and accessing data and information to inform decisions in respect of competitiveness.

b. the promotion of equity and the promotion of disadvantaged social groups

The MALMR is responsible for the promotion of equity issues including that of poverty alleviation and rural development. Specific areas targeted are:

- i. Gender Issues:** Activities are devised which are aimed at enhancing the participation of women in the rural development process, MALMR officers are also sensitised on the need to ensure that gender issues are considered in devising policy.
- ii. Rural Youth:** Efforts are geared towards the revitalisation/expansion of 4H/YFC and the provision of incentive and mechanism for rural youth to get involved in the provision of agricultural goods and services.
- iii. Small Farmers:** The land distribution programme is specifically geared to small farmers with small parcels averaging five acres are being distributed.

2.2 Analysis of, advice on and adjustment of agricultural policies

The primary changes made in respect of private sector input is the establishment by the MALMR of County Agricultural Consultative Committees (CACC) to institutionalise farmer participation

of the policymaking and planning process. These committees were to comprise farmers representatives from the various regions of the country. The initiative initially conceived of regional and national committees but these were never established. The CACC also suffer from poor farmer participation. The other significant change was the formation of a Policy and Programme Advisory Board(PPAB) comprising technical and administrative personnel from all divisions of the Ministry. The primary objective of this Board is to advice the Minister in the areas of policy, programme and budget formulation.

In respect of methodology the Ministry has instituted an integrated planning mechanism. The mechanism for agricultural policy and planning is as follows. An agricultural sector status report is prepared which is then used to develop the Annual Policy Review Report. This Report is in turn used in the preparation of Divisional Work Plans and budgets. On the basis of the Work Plans and Budgets, an Annual Agricultural Plan and Budget is developed. This method permits the integration of planning particularly through the incorporation of elements of sustainable development. Much of the analyses of policy impact on agriculture is however conducted by UWI and similar organisations with research capability.

SECTION 3 SERVICES FOR AGRICULTURE

3.1 External Marketing Services

The Tourism and Industrial Development Company Limited (TIDCO) which was established in 1995 with a mandate "to assist in the development of a diversified Trinidad and Tobago economy through the functioning of an efficient and effective single state agency" is now responsible for the external trading activities formerly executed by the Government's Export Development Corporation(EDC). (The EDC was incorporated into TIDCO) These functions include certification of origin of goods, management and supervision of the export technical assistance facility and the coordination of export related agencies in both the public and private sector. Direct marketing activities continue to be executed by the privately owned Trinidad and Tobago Export Trading Company(ETC). The ETC was initially affiliated with the EDC. With the formation of TIDCO this association ended and the ETC is now expanding its operations. The restructured domestic marketing body NAMDEVCO is also mandated to provide information in respect of export markets. Its activities in this area is limited however. Export marketing for the traditional crops continue to be handled by product associations: the Cocoa and Coffee Industry Board(government) and the Cooperative Citrus Growers Association(private) and the Coconut Growers Association Limited(private). CATCO which was established as a subsidiary of CFC handled perishables. CATCO however is no longer in operation and is in the process of being liquidated.

a. Role of MOA, other public and private sector institutions in negotiation of international trade agreements.

The Ministry of Trade and Industry through its Ambassador for Trade, the Ministry of Foreign Affairs, the Ministry of Finance and TIDCO are the main public institutions involved in the negotiation of international trade agreements. The MALMR is included when negotiations are of direct relevance to the agricultural sector to provide technical assistance. The primary private sector organisations involved are the Trinidad and Tobago Manufacturers' Association(TTMA), the Trinidad and Tobago Chamber of Industry and Commerce and the South Trinidad Chamber of Industry and Commerce.

c. **Administrative changes introduced to implement agreements while they are in effect**
The major changes implemented while not specifically related to agreements is the enactment in 1995 of the Antidumping and Countervailing Duties Act and the establishment of the Anti-dumping Authority to deal with dumping issues. Efforts are also in train in respect of the establishment of Competition Law to deal with unfair trading practices.

3.2 Domestic Marketing Services

The Government's Central Marketing Agency(CMA) which was formerly responsible for the marketing of farmers' produce at a guaranteed price has been restructured and the guarantee price scheme abolished. The CMA was replaced in 1991 by another statutory body, the National Agricultural Marketing and Development Company Limited (NAMDEVCO). The Government is therefore no longer involved in the purchase of farmers produce. The main functions of NAMDEVCO are to facilitate and promote effective and efficient marketing of agricultural and food products, develop and provide information on market, establish and administer wholesale markets, facilitate the promotion of agro-industrial development and develop and administer a system of grades and standards to improve the marketing of agro-food products.

a. Are changes linked to GATT'94 regulations?

