

TEGY

IICA



IICA ACTION STRATEGY

1990-1991

GUYANA

March, 1989



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IICA OFFICE IN GUYANA

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1990-1991

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The Inter-American Institute for Cooperation on Agriculture (IICA) is the specialized agency for agriculture of the Inter-American System. The Institute was founded on October 7, 1942 when the Council of Directors of the Pan-American Union approved the creation of the Inter-American Institute of Agricultural Sciences.

IICA was founded as an institution for agricultural research and graduate training in tropical agriculture. In response to changing needs in the Hemisphere, the Institute gradually evolved into an agency for technical cooperation and institutional strengthening in the field of agriculture. These changes were officially recognised through the ratification of a new Convention on December 8, 1980. The Institute's purposes under the new Convention are to encourage, promote and support cooperation among the thirty-one (31) Member States¹ to bring about agricultural development and rural well-being.

With its broader and more flexible mandate and a new structure to facilitate direct participation by Member States in activities of the Inter-American Board of Agriculture and the Executive Committee, the Institute now has a geographic reach that allows it to respond to needs for technical cooperation in all of its Member States.

The contributions provided by the Member States and the ties IICA maintains with its twelve observer countries² and the numerous international organizations provide the Institute with channels to direct its human and financial resources in support of agricultural development throughout the Americas.

The 1987-1991 Medium Term Plan, the policy document that sets IICA's priorities, stresses the reactivation of the agricultural sector as the key to economic growth. In support of this policy, the Institute is placing special emphasis on the support and promotion of actions to modernize agricultural technology and strengthen the processes of regional and subregional integration.

In order to attain these goals, the Institute is concentrating its actions on the following five Programmes: Agrarian Policy Analysis and Planning; Technology Generation and Transfer; Organisation and Management for Rural Development; Marketing and Agro-industry and Animal Health and Plant Protection.

These fields of action reflect the needs and priorities established by Member States and delimit the areas in which IICA concentrates its efforts and technical capacity. They are the focus of IICA's human and financial resources allocations and shape its relationship with other international organisations.

¹Antigua and Barbuda, Argentina Barbados, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad & Tobago, United States of America, Uruguay and Venezuela.

²Austria, Belgium, Egypt, France, Germany, Israel, Italy, Japan, Korea, the Netherlands, Portugal and Spain.



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I. EXECUTIVE SUMMARY

1.0.0 EXECUTIVE SUMMARY

1.1.0 National Socio-Economic Review

During the past two or three years, whilst there have been some positive changes, the overall economic conditions in Guyana have become progressively worse as may be judged by any set of economic indices. For 1988, the overall public sector deficit attained the level of US\$70.0 million as compared with US\$67.7 million in 1985. Over the same period, the internal debt is estimated to have increased from S\$210.0 million to US\$245.0 million. Balance of payment on current account deficit which moved from US\$42.6 million in 1985 to US\$43.5 million in 1987 also is estimated to have increased to US\$81.4 million at the end of 1988. The country's external debt is currently estimated at between US\$1.6 billion to US\$1.8 billion, of which about US\$1.2 billion are "now due, owing and payable or will become so very soon"*.

On the more positive side, perhaps the most important change has been the increasing optimism generated by the new financial and economic policies currently promoted and pursued most vigorously by the Government, and indeed the positive measures taken to put the country "back into the mainstream of progressive economic activity", according to President Desmond Hoyte.

Central to the Government's Economic Recovery Programme (E.R.P) have been efforts to conclude an Agreement with the I.M.F. which is regarded as siue qua non. It is reported that negotiations are now in the final stages and it is expected that the signing of an Agreement should take place by June, 1989. The I.M.F. Agreement, the Government has been careful to emphasize, is part of a total package and among other policy measures adopted as essential elements of its Economy Recovery Programme.

A central theme of the recovery programme will be diversification of the economic and productive sectors, as well as the privatisation of several public sector corporations. Already much attention has been given to expansion of the mining activities, tourism and manufacturing.

*Address by Cde. H.D. Hoyte, S.C., President of the Cooperative Republic of Guyana, to the Seventh Sitting of the First Session of the Second Supreme Congress of the People, October 20, 1988.

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Agriculture is expected to continue to play a vital and important role in the Economic Recovery Programme. In this regard, the Ministry of Agriculture, supported by the principal parastatal agencies and Corporations such as GUYSUCCO and LIDCO, has been actively pursuing and promoting policies and programmes of agricultural revitalisation and diversification.

1.2.0 Outlook for Sectoral Growth

The current Agricultural Sector Plan projects an increase in aggregate sector output by 31 percent overall for the period 1987 to 1990. However, recent developments in the rice and sugar sub-sectors suggest that only marginal real growth is likely in the short-term owing to, among other factors, infrastructural weaknesses, continuing loss of skilled labour and foreign exchange scarcity.

Although total export earnings should improve somewhat given favourable international market prices, it is unlikely that the sector will be able to respond fully to seemingly good market possibilities such as those offered by recent increases in the U.S. sugar quota from 12,050 to 13,931 metric tons in 1989.

In the short-term also, imports of required agricultural capital and production inputs for the development of the sector are likely to show minimal increases as a result of the continuing foreign exchange constraint and the steady rising cost of foreign exchange on the parallel market.

However, over the medium-term, growth of the sector will depend, *inter alia*, on the successful implementation of the domestic Economic Recovery Programme, the availability of relatively large amounts of external financing - both for imported capital and intermediate goods and for debt reduction - and the international market performance of sugar, rice and non-traditional commodities. The latter becomes even more important when it is considered that by 1992, sugar from Guyana and other A.C.P. countries will no longer be benefitting from preferential access to the E.E.C. market.

The successful conclusion of negotiations with the International Monetary Fund and the World Bank to obtain support for the medium-term Economic Recovery Programme could provide increased international financing beginning late 1989. This would support modest increases in

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investment and a restructuring of the high level of external payment areas.

An agreement with the IMF will also be a major boost to the agricultural sector, if only to facilitate access to foreign exchange and consequently essential imported production inputs. Furthermore, an agreement will also promote and facilitate the technical cooperation programmes of such international agencies as IICA.

1.3.0 IICA's Strategy in Guyana

Guyana formally became a member of IICA in 1974 and the Office was established a year later, 1975. Since then, the Institute has been increasingly gaining credibility and acceptability, and recognition as an integral part of the national (and regional) institutional systems. This year, for example, the Government has demonstrated its confidence in the Institute by transferring for the first time substantial funds to the IICA Guyana Office for administration and project implementation.

The size of the IICA Office in Guyana and its annual investment in technical cooperation programmes have always been modest, constrained by several factors, most importantly by the limited size of the Institute's total Quota resources, but also by the limited opportunities and number of potential external funding agencies based in Georgetown.

In view of the above, IICA in Guyana, while operating in high priority, critical areas, has tended to operate at a relatively low profile compared with other, more traditional and better endowed financing and technical agencies such as IDB and UNDP, with which the country has had greater familiarity. The profile image of IICA, however, is changing, becoming more positive and visible as suggested above, but unfortunately the extent of its resources still remains very limited and relatively low in the context of the size of the country and the importance of the sector to its development.

The new policies of the Government which emphasize privatisation, disinvestment and diversification must have direct and positive impact on agricultural development and activities. The successful negotiation of an IMF Agreement will additionally focus attention on the sector and have immediate impact if only by facilitating access to foreign exchange for the purchase of scarce and costly essential production inputs and rehabilitation of physical

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infrastructures and factories. In all of this, IICA will be expected to play a lead and important role as indeed this Office has already been requested to do. The technical cooperation programme as detailed in this document is the result of the concertation between the Guyana Office and the Ministry of Agriculture and addresses the priority areas of concentration of the Government; the programme is also informed by the Reactivation Plan mandated by the Ottawa Declaration, as well as the CARICOM Regional Agricultural Sector Plan mandated by the Standing Committee of Ministers of Agriculture.