Changes in the domestic marketing institutions took place in 1991 and reflect changes in the Government's policy in respect of agricultural marketing. This policy in keeping with the general thrust in respect of national policy is the withdrawal of the state from direct involvement in trading activities and the encouragement of private sector participation in the provision of marketing services.

b. Price stabilisation organisations

The number of items under price control has been reduced significantly so that the institution executing this function, the Prices Control Commission has been downsized to that of a division. The portfolio of prices has also been removed from the Ministry of Trade to the Ministry of Consumer Affairs.

c. Alternative Market Mechanisms

Alternative market mechanisms have not been actively pursued.

d. Regulations to offset market failures

Regulations to offset market failures have been pursued through the Government programme of demonopolisation of the state enterprises.

e. Information systems on prices and markets

A marketing information system(MIS) has been established through NAMDEVCO and provides information on prices and production to the public. The MIS is responsible for the collection, storage, analysis, retrieval and dissemination of market information to allow buyers and sellers to make informed decisions on the marketing of agricultural produce.

3.3 Financial Services for Agriculture

The major formal sources of finance for the agricultural sector continue to be the Agricultural Development Bank (ADB) and the two largest commercial banks. With respect to ADB the Bank continues to rely on external funding since the cessation of Government funding of its loan programme in 1986. External funding has also been accessed to fund a project which seeks to provide agri-business employment opportunities to young people in rural districts. In terms of the commercial banks there appears to be a further concentration of agricultural lending to the two major banks. Other sources of credit include the Development Finance Limited(DFL) and finance and merchant banks which lend primarily to agroprocessing, cooperatives and credit unions and informal sources(NGO's etc.). DFL which was majority owned by the state is now controlled by the private sector. The international private sector shareholders have also injected cash into the company. Another major development is the establishment of the Small Business Development Company in 1990. This company provides loan guarantees to all sectors of the economy including agriculture. Apart from the aforementioned there has been no major infusion of credit to the sector.

a. Changes to the agricultural development banking system

The ADB is being restructured with the objective being to make it selfsufficient, competitive and market driven as well as independent. The main changes introduced were:

- i. Amendment of ADB's enabling legislation to provide for in respect of governance the removal/reduction of Presidential and Ministerial involvement in the affairs of ADB and establishment of a more professional Board of Directors . In respect of operations the category of loans and security documents was broadened and flexibility in the rate of interest and other charges introduced.
- ii. The establishment of a legal entity to transfer non-performing loans thereby allowing a "clean-up" of a loan portfolio plagued by a high level of non-performing loans.
- iii. Institutional strengthening and restructuring of ADB including the establishment of a new institutional structure, improvement in banking and managerial skill via a training programme, restructuring of the Financial department, institutionalization of the planning process, implementation of a new management information system and the strengthening of the systems of loan appraisal and administration and internal audit.
- iv. Institution of a system of supervision of the Bank allow normal bank inspection criteria with adjustments for the unique status of ADB.

b. Policies on guarantees

The only source of loan guarantees to the agricultural sector is via the Small Business Development Company Limited which provides loan guarantees to small and medium size enterprises. The ADB is a participant in this scheme. No policy on loan guarantees specific to agriculture exists.

c. Agricultural insurance policies

No agricultural insurance policy exists. The Government however proposes to examine the scope for instituting a pilot agricultural insurance programme.

d. Deregulation of credit

See a) above

e. Policies regarding para-fiscal stabilisation or development funds

No policy exists at the Governmental level

3.4 Research Services

The main organisations which conduct agricultural research are MALMR, the University of the West Indies, Caroni(1975) Limited, Sugar Cane Feeds Centre and CARDI. Research support is in the area of laboratory services for agronomy, plant protection, soil and leaf analyses, insecticide biassays and plant pathology is provided to the sector through these institutions. The role of the MALMR Research Division is the identification, selection, adaptation and development of appropriate technology to enhance crop and livestock production and to contribute to the acquisition, evaluation and conservation of genetic resources. In respect of livestock the primary emphasis is on nutrition, breeding, tropical forages and management. Crop research is concentrated on the agronomy of root crops, vegetables, cereals, fruit crops and ornamentals; soil and land capability; analytical services; biochemistry and post harvest handling; tissue culture; seed technology; and biometrics. Special emphasis is placed on tree crops and coconut research.

a. Changes in research policy

Proposal have been made in respect of new budgetary arrangements for funding on a project by project basis with provisions being made to use internally generated funds as well as to seek external funding, the undertaking of collaborative research and the institution of a system of exchange visits and attachments for technical personnel; adoption of a strategy focussed in the area of technological adaptation principally since biotechnology constitutes a pathway for food

and fibre production and the identification and development of a methodology to conduct appropriate research into selected agricultural commodities. There has been little implementation of this proposal.

3.5 Technical Assistance and Extension Services

The MALMR is primarily responsible for technical assistance and agricultural extension. Extension services are also provided by Caroni(1975) Limited for sugarcane farmers and the THA. The specific areas of concentration of the MALMR extension services are:

- i. technology adaptation and validation through on-farm trials;
- ii. farming systems development;
- iii. preparation of technological packages for crops and livestock;
- iv. extension methodology development; and
- v. training of front-line extension officers, farmers and potential farmers.

Government policy in respect of extension services is directed at encouraging private sector participation, the dissemination of appropriate technologies, establishing linkages between research and extension and increased participation by clients. Areas for action include the conduct of needs assessment among clients, the validation and adaptation of technology, training of extension officers and farmers and the production of instructional media. Strategies for strengthening the capability of the extension services are also being considered.

a. Provision for small/medium scale producers

No special provisions for small and medium scale producers to access technical assistance and extension services have been detailed.

3.6 Animal Health and Plant Protection Services

Animal health is the responsibility of the Animal Production and Health Division of the MALMR while Plant Protection is under the purview of the Ministry's Research Division. The Animal Production and Health Division is responsible for the health of all livestock and the prevention of the spread of diseases from animal to man. One of the main objectives of this

Division is the reduction in the country's dependency on imported animal and animal products. The Division is involved in regulatory, preventive, curative, diagnostic, investigational, advisory, training and public health activities.

In the execution of these activities the Animal Health Division provides veterinary field services including a Poultry Surveillance Unit and an Anti-Rabies Unit. Field clinical (ambulatory) services are also provided to livestock producers. Diagnostic services are provided by the Veterinary Diagnostic Laboratory. The Division's main clients are veterinarians who utilise the Veterinary Diagnostic Laboratory, farmers via the field service activities and importers and exporters of animals and animal products.

In 1994 the division faced a number of constraints which related mainly to finance, staffing and revenue generation. This impacted negatively on the provision of services. More specifically it resulted in the reduction of ambulatory services provided, lab services and the preventive rabies and tuberculosis testing programmes. It was recognised that the animal health services provided needed to be reviewed and priorities established.

Policies which are being implemented to effect this change are:

- i. Consideration is being given to the relocation of the Veterinary Diagnostic Laboratory to another institution which is better equipped.
- ii. Encouragement of private veterinarians to undertake work in order to supplement government's actions in this area.

b. Coordination with public/private agents

Divisions of the MALMR

- i. Extension
- ii. ECIAF
- iii. Forestry

Other Ministries and Local Agencies

- i. Ministry of Health - Veterinary Public Health Unit
- ii. Ministry of Education
- iii. Ministry of National Security - Mounted Branch and War Dogs
- iv. ADB
- v. Pointe-a-Pierre Wild Fowl Trust
- vi. SFC
- vii. Airports Authority
- viii. Port of Spain City Corporation
- ix. Caroni(1975) Limited

Regional International Agencies

- i. UWI - Faculty of Agriculture and School of Veterinary Medicine
- ii. IICA
- iii. PAHO
- iv. CARDI
- v. CAREC - Caribbean Epidemiology Centre
- vi. Cornell University New York - bat investigations
- vii. University of Louisville Kentucky - bat investigations
- viii. University of Oxford, - Calliandra Trial

3.7 Irrigation and drainage services

The MALMR provides agricultural engineering advisory services and undertakes infrastructural work in irrigation and drainage. The Ministry of Works has responsibility for large primary waterways passing through agricultural areas. The MALMR however through the Land and Water Development Division has responsibility for all irrigation and drainage channels for agricultural purposes. No major infrastructural or institutional changes occurred over the period. Efforts continued to focus of maintenance, repair and re-establishment of existing infrastructure. Government's policy is directed at the promotion of on-farm irrigation.

a. Policies for these services

The primary change instituted relates to the cost of abstraction of water from watercourses(surface and subsurface). Involvement of the private sector in the provision of these services is limited by the existing policy however private provision of water for specific projects is undertaken particularly via wells. In respect of water sourced from wells the rate is TT\$0.36 per cubic metre. Where water so accessed is used for irrigation or industry and is returned to the watercourse unaltered a charge of TT\$0.10 per cubic metre is charged. Previously a flat rate was charged for a licence and subsequent renewals.

b./c. Incentives for private participation/Training for private administration

There is no clear policy in respect of private participation in the provision of these services.