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II. AGRICULTURE IN THE COUNTRY

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2.0.0 AGRICULTURE IN THE COUNTRY

2.1.0 Overview of Social, Economic and Political Situation

2.1.1 National Socio-Economic Review

During the past two to three years, whilst there have been some positive changes, the overall economic conditions in Guyana have become progressively worse as may be judged by any set of economic indices. For 1988, the overall public sector deficit attained the level of US\$70.0 million as compared with US\$67.7 million in 1985. Over the same period, the internal debt is estimated to have increased from US\$210.0 million to US\$245.0 million. Balance of payment on current account deficit which moved from US\$42.6 million in 1985 to US\$43.5 million in 1987 also is estimated to have increased to US\$81.4 million at the end of 1988. The country's external debt is currently estimated at between US\$1.6 billion to US\$1.8 billion, of which about US\$1.2 billion are "now due, owing and payable or will become so very soon".*

The generally unsatisfactory social and economic situation over the years has had a negative impact on the labour market contributing to the emigration of significant numbers of skilled and professional workers. However, in spite of the high level of emigration, to the extent that there is a reported net decrease in the total population from 760,000 in 1980 to 756,000 in 1986, the level of unemployment is reportedly quite high, although there are no reliable statistics to accurately quantify this situation.

One consequence of the continuing decline in the labour force is already quite evident in the deteriorating physical and institutional

*Address by Cde. H.D. Hoyte, S.C., President of the Cooperative Republic of Guyana to the Seventh Sitting of the First Session of the Second Supreme Congress of the People, October 20, 1988.

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services and structures, and indeed, on agricultural output as fewer and fewer trained and skilled people are left to manage and operate the various services. This may, in fact, have contributed to a general decline in the performance of the key productive sectors of the economy (sugar and rice) resulting in their inability to meet production targets set for 1988.

While important initiatives have been taken with respect to agricultural and rural development, some of the economic and financial changes taking place within the national economy, occasioned by both internal and external factors, have had direct impact on the performance of the agricultural sector. Among these changes have been the increasing external debt, balance of trade deficit, continuing scarcity of foreign exchange, unstable external markets and commodity prices, and an intensification and expansion of the underground economy which has greatly contributed towards distorting prices, real costs and the value of the national production. Added to this, inflation fuelled by devaluation has resulted in prices escalating by an estimated 35% in 1987 as compared with 7.9% for the previous year.

In response to the overall economic instability and decline, numerous measures have been taken by the Government to reverse and stabilize the conditions, including the introduction in 1987 of a dual currency exchange rate. More recently, various fiscal incentives to attract foreign investors, and the removal of a number of restrictions on the importation of a wide range of goods and services were provided.

While new policy measures are being put into place, efforts at the planning level have not been quite successful in precisely identifying key sectoral problems nor defining and establishing the necessary inter-sectoral linkages. As a result, development plans and projects have often failed to address a number of crucial socio-economic problems and to achieve stated objectives and production targets.

Further, the ability of the various planning entities to perform their functions has been greatly impaired in recent years due to the decline in the number of

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experienced and trained personnel and to the inadequacy of operational facilities and funding. This weakening of the capability of these departments comes at a time when their potential role has become increasingly important and crucial and there is a greater need to plan, coordinate and monitor the expanding activities and new initiatives within the national economy.

2.1.2 Government's New Economic and Political Strategy

On the more positive side, perhaps the most important change has been the increasing optimism generated by the new financial and economic policies being most vigorously promoted and pursued by the Government, and indeed the positive measures already taken to put the country "back into the mainstream of progressive economic activity", according to President Desmond Hoyte.

Central to the Government's Economic Recovery Programme (E.R.P.) have been efforts to conclude an Agreement with the I.M.F., which is regarded as sine qua non. It is reported that negotiations are now in the final stages and it is expected that the signing of an Agreement should take place before June, 1989. The I.M.F. Agreement, the Government has been careful to emphasize, is part of a total package and among other policy measures adopted as essential elements of its Economic Recovery Programme are the following:

1. The liberalisation of the trade regime. This will involve removal of a wide range of goods from licensing requirements. (This has already been done in respect of imports of CARICOM origin and the imports of goods for personal use not requiring the use of foreign exchange from the national banking system). It also involves the removal of commodities from the list of prohibited imports with the exception of some specific food items. This exception is expected to protect local farmers and to safeguard the national programme of food security.
2. The removal of price controls from commodities with the exception of a core of essential food and other items.

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3. The reduction of the public sector deficit by a combination of increased revenues and cost-effective measures.
4. The reduction in the rate of inflation through a combination of measures including the interest rate mechanism and the control of credit.
5. The improvement of the efficiency and financial performance of public enterprises.

A central theme of the recovery programme will be diversification of the economic and productive sectors, as well as the privatisation of several public sector corporations. Already much attention has been given to expansion of the mining activities, tourism and manufacturing.

Agriculture is expected to continue to play a vital and important role in the Economic Recovery Programme. In this regard, the Ministry of Agriculture, supported by the principal parastatal agencies and Corporations such as NARI, NDDP, GUYSUCO and LIDCO, has been actively pursuing and promoting policies and programmes of agricultural revitalisation and diversification.

An agreement with the I.M.F. is expected to have a very positive impact on agricultural development. One of the most critical problems facing the country over the past several years has been the scarcity of foreign exchange. In so far as an I.M.F. Agreement will provide or facilitate access to foreign exchange and hence the acquisition of agricultural inputs, machinery and spare parts, this will be a major boost to the sector, as well as to the technical co-operation programmes of such international agencies as IICA.

The foregoing and other changes have occurred in the context of significant changes in the political direction and management over the past year. The Government has adopted a very positive attitude towards privatisation and disinvestment, and measures have been instituted to promote and encourage private investment from both local and foreign investors. The initial response has been a significant increase in the number of entrepreneurs, public and private sector missions to Guyana from various countries including the Caribbean, U.S.A., Britain and some Socialist countries. Already, there have been a number of investment initiatives, particularly in the mining (gold) sector but also there have been positive interests in agricultural investment opportunities.

The success of new political and economic policies and planning, it would appear, depends to a great extent on the successful negotiations of the I.M.F. Agreement to which the Government is committed. Furthermore, it will depend, too, on the extent to which it is perceived that the Government has democratised the society and on the participation of the other parties in the political life of the country.

Two recent developments have signalled, as it were, the acceptability of the government's changing political direction and indeed are likely to strengthen the pace of the Economic Recovery Programme. The first of these is the ratification by the Member States of the Organisation of American States (OAS) of the Protocol of Cartagena which opens the door for Guyana's membership in the OAS along with Belize. Under the existing Article 8 of the OAS Charter, both Belize and Guyana are prohibited from becoming members of the thirty-one (31) member organisation. The Protocol of Cartagena, however, affords independent States of the hemisphere, which are members of the United Nations, at December 10, 1988, eligibility for OAS membership from December 10, 1990.

The second significant development has been the recent designation of Guyana as an eligible country under the Caribbean Basin Initiative (CBI). For the immediate short term, this has greater political than economic significance, signalling, as it were, a formal welcoming of the country back into the hemispheric socio-political grouping by the U.S.A. In economic terms, it is expected that while there may be some short-term gains, Guyana will need to address many structural and economic issues before benefitting significantly from the CBI, as many of the CARICOM countries have come to realise.

2.1.3 Role of the Agricultural Sector

According to the current Agricultural Sector Plan (revised 1988), the principal national objectives for agricultural development "have been oriented towards the achievement of a greater degree of self-sufficiency and self-reliance through a strategy of feeding, clothing and housing the population, utilising to the greatest extent possible, indigenous raw materials and human resources. The objectives are to increase the volume and variety of domestic

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agricultural production so as to accelerate economic growth, improve sector incomes, increase export earnings and improve nutrition levels".

Description of Macroeconomic Sectoral Policies

Within the national context, Government's policies are directed to the long-term achievement of the following:

- the need to be self-sufficient in food;
- the need to progressively reduce dependence on imported inputs for production which are rapidly increasing in price and constitute an on-going drain of foreign exchange;
- the need to diversify the country's economic base in order to broaden the scope for economic development;
- the need to promote economic and social development in all Regions, including particularly the attainment of higher levels of self-sufficiency so as to provide increased employment and incomes, and improved welfare for the country's hinterland, riverain and coastal population.

In recent years, the assigned role of agriculture has become even more important due to the unsatisfactory performance of other sectors including bauxite. Decline in foreign exchange earnings from bauxite (due to falling prices) and the traditional export commodities (sugar and rice) has contributed to the serious scarcity of foreign exchange earnings. This has imposed even greater demands on the sector, warranting new policies and initiatives.

2.1.4 Incentives to Agricultural Production

The commitment and support of the Government of Guyana for the development and modernisation of the sector are manifested in a range of support programmes and incentives. Considering the physical environment in which agricultural production is carried out and the deterioration in the infrastructure which has taken place over the past decade,

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a priority concern has been to institute a major investment programme concentrated in the following areas:

- i) rehabilitation of capital assets that have fallen into disrepair or disuse and hinder growth and expansion in the sector;
- ii) execution of on-going and new projects, which are critical and essential in terms of how fast benefits will flow, and use of local technology and materials;
- iii) strengthening of research, education, training and institutional support activities.

Specific incentives are provided under the various areas of production. In some cases, these incentives are product or commodity specific; whereas in other cases, they are general incentives provided to the sub-sector as follows:

Rice: A revised pricing formula has been adopted aimed at giving farmers a better incentive price for their production. The new price is determined by the actual cost of production at the end of the first crop and the projected cost for the second crop. The pricing formula also aims at rewarding higher productivity as measured by yields per acre, since it is based on the average for the previous year, and any improvement in yields earns additional income for farmers in the current year. The formula will also favour those varieties of paddy which have greatest demand.

Sugar: Recognising the serious scarcity of foreign exchange and the general unsatisfactory condition of the physical infrastructure, machinery and equipment, the Government will continue to provide GUYSUCO with access to a proportion of its foreign exchange earnings to purchase essential imported inputs, including spare parts and fertilizers.

In the case of small farmers, it has been the practice for GUYSUCO to provide them with assistance in the form of fertilizers and other inputs. These farmers also benefit from GUYSUCO's technological innovations in areas prioritised for cane production, which can be adapted to their scale of operations. Farmers in so-called "uneconomic sugarcane areas" are to be assisted by GUYSUCO and the Regional Administration to diversify out of sugarcane to other profitable crops.

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2.1.5 Institutional Services and Incentives

Within a package of general incentives, measures are to be instituted to strengthen and improve supporting institutional services, including extension, research and credit. In the case of crop production, the reorganised and rehabilitated nurseries will supply farmers with improved selected planting material and easier access to technical assistance.

2.1.6 The Institutional System vis-a-vis the Formulation and Administration of Policy Instruments

According to the Sector Plan, the Ministry of Agriculture and the Regional Democratic Councils have leading roles to play in the planning and administration of sectoral activities.

Within the Ministry of Agriculture there are the following Units or Departments:

- i) Agricultural Planning Unit;
- ii) Crops and Livestock Department;
- iii) Lands and Surveys Department;
- iv) Hydraulics Department; and
- v) Fisheries Department.

The principal functions of the Ministry are stated as follows:

- determination of agricultural policy;
- development of resources, information and institutions for delivery of sectoral supportive services;
- co-ordination of sectoral development activities;
- monitoring, analysis and evaluation of the sector's performance.

2.1.7 Regional Administration

Regional administration is overseen by the Minister of the central Ministry of Regional Development, while the management of the ten (10) Regions is the

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responsibility of the Regional Democratic Councils headed by elected Regional Chairmen.

The agricultural functions of the Regional Democratic Councils are undertaken by their Agriculture Committees and Agriculture Departments. The Regional Administration has the major responsibility for the execution of agricultural development plans and programmes. Specifically, the functions are stated as follows:

- provision of technical assistance to farmers through the Regional extension and nursery services;
- provision of physical facilities and administrative services to facilitate timely procurement and distribution of agricultural inputs and the marketing of farmers' produce;
- execution, maintenance and regulation of agricultural infrastructural works;
- performance of land surveying, land development and land distribution activities.

Towards fulfilling the above role in agricultural development, the Regions have two important tasks to perform, stated as follows:

- a) organisation of agricultural producers into viable production groups to facilitate the procurement of agricultural services, to overcome central and local government budgetary constraints by performing mutually beneficial self-help activities and to optimise productivity of resources by providing reciprocal aid among themselves;
- b) development of internal administrative and technical capabilities through improved services and staff recruitment.

2.1.8 Agricultural Research

Agricultural research is no longer a direct function of the Ministry of Agriculture but has been entrusted to the National Agricultural Research Institute (NARI, established 1984) with the following functions:

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- a) to advise on, and develop, appropriate systems to promote balanced, diversified agricultural development and to facilitate the optimisation of agricultural production;
- b) to develop and facilitate use of improved production technology and establish adequate feedback systems from agricultural producers, in order to achieve national self-sufficiency and export capacities in food and fibre.

2.1.9 Other Corporations and Agencies

In addition to the agencies or institutions having direct responsibility for policy formulation and administration, there are several parastatal agencies and corporations engaged directly in agricultural production or support services, all having specific and well-defined functions. The principal agencies and corporations are:

- GUYSUCO: Guyana Sugar Corporation
- GMC: Guyana Marketing Corporation
- GRMMA: Guyana Rice Milling and Marketing Authority
- GDF: Guyana Defence Force
- GNS: Guyana National Service
- Forestry Commission
- LIDCO: Livestock Development Company
- NARI: National Agricultural Research Institute
- NDDP: National Dairy Development Programme
- NEOCOL: National Edible Oil Company Limited
- IAST: Institute of Applied Science and Technology

2.2.0 Summary of Agricultural Sector Problems

2.2.1 Key Structural Problems and Constraints Within the Sector

Agriculture in Guyana is concentrated along the narrow coastal belt which accounts for less than 10% of the country's total surface area of 215,000 km². Of the population currently estimated at 756,000, approximately 60 percent are classified as rural and it is estimated that 90 percent of the total population are concentrated in this coastal belt.

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Sugar and rice occupy an estimated 57,000 ha and 93,000 ha respectively, representing 79% of the available land along the coastal plain which lies below sea level and must, therefore, be protected and drained by an extensive network of sea and river defences, sluices, drainage and irrigation canals.

The interior areas are, in the main, sparsely populated, inaccessible and comprising vast tracts of acid, infertile soils, 20% of which are under savannah-type vegetation, the remainder being under forest-type cover.

The physical conditions of the country are among the most serious constraints to agricultural and national economic development requiring, as it were, very substantial investment of technical and financial resources to develop and maintain the water/land coastal regime and to provide adequate access and communication with the interior. Furthermore, the physical conditions require the adoption of production systems appropriate to the particular ecozones.

2.2.2 Specific Problems

Considering the many incentives and other initiatives provided by Government over the years, the performance of the sector has been generally unsatisfactory, particularly in meeting established objectives and targets. Contributing to this are the many persisting problems and constraints. In spite of the establishment of institutions to provide vital services and support for agricultural and rural development, such as NARI and GAIBANK, large numbers of farmers continue to utilise inefficient and low production technologies and have little access to credit, extension services and other institutional support. The extension service has been weakened due to the decreasing number of suitably trained personnel and levels of operational funding, and an ineffective system and framework for delivery of services.

Most seriously for the sector, also, are the constraints of marketing, both export and domestic. For export marketing of non-traditional commodities, the GMC was restructured to provide relevant services and although some progress has been made, there remain many persisting problems including the

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insufficiency of cargo space and uncompetitive freight rates which constrain development. Additionally, with the restructuring of the GMC to focus on export marketing, a serious gap has been created in the domestic marketing system and it has not been filled, as anticipated, by the creation of regional marketing service centres with respect to the important commodity crops.

In the case of sugarcane, GUYSUCO, the state-owned corporation, has recently announced that despite a downward revision of 1988 targets from 230,000 tons to 170,000, the industry was able to produce only about 168,000 tons by the end of 1988. This has been the lowest target set since 1947 and toward year end, the Corporation was forced to import sugar from Guatemala and Mexico in order to satisfy domestic requirements and to allow the country to fulfill its export commitments to the lucrative EEC markets. In addition, Guyana was unable to take up its allocation of US sugar quotas equivalent to 12,000 metric tons for 1988. This is a precarious situation that does not augur well for the future of the industry, particularly in view of the fact that the country can import sugar at a lower price than its industry's cost of production. The poor yields obtained and the high cane-to-sugar conversion ratios have been attributed, officially, to the prolonged drought during the first crop, unseasonal rainfall in the second, and industrial factors, including unanticipated attrition levels in the labour force, work stoppages and arson.

As with sugar, there has also been a drop in rice production levels with only 75% of the 1988 target of 143,000 tons being achieved. Problems related to the unavailability of inputs and machinery services, poor drainage and irrigation, and a devastating outbreak of rice blast disease for the main crop, have been cited as reasons for the poor performance in 1988. However, there is some evidence of increasing productivity attributed to economies of scale, as small producers, who have historically been the backbone of the industry, are replaced by larger enterprises, many of which have integrated milling facilities and direct export arrangements to the Caribbean and European markets. For those able to secure export markets, a foreign-exchange retention scheme allows for the replacement and upgrading of plant and equipment and the acquisition of otherwise scarce and unavailable production inputs.

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In addition to the less than satisfactory performance of the traditional crops sub-sector, the production of livestock products, with the exception of milk, also continues to decline and once again, poultry meat, ham and eggs were imported towards the end of 1988.

The fisheries sub-sector is currently the subject of intensive developmental efforts and is expected to become increasingly important as a foreign exchange earner, in addition to providing a cheap and easily available protein source for the population; however, in order to realise the full potential of the sub-sector, it is necessary to address the problems affecting management of the marine and inland fishing resources.

The production of non-traditional (food) crops, mainly by small farmers for domestic consumption, has still not regained the peak production levels of the late 1970's. However, several non-traditional commodities are now being exported to the Caribbean, Britain, Holland and the USA, as a result of new initiatives by exporters and the reorganised "New" Guyana Marketing Corporation. This satisfactory performance by the small farm sub-sector, both in terms of domestic food supply and export, has taken place in spite of persisting scarcities of basic implements and planting materials. The inadequacy of transport (road and river), spare parts, and poor infrastructure (feeder roads and bridges), persisted as critical impediments to the development of the sub-sector and full realisation of projected production goals.

Overall, the sector continues to be constrained by some major internal and external factors, not least of which has been the deterioration of physical infrastructure, plant and equipment, referred to above, together with inadequate levels of application of essential production inputs. While these factors may be the result of the scarcity of foreign exchange, there is also the more direct problem of declining investment, both capital and human, in agriculture and, indeed, a disinvestment of resources out of the sector. Of particular concern to the Government is the increasing average age of the active farm population and a general tendency for younger people to gravitate to the more attractive opportunities in the mining, logging and trading sectors and to the urban centres.

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2.3.0 Outlook for Sector and Investment Projects

2.3.1 National Agricultural Objectives

The recently revised Agricultural Sector Plan (revised 1988) aims to achieve the following:

- i) The rapid increase in aggregate output and productivity to significantly impact on the growth of the national economy;
- ii) The achievement of nutritional self-sufficiency and food security;
- iii) The maintenance in good working order and the optimal utilisation of assets related to production;
- iv) The generation of increased employment and incomes in the sector;
- v) The intensive utilisation of the country's flora and fauna to meet non-food basic and cultural needs such as those related to energy, clothing, home construction and furnishing and arts and craft;
- vi) The increase in net foreign exchange earnings;
- vii) The promotion of the image of agricultural occupation as socially desirable and financially rewarding;
- viii) The incorporation into the national consciousness of an awareness of the need to apply appropriate technology to the agricultural production process.

Within the Plan Period (1987-90) the sector is projected to achieve the following quantitative targets:

- increase in aggregate sector output by 31 percent overall or by 9.5 percent per annum;
- increase in daily per capita protein availability from 61.9 grams to 85.4 grams;

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- maintenance of calorie availability at a level exceeding 2,000 kcal per capita per day;
- increase in sector employment level by 7 percent per annum;
- achievement of gross export earnings of about G\$2,328 million in 1990, thereby implying an average growth rate of about 18.6 percent per annum.

2.3.2 Priority Areas for Development and Investment

The Agricultural Development or Sector Plan identifies eighteen sub-sectoral programmes considered priorities for implementation and investment during the Plan Period. The principal programmes are outlined briefly in the following sections:

Rice: Over the Plan Period, it is proposed to increase cultivated acreage to 270,000 acres by 1990 through improved water control in the M.M.A. and Tapakuma Schemes and in the smaller drainage and irrigation schemes rehabilitated during the period.

Through increased efficiency in milling and marketing by encouraging private millers and farmers to participate more actively in relevant decision-making processes, exports of rice are expected to increase from 71,000 tons to 108,000 tons between 1988 and 1990. CARICOM Member Countries remain the most important markets for Guyana rice, although this has been eroded over the years by frequent failures in production, inconsistent quality and other production/marketing problems.

Sugarcane: Under the current Plan, it is proposed to rationalise and consolidate the industry by concentrating production in the most suitable areas in order to satisfy domestic and external markets for sugar. Lands withdrawn from sugarcane will be diversified into production of other crops, as well as for aquaculture and livestock. GUYSUCO is expected to lead in the sugar diversification programme with the following projections over the Plan Period:

- rice increase from 3,000 to 8,000 acres
- grain/legume ... increase from 90 to 1,800 acres

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- corn/sorghum ... increase from 100 to 1,500 acres
- coconut increase from 20 to 1,500 acres
- coffee increase from 5 to 100 acres.

Edible Oil: By increasing the total acreage from 34,000 acres, the Plan proposes to raise output from 55.0 million coconuts in 1987 to 72.2 million coconuts in 1990, yielding 280,000 gallons of edible oil. It is also planned to expand oil palm production from 2,500 acres to 4,500 acres thus increasing oil production from 42,000 to 250,000 gallons. From establishing 3,000 acres of soya bean by 1990, an oil yield of approximately 100,000 gallons is expected for domestic consumption along with soya bean meal for livestock.

Cereal Grains: Within the Plan the principal grains are corn and sorghum intended essentially for the livestock industry and to reduce the dependence on imports.

Production of corn is planned to increase from 1,800 tons in 1987/88 to 2,500 tons by 1990. GUYSUCCO is expected to assume a major role in this production effort together with small farmers in the riverain areas.

Grain Legumes: Identified for priority treatment under the Agricultural Sector Plan are a number of important grain legumes including cowpea, fijao, kidney bean, mung bean, pigeon pea and urid. These legumes have been selected as important sources of vegetable protein and are considered useful crops for rotation with cereal grains.

Both GUYSUCCO and the Guyana National Service have already initiated activities in the production of selected grain legumes and this effort will be promoted among small farmers to increase production up to 2,000 tons by 1990.

Fruit Tree Crops: A wide range of tropical fruit tree crops grows in Guyana though few of these are cultivated commercially, the outstanding example of which is citrus.

The Government, under the current developmental Plan, will promote diversification and expansion of selected fruit tree crops in addition to such other fruits as carambola and pineapple, production of which is already highly successful. During the Plan Period, targets have been established for selected fruits as follows:

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| | |
|--------------------|-------------|
| - citrus expansion | 1,500 acres |
| - cashew | 550 acres |
| - pineapple | 800 acres |
| - carambola | 200 acres |
| - other fruits* | 1,750 acres |

(*including mango, soursop, pawpaw, avocado, guava, golden apple, West Indian cherry, etc.).

Already the Government has embarked on a programme for the rehabilitation of the existing nursery facilities. It is also proposed to develop a tissue culture facility at NARI to support the expansion of commercial production.

Cotton: According to the Sector Plan, "Cotton production and ginning are done by the Guyana National Service at Kimbia in the Intermediate Savannahs. Over the past few years GNS cultivated between 500 to 800 acres and obtained an average yield of about 0.5 bale per acre. Both the extent of cultivation and the yields are insufficient to satisfy the installed capacity of either the cotton gin or the Sanata Textile Mill. The gin can process in excess of 12,000 bales per year. Sanata Textile Mill, on the other hand, can process some 3,000 bales of cotton per year on a one-shift system".

Cotton has been grown largely in the Intermediate Savannahs, but production there has not been entirely satisfactory due to soil and climatic factors. This problem will be addressed through continued R & D, with a view to selecting appropriate production systems and possibly identifying more suitable zones or regions for cotton production.

Livestock: Livestock production, especially cattle, has always been an important activity in Guyana. This is reflected in the considerable growth during the decades of the 1960's and 1970's. Thereafter, there has been a decline in production in all the major categories of livestock, due mainly to increasing costs and scarcity of feed. In the case of cattle, there was a major shift in the established herds across the borders from the Rupununi, one of the major cattle-producing areas of the country.

The current plans give emphasis to restoring beef production to the level of 10 million pounds per annum and in the case of other categories of livestock

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(poultry, pigs, sheep and goats), to progressively increase production in order to maximise the levels of domestic self-sufficiency. A major emphasis will be on improvement and expansion of the dairy industry.

Guyana has the potential to produce meat (beef) in exportable quantities to the Caribbean. However, this market has been elusive due to a combination of domestic and external (Caribbean) factors. It is the expectation of the Government, however, to establish Guyana as a major supplier of beef to its sister Caribbean countries.

Livestock Production Targets

| Commodity | Projected Production Levels | | | |
|----------------------|-----------------------------|------|------|------|
| | 1987 | 1988 | 1989 | 1990 |
| Beef (m. lb) | 7.6 | 8.7 | 10.1 | 10.1 |
| Pork (m. lb) | 3.3 | 3.7 | 4.0 | 4.0 |
| Poultry Meat (m. lb) | 8.5 | 17.0 | 17.0 | 20.0 |
| Eggs (million) | 49.5 | 54.0 | 54.0 | 54.0 |
| Milk (m. gal) | 7.0 | 8.0 | 9.5 | 10.5 |

SOURCE: Agricultural Sector Plan 1987-90

Agro-Industry: Guyana has considerable potential to developing agro-industrial activities based on its very substantial agricultural base. This resource base, however, has not been fully exploited although there have been some minimal achievements over the past few years. Considering, for example, the major production areas - rice, sugarcane, coconuts, forestry and fisheries - each of these activities constitutes a major potential for product diversification and value-added enterprises.

2.3.3 Infrastructural Investment

A critical and essential support for Government's agricultural production programme is the need for investment in the establishment and maintenance of

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physical infrastructure and structures. The Government has projected expenditures totalling nearly G\$2 billion over the current Plan Period (1987-1990) of which G\$1,344 million will be spent on the rehabilitation of infrastructure and other capital assets principally associated with the sugar and rice sub-sectors. According to the Development Plan, the investment programme is structured as follows:

- 39.9 percent for water control, sea defence and access roads;
- 38.8 percent for rehabilitation of the sugar industry;
- 3.0 percent for rehabilitation of rice-processing facilities;
- 11.1 percent for fisheries;
- 1.8 percent for livestock development;
- 5.4 percent for miscellaneous projects.

2.3.4 Opportunities for Sub-Regional, Regional and Hemispheric Joint Actions Among Countries

Among the CARICOM Member Countries, Guyana is the country with the greatest potential for long-term sustained development of agriculture. Given the abundance of natural resources (agricultural land estimated at approximately 238,000 hectares) and an abundance of water supply, the potential of the country is greatly underachieved. There are many obvious problems and constraints including those associated with management and maintenance of the coastal land/water environment and the harsh conditions and difficulties of access to the interior.

In spite of the difficult conditions, Guyana offers the greatest possibilities to develop linkages and regional programmes or projects and joint ventures with other countries in the Caribbean, which would optimise the collective use of the region's natural resources and markets.

Considering the extent of available land and other positive ecological conditions, the country enjoys a comparative advantage for large-scale production

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enterprises and systems including sugar-cane, rice, cattle and selected cereal grains, e.g. corn, sorghum and soya bean. In the case of rice, Guyana has for many years been a major supplier of rice to Caribbean countries through bilateral agreements which actually precede CARIFTA/CARICOM, and which were subsequently brought into the CARICOM regime. The possibility of regional production/marketing arrangements or enterprises remains a feasible proposition.

Earlier CARICOM efforts of large-scale production of corn and soya bean as a "Regional Project" were unsuccessful due to several factors which do not conclusively deny a real possibility.

Guyana continues to look to the Caribbean countries to market its potential surplus of beef. Thus far, due to a combination of factors including concerns of animal health, and local (Guyana) production conditions, this trade has not been realised. The potential, nevertheless, exists not only for beef, but also to develop the entire livestock industry complex, e.g. beef and by-products as a regional enterprise.

There are other possibilities for joint ventures or projects, particularly in the development of agro-industries, based on current government programmes for fruit tree crop diversification. All the countries are currently focussing attention on programmes of fruit tree crop development which provide an excellent opportunity for a major regional programme in support of these efforts and the development of vertically integrated agro-industries geared both for the regional and the export markets.

2.3.5 Outlook for Sectoral Growth

In spite of the agricultural projections of an increase in aggregate sector output by 31 percent overall for the period 1987 to 1990, recent developments in the rice and sugar sub-sectors suggest that only marginal real growth is likely in the short-term owing to infrastructural weaknesses, loss of skilled labour and continued foreign exchange scarcity. Although total export earnings should improve somewhat, given favourable international market prices, the sector will be unable to respond fully to seemingly good market possibilities such as that offered by recent increases in the U.S. sugar

quota from 12,050 to 13,931 metric tons in 1989. In the short term also, imports of required agricultural capital and inputs for the development of the sector are likely to show minimal increases as a result of the continuing foreign exchange constraint and the steady rising cost of foreign exchange on the parallel market.

If the Government successfully concludes negotiations with the International Monetary Fund and the World Bank to obtain support for the medium-term economic recovery programme, increased international financing could become available beginning late 1989. This would support modest increases in investment and a restructuring of the high level of external payment arrears.

However, over the medium term, growth of the sector will depend, *inter alia*, on the successful implementation of the domestic Economic Recovery Programme, the availability of relatively large amounts of external financing - both for imported capital and intermediate goods and for debt reduction - and the international market performance of sugar, rice and non-traditional commodities. The latter becomes even more important when it is considered that by 1992, sugar from Guyana and other A.C.P. countries will no longer be benefitting from preferential access to the E.E.C. market.

III. POSSIBLE AREAS FOR IICA ACTION

3.0.0 POSSIBLE AREAS FOR IICA ACTION

3.1.0 Review of Important IICA Experiences in Guyana

The main emphasis of IICA's technical co-operation with the Government of Guyana during the current period has been in two high-priority and critical areas:

- i) Technology Generation and Transfer; and
- ii) Organisation and Management for Rural Development.

These areas of programme concentration coincide with the two major areas of focus of the Government's agricultural policies and programmes which are identified as follows:

- a) Broadening of export sub-sector base to include production of selected non-traditional export commodities including tree crops;
- b) Upgrading and expanding livestock production with emphasis on dairy livestock production;

The Institute's principal technical cooperation assistance efforts were directed to supporting these priority areas through the following projects:

- i) Fruit Crop Demonstration Propagation Unit (1986-1988);
- ii) Supporting the Generation and Transfer of Fruit Production Technology (1988-1992);
- iii) Improving Dairy Production Systems for Landless, Small and Medium-Size Farmers in Guyana (1984-1988).

3.1.1 "Improving Dairy Production Systems for Landless, Small and Medium-Size Farmers"

This project completed its planned cycle in 1988 after being in operation since 1984. By the end of the period, the project had made remarkable progress and achieved most of its important programmed objectives. Moreover, the project consistently

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addressed an area of highest priority of the Government towards improving the livestock sub-sector and increasing the level of milk and meat supply to the population. As a result, throughout the period the project received total support from the national authorities, technical counterparts and farmers.

The essential concept of the project was to re-establish the use of grass as an important crop and to demonstrate the contribution which such a natural feeding system could make to the improvement of milk production, and that feed could be made available throughout the year using silage. Accordingly, Antelope grass was selected and promoted as one of the most appropriate grasses for the coastal conditions of Guyana and simple systems of silage preparation were successfully introduced. Concurrently, fencing utilising low-cost solar-powered batteries were used for sub-dividing and improving pasture management. Improved management practices emphasising basic record-keeping, animal health and general sanitation were also introduced which together contributed to increased milk productivity from five (5) to eighteen (18) lb milk per cow per day. Milk production per acre per year also increased from 365 lb to 6,950 lb. These efforts also demonstrated another important point that it is possible with improved feeding/nutrition and management to achieve substantially increased productivity from the existing genetic stock.

An integral function of the project has been to extend the positive results to farm producers, dairy farmers, livestock technicians and animal health professionals. Accordingly, intensive field demonstrations were organised and executed involving farmers, students and technical personnel and in-service training of farmers and technicians. The project results were also made available to other IICA countries, specifically Barbados and Suriname, where farmers and technicians received training through short courses.

The project also actively supported national efforts through the Livestock Development Company (LIDCO) for the processing of dairy products, particularly cheese, which should provide an additional outlet for fresh milk and an important incentive to dairy farm producers.

Having satisfactorily introduced or reintroduced some simple but improved technologies into the local environment, working with private farmers and some of the principal state corporations, the focus of the project during the final year of its operations has been to

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institutionalise the concepts and methodology. This was carried out through the closest collaboration and cooperation with the Ministry of Agriculture and the National Dairy Development Programme which has the principal responsibility for dairy development matters in the country. During the year ending 1988, the NDDP established over 10,000 acres of improved pastures using Antelope grass.

3.1.2 Fruit Crop Demonstration Propagation Unit (FCDFU)

Increasing uncertainties with the external markets and prices for sugar have caused the Government to focus serious attention and to reallocate substantial investments into new areas of production activities with high priority given to fruit tree crop production. The (FCDFU) was initiated in 1986 as a first phase of a long-term technical assistance programme to support the Government in its diversification programme, with particular emphasis on fruit tree crop production.

During the initial year, the project focussed on rehabilitating the Central Horticultural Station at Timehri which had been neglected for a number of years. This was done with financial support from the Canadian International Development Agency (CIDA) with much of the initial objectives being realised by March, 1988 when the agreement with CIDA was terminated.

During this phase, in the process of rehabilitating the nursery, national technicians were trained in various aspects of plant propagation, nursery organisation and management. In the context of the serious scarcity of foreign exchange for the purchase of imported materials such as plastic bags, alternative local inputs were selected and tested with positive results, for example, using Wallaba staves in place of imported BRC fabric and Mucury baskets in place of imported plastic bags.

Essentially, the first phase completed the modernisation of the nursery facilities with physical capacity to produce in excess of 100,000 plants per year for sale and distribution to farmers. Equally important has been the training of national technicians in the operation and management of a national plant propagation nursery.

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During the year 1988, also, the important second phase of the project entitled "Supporting the Generation and Transfer of Technology for Fruit Crop Production" was started. This phase initiated activities to extend the technical cooperation efforts to the rehabilitation of nurseries in other selected Regions of the country and to train additional technical personnel as well as farmers. The project also embarked on activities to assist in the rehabilitation of old orchards and establishment of new commercial fruit tree orchards.

3.1.3 Other Experiences During the Period

Rural Community Development

During the year 1988, there was a greater focus in the Government's agricultural development policies to give greater attention to a strategy of integrated rural development. This Office responded to requests from the Ministry for technical support in the development of integrated rural development projects in three disparate areas (Mocha/Arcadia, Linden and St. Francis Mission). Part of the Office strategy was to formulate by the end of 1988 a major rural development project. This was successfully accomplished and for the succeeding period, integrated rural development project activities are expected to be a major area of technical concentration and cooperation.

Animal Health and Development

Up until early 1987, the Guyana Office hosted the Multinational Animal Health Project. One of the principal activities concerned Herd Health and Fertility which supported the improvement of the dairy sub-sector in Guyana; specifically, the project promoted the herd health concept by Veterinarians and in-service training with emphasis on fertility control.

In addition, support was provided in a number of other areas including studies in Bluetongue and Management of Amblyomma variegatum in the Caribbean, and Tick Control Measures in Dominica. The project also initiated an Animal Health Information and Surveillance System for the Caribbean Region.

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| Priority Problems Identified in National Agricultural Sector | Specific National Agricultural Objectives | Principal Responsible National Institutions & Collaborating Agencies | Actual (A), Pending (PG) or Possible (PL) Area for IICA Technical Cooperation Actions | IICA's Medium Term Programme Areas of Concentration |
|---|--|--|--|---|
| Inadequate information and technical skills on rural poverty adversely affecting the ability of national institutions to formulate effective policies, programs and projects for overcoming problems encountered. | Improving the capability of national institutions for collection and analysis of relevant information and statistics and to formulate effective policies plans and programmes for rural development. | <ul style="list-style-type: none"> - Ministry of Agriculture - Regional Democratic Council - State Planning Secretariat - Women's Affairs Bureau Other relevant Government Ministries and Agencies including Ministries of Health and Education, Ministry of Forestry and the National Agricultural Research Institute (NARI). | (PG)-Integrated Rural Development Projects: <ul style="list-style-type: none"> - St. Francis Mission - Mocha/Arcadia - Linden | PROGRAMME III: ORGANIZATION AND MANAGEMENT FOR RURAL DEVELOPMENT <ul style="list-style-type: none"> a) Strengthening public development agencies; b) Training for rural technicians and outreach workers in the design and application of small farmer training methods and the administration of rural development programmes and projects. c) Support to consolidate rural development actions. |
| Insufficient coordination among institutions and agencies responsible for rural development, programs and projects. | Strengthening of institutional structures and capability and promoting closer collaboration and co-operation. | | | |
| Low levels of technology and inadequate support services (research, extension, marketing etc.) contribute to low production and income levels of small farmers and rural workers. | Training of technicians and rural people (farmers, housewives and youths) in the methodologies for the identification, preparation and implementation and evaluation of rural development programmes and projects. | | | |
| Inefficient collection and distribution networks and physical infrastructure. | Improving and supporting the installation of relevant physical infrastructure and facilities and an appropriate marketing organisation. | <ul style="list-style-type: none"> - Regional Democratic Councils - Regional Marketing Centres - Ministry of Agriculture Producer and other related private sector organizations. | (PL)-Marketing is recognised as one of the most sensitive and critical priority areas and a potential area for IICA's intervention and technical co-operation. | PROGRAMME IV; MARKETING AND AGRO-INDUSTRY <ul style="list-style-type: none"> a) Identification of marketing problems and development of solutions. |

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| Priority Problems Identified in National Agricultural Sector | Specific National Agricultural Objectives | Principal Responsible National Institutions & Collaborating Agencies | Actual (A), Pending (PG) or Possible (PL) Area for IICA Technical Cooperation Actions | IICA's Medium Term Programme Areas of Concentration |
|---|--|--|---|--|
| Inadequate market information base and service including knowledge in post-harvest technology especially on the more perishable commodities (such as vegetables, fruits, ground provisions and livestock products.) | Establishing of an effective marketing, information and intelligence system and training of farmers, traders and technicians in the use of the system. | <ul style="list-style-type: none"> - Ministry of Agriculture - Guyana Marketing Corporation (GMC) | | a) Identification of marketing problems and development of solutions. |
| Storage and processing facilities absent or inadequate to effectively utilise/absorb surplus production, contributing to high levels of post-harvest and income losses to producers. | Strategies and actions for stimulating the development of rural agro-industry defined and implemented. | <ul style="list-style-type: none"> - Ministry of Agriculture - Regional Democratic Councils - Private Sector Organizations - Guyana Manufacturing and Industrial Development Agency (GUYMIDA) | | <ul style="list-style-type: none"> b) Promotion of rural agro-industry. c) Promotion of technical co-operation for intra-regional trade and food security. |
| Lack of effective information systems, technology and infrastructure for orienting and stimulating traditionally domestic market subsistence-production to satisfy the demand of export markets for timely supply of high quality produce in the quantities required. | Export of non-traditional agricultural commodities increased to improve foreign-exchange earnings and expand rural employment opportunities. | <ul style="list-style-type: none"> - Guyana Marketing Corporation - Ministry of Agriculture - Regional Democratic Councils - National Bureau of Standards - Private Sector Organisations. | | d) Promoting non-traditional agricultural exports. |

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| Priority Problems Identified in National Agricultural Sector | Specific National Agricultural Objectives | Principal Responsible National Institutions & Collaborating Agencies | Actual (A), Pending (PG) or Possible (PL) Area for IICA Technical Cooperation Actions | IICA's Medium Term Programme Areas of Concentration |
|---|---|---|---|---|
| National institutions responsible for providing animal health and plant protection services ill-equipped - facilities, personnel and legal/organisational frameworks - for effectively serving the needs of domestic and export production, both for traditional and non-traditional agricultural commodities. | Animal health and plant protection services upgraded and re-organised. | <ul style="list-style-type: none"> - Ministry of Agriculture - National Agricultural Research Institute (NARI) - Guyana National Trading Corporation (GNTC) - Guyana Pharmaceutical Corporation (GPC) - Guyana Marketing Corporation (GMC) | (PG)-On-going short-term activity in animal health. This is expected to be an important component in a reformulated Animal Health project for which funds (Quota) have already been approved for the recruitment of an IPP. | <p>PROGRAMME V: ANIMAL HEALTH AND PLANT PROTECTION</p> <p>a) Strengthening institutional structures for animal health and plant protection.</p> |
| Animal and plant pest/disease surveillance and evaluation systems absent or inadequately co-ordinated with related national, regional and international agencies and networks, leaving the domestic production sub-sector susceptible to the spread/importation of pests and diseases and the export sub-sector restricted by trade barriers. | Pest and disease control programmes rationalised and based on accurate valid information and diagnosis. | <ul style="list-style-type: none"> - FAO - USDA/APHIS - IICA, etc. | | <p>b) Economic evaluation of pest and disease losses.</p> <p>c) Advisory assistance for the countries to overcome health barriers to international trade.</p> |
| Mechanisms for preventing and taking immediate action in the case of outbreaks of high risk pests and diseases inadequate and disorganised. | Animal health and plant protection services upgraded and reorganised. | | | <p>d) Strengthening health protection and emergency systems.</p> |

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3.3.0 Proposed Technical Cooperation and Feasibility of Addressing Areas Selected

3.3.1 Final Selection Criteria

On the basis of the review of the current circumstances and constraints to agricultural and rural development in Guyana, it is possible to propose actions in the five areas of IICA's programme concentration (Ref. Section 3.2.0). However, recognising the technical and financial constraints with which both the national Government and the Institute are faced, concertation with our national counterparts has sought to prioritise actions based on the following criteria:

- a) address the highest priority problem areas and have the assurances of Government's support;
- b) have the potential of positive impact and contribution to agricultural and rural development;
- c) have the possibility of successful termination within a reasonable framework of time;
- d) be attractive to national and external funding.

As a consequence of the analysis of the problems and consideration of the foregoing set of criteria, the priority areas of technical cooperation within the respective Programme areas of concentration have been identified for continuing action and possible new initiatives for the succeeding biennium. The proposed projects are profiled in the following section in the context of the respective Programme.

3.3.2 Feasibility of Addressing Final Areas Selected

Technical Cooperation Selection: On-Going Short-Term Activity

Title: Collaboration and Support of Planning and Management Agencies and Systems for Agricultural and Rural Development

Action Summary: A principal aim of the proposed activity is the formulation of a project to:

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- a) create an agricultural/rural management information system; and
- b) support the national Agricultural Planning Unit and other national planning and management agencies to strengthen and improve planning and management capability and socio-economic information systems.

Feasibility and Support For The Selected Project Action

Restricted analytical and planning capability due to lack of adequate data base and sufficient trained personnel constitute a serious impediment to agricultural and rural planning and development.

This area, through earlier technical assistance actions, including collaboration in the preparation of the Agricultural Sector Plan (1984), has served as the basis for the current revised Plan.

The Guyana Office has the competent personnel to respond to the request from the Government, with support from the Suriname and Barbados Offices. Additional support, it is expected, would be drawn from the Programme Directorate. The State Planning Secretariat and the Agricultural Planning Unit would be the principal Government collaborating agencies to be involved in the project.

The above Short-Term Activity has been approved for 1989 as a preliminary step in support to the Planning Unit of the Ministry of Agriculture. The intention would be to develop a more long-term project to support the national actions in this area, which is one of the aims of the current short-term activity.

Technical Cooperation Selection: On-going Project

Title: Supporting the Generation and Transfer of Technology for Fruit Tree Crop Production in Guyana

Action Summary: Follow up on what is essentially a second phase of the Fruit Crop Demonstration Propagation Unit Project (FCDFPU) initiated in 1986 and completed in 1988. This second phase (1988-1992) has the objective of supporting Government's programme of agricultural diversification specifically through the generation and transfer of appropriate technological packages for fruit tree crop production systems. The project has been reformulated as a national component of a multinational project based in Barbados.

Feasibility and Support for the Selected Project Action

In view of the continuing disappointing performance of the traditional export crops and the uncertainties within the international export markets, the Government has adopted a programme of production diversification which focuses on fruit-tree crop development, an area that has long been neglected in favour of the traditional export crops and domestic food crops, but is currently receiving Government's priority attention and support. Indeed, it was at the request of the Government that an initial project "Fruit Crop Demonstration Propagation Unit" was implemented by the Guyana Office.

Given the successful collaboration among the Ministry of Agriculture, the Regional Democratic Council and IICA, the project was successfully concluded and the Ministry requested IICA's continuing collaboration in the execution of a second phase.

Government's commitment to the project has been assured through the provision of budgetary funds to support the implementation of the project activities. The project sites have been carefully selected and national counterparts have been identified, as well as the appointment of a Fruit Tree Crop Coordination Unit which has the national responsibility for planning, coordination and execution of the national fruit tree crop programme. The National Agricultural Research Institute (NARI) has also fully collaborated through the provision of the technical research inputs.

Phase II of the project essentially replicates the work successfully completed in Phase I by the Guyana Office. It is also proposed, however, in this phase, to involve to a greater extent private farmers and certain State Corporations including LIDCO and GUYSUCO which would further serve to institutionalise the project. The experiences gained in the execution of the initial phase and the support provided by the national authorities give the assurance that Phase II can be successfully executed.

While currently formulated as a multi-national project involving Barbados and Guyana, the project in this regard has other possibilities of linkages with the OECS diversification programme, particularly with respect to fruit tree crop development. It is, in fact, strongly proposed that a programme based on the PROMECAFE model and experience be developed for the interested Area II countries given the current interest of the Governments in fruit tree crop production. It may also be conceived as part of the proposed project "Supporting the Development of Tropical Fruit Tree Crops" (C.10).

Technical Cooperation Selection: Reformulated Project - Phase II Project.

Title: Supporting the Development of Integrated Livestock Production Systems in Guyana (and Suriname)

Action Summary: As a result of the positive impact of Phase I of the Project, the Government has requested a continuation of the project which was scheduled to be terminated in December, 1988. It has been agreed to reformulate the project under the above title and to extend it for a further period (1989-1991).

In scope, the reformulated project will be broadened and in addition to promoting the activities essentially concerned with dairy production, new activities focussing on the development of production systems for small ruminants (sheep and goats) will be introduced.

Technical Cooperation Selection: New Project

Title: Integrated Rural Development Project

Components: - St. Francis Mission
- Mocha/Arcadia
- Linden

Action Summary: This is a new project to be officially started in January, 1989 (pending full approval), and which promises to be an area of major focus and importance over the next few years, in keeping with the Government's increasing interest in the integrated approach to agricultural and rural development. The project area, St. Francis Mission, as an Amerindian community, is of particular interest, and is the first of possibly three or four disparate rural areas already identified by the Ministry for this type of technical cooperation assistance. The project is to be financed largely from Government's (FL-480) local currency with quota support and external agency funding.

Feasibility and Support for the Selected Project Action

In recent years, national agricultural development policies have not only given greater attention to a strategy of integrated rural development aimed at improving farm production and income earnings but have also been concerned with rural community development and welfare. Greater attention by the Government has also been given to strengthening rural community actions and self-reliance

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consistent with the creation of ten (10) Administrative Regions within the country and the decentralisation of authority and responsibilities.

In accordance with the particular focus of the Government's agricultural development programme, the two projects above have been selected in consultation with the national authorities for implementation over the succeeding period within Programme III.

Guyana has not only a very substantial investment in livestock (cattle) production but there is also a long history of livestock husbandry. In spite of this, the industry is characterised by the use of low levels of technological inputs and management which have contributed to impede its rate of development and national output.

Since 1984 IICA, Guyana Office, has been implementing a project "Improving Dairy Production Systems for Landless, Small and Medium-Size Farmers in Guyana". The project has developed a "technological package" which has proven extremely well suited to the local dairy farm production environment.

Apart from the increasing number of landless, small, medium-size and large farmers who have successfully adopted the 'package', a number of Government agencies and corporations have also successfully incorporated the package into their own production systems. Moreover, the National Dairy Development Programme (NDDP), which has the principal responsibility for the development of the dairy sub-sector, has organised and is implementing a vigorous programme to develop private and communal pastures and to extend the package developed by the project.

The dairy/livestock sub-sector remains a most important component of the agricultural sector with considerable potential for further development. The first phase of the project has successfully demonstrated the possibilities for increasing dairy production and output with minimum, additional investments and technological innovation. The success of this first phase has also enhanced the image of the Institute. All of these factors contribute to ensure national support for the project. The Government, through the Ministry of Agriculture, has indeed requested a continuation of the project and the second phase is proposed.

The production of livestock has also been identified as the area of highest priority for the CARICOM Countries. Guyana and Belize, together with Jamaica and Trinidad and Tobago,

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are the countries with the greatest potential for the future development of the industry, in particular the two continental countries. This project, therefore, while currently conceived as a multinational (or more correctly, bilateral) project involving only Guyana and Suriname, has the potential of being a truly regional project, or as a national component of the proposed multinational project "Supporting the Development of Livestock Sub-Sector" (C.13), with support from all the national governments and leading regional agencies and institutions, in particular, CARICOM. The development of a regional livestock production project should quite naturally be conceptualised in association with the regional animal health (Programme V) project.

The second area of technical cooperation identified within Programme III (Integrated Rural Development) draws on the projects and experiences of IICA in Guyana over the past several years. In particular, the experiences gained in the implementation of a small farmers' food crop production project in Crabwood Creek would be especially useful in the execution of the proposed IRD project. More recently, the small farmers' dairy project provided some useful lessons and experiences in the transfer of technology to small farmers, in spite of the particular selection of the target group.

In addition to the experiences of the Guyana Office, it would be possible to draw on the experiences of the other IICA Offices in the Caribbean, the Office in Jamaica, for example, which has had tremendous experience in working with rural women's groups. The project will, of course, expect to draw on the experiences and resources of the Programme Directorate.

The Government of Guyana has a vested interest in promoting and supporting the development of rural communities and there is a particular concern to involve the Amerindian communities within the mainstream of social and economic development. The Ministry of Agriculture, therefore, gives high priority to this project and has committed substantial financial resources towards its implementation. The appointment of a high-level coordinating committee with senior officials representing the various Government Ministries, including Agriculture, Forestry, Health, Education and Regional Development, is a further indication of the Government's commitment and support. This high-level Committee will coordinate the contribution of the participating Agencies and Ministries and ensure the timely provision of services and inputs.

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At the Community level, the Community Council has given the assurances of support for the project; the general community has been involved in discussions on the proposals and content of the project, and has also expressed its general approval and commitment to fully participate in the proposed activities.

Finally, although the necessary local counterpart funds have been provided by the Government, the external component is still uncertain. Approaches have been made to the IDB, CIDA and the IAF and negotiations are continuing. In the meantime, it is possible to initiate most of the project activities utilising the available local currency and resources provided by IICA.

Technical Cooperation Selection: New Project

Title: Strengthening the Veterinary Field Services and Control of Bovine Tuberculosis in Guyana

Action Summary: A project document was prepared in early 1987 and submitted to external agencies for possible financing (CIDA, IDB and EEC). During the second half of 1988, a Short-Term Activity was initiated to be completed in March, 1989 designed to assess the occurrence and spread of Bovine Tuberculosis in Guyana and to design a project for control.

Quota funds have been provided (1989) for recruitment of an Animal Health Specialist. It is proposed to reformulate the earlier project and to incorporate, as a component, proposals emanating from the Short-Term Bovine TB Activity as a major national project (and possibly Multinational - Guyana and Suriname) to be executed as from 1989.

Feasibility and Support For The Selected Project Action

As pointed out earlier, livestock production is of major importance in Guyana. Participating in the sub-sector are both small farmers and large producers including State Corporations, LIDCO and GUYSUCO. Interesting also is the distribution of the industry, with activities spread out both in the populated coastal belt and also in the sparsely populated interior, particularly in the Rupununi, where cattle ranching has been the most important agricultural activity.

As in the case of crop production, considerable losses are sustained annually through pests and diseases in the form of

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low levels of productivity or outright losses due to pests and diseases