3.8 Seed Services

The provision of seed material of selected varieties of grains, legumes and vegetables is undertaken by the Division of Agricultural Services, MALMR. The programme has been diversified to include the supply of basic planting material of selected new, improved varieties. Under the seed programme the major crops are corn, pigeon peas and bodi. The minor crops include sorrel, pumpkin, cucumber, ochro, tomato, hot pepper and melongene. This programme undertakes seed testing for quality control, seed distribution and sales and maintenance of seed equipment and machinery. Seed services are also provided by two other para-statal. Seed services continue to be subsidised.

a. Policies on i. basic seeds; ii. reproduction of seeds; iii. certification of seeds; iv. marketing of seeds and b. Regulation for market failures

There is no system or regulations for seed production and standards. The technical levels are described as low and the absence of production regulations is said to contribute to the production and marketing of poor quality seeds.

3.9 Livestock Services

The provision of livestock services is undertaken by a subdivision of the Animal Health and

Production Division. The main role of livestock production is the application of experience, knowledge, technology and training in improving production and productivity levels in the main classes of farm animals - cattle, sheep, goat and buffalo. The general objective is to increase animal productivity of different classes of stock at the lowest cost and improving production technique systems.

The main functions are:

- i. the development, multiplication and distribution of efficiently producing livestock with the major emphasis on small ruminants.
- ii. the provision of dairy cattle insemination services to the public.
- iii. practice and demonstration of animal production technology of the highest standard
- iv. promotion of animal husbandry by participation in lectures, seminars, workshops, livestock exhibitions etc.
- v. assistance in providing appropriate extension back up service to livestock farmers.
- vi. collaboration with other divisions of the MALMR in the implementation of government's Livestock Development Policy.

The Division's areas of concentration are:

- i. a large ruminant unit directed at dairy cattle improvement through the maintenance of an on-going breeding scheme. This is to be phased out and greater emphasis placed on small ruminants.
- ii. a small ruminant unit with responsibility for the multiplication and distribution of genetically superior breeds of sheep and goat.
- iii. an Artificial Breeding Centre(ABC) for improving the genetic quality of the national dairy herd by producing and distributing quality semen from bulls of high genetic competence through a national artificial insemination service

Budgetary and other constraints in 1994 resulted in the failure to institute the closure of the large ruminant unit and hence the distribution of scarce resources between this unit and the small

ruminant unit. This prevented the application of much needed infrastructural changes in the latter.

The review of the services provided highlighted the need to prioritise the services offered. Changes being implemented to effect this are:

- i. Use of frozen as opposed to fresh extended liquid semen
- ii. Expansion of the Small Ruminant Unit to provide better quality animals, exposure to improved animal husbandry including utilisation of local by-products and improved farm management practices

3.10 Training Services

Training for private individuals/sector is undertaken by the MALMR through its extensions services and affiliated training institutions - ECIAF and CFTDI, the University of the West Indies(UWI), the THA's Kendal Farm School and CARIRI. A significant change instituted over the period is in respect of UWI. 1990 the University of the West Indies, Faculty of Agriculture introduced a Continuing Education Programme in Agricultural Technology(CEPAT). This programme is part of the restructuring programme of the faculty to meet the new challenges posed by the rapidly changing environment in Caribbean agriculture. "The primary objective of CEPAT is to meet the more short-term training needs of the region by providing a mechanism for the rapid introduction of new and improved technologies in agriculture for the Caribbean and other tropical regions." In 1994 CEPAT, in collaboration with Wye College, University of London inaugurated a programme in Agricultural and Rural Development. The faculty has also introduced a BSc. Agri-Business Management degree and two new technology-oriented degrees - BSc. Crop Production and BSc. Livestock Production. These new degree options are geared toward the training of "professional agriculturalists toward the revitalisation and modernisation of the CARICOM agricultural sector in the 1990s and beyond."

a. Policies re Training Services

See 3.5. Extension Services.

3.11 Information Services

The provision of information services is closely linked to extension training. Information in respect of production-related matters, trade-related issues, prices and markets is provided by MALMR, NAMDEVCO and ADB. In respect of information on the availability of technology, subcontracting clearinghouses and the availability of specialised services there is a Specialist Subdivision of the MALMR which is responsible for

- i. technology adaptation and validation
- ii. preparation of production guides and technical packages for farmers and other clients
- iii. technical backstopping of regional extension programmes.

3.12 Services for Agroindustry

Agroindustry remains a relatively small sector and the accompanying services particularly as they relate to infrastructure, technology and standards remain inadequate. Government however has initiated steps in respect of the formation of an umbrella organisation for the participants in the sector to assist the sector to receive development funding. The present thrust is the re-examination of incentives to the sector, provision of assistance in respect of external markets, training and other technical assistance as well as encourage the development of links with the primary sector.

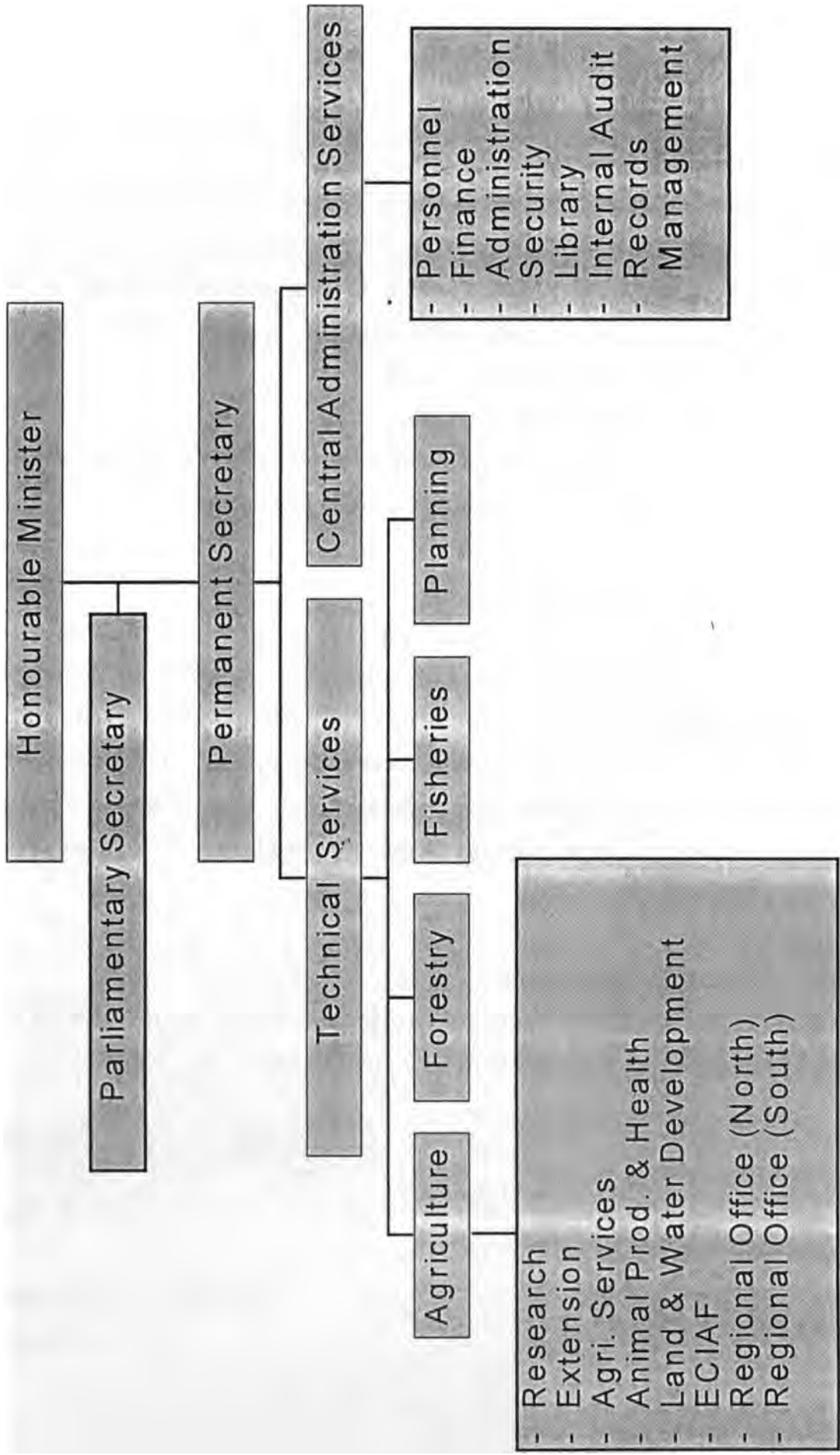
a. Institutional jurisdiction

The MALMR is responsible for promotion of the agroindustry sector. NAMDEVCO and ADB are also charged with the responsibility for promoting the sector.

b. Mechanisms for working with the agri-food chain or system methodology

No such mechanisms have been detailed .

ORGANIZATION CHART



FECHA DE DEVOLUCION

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**INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE
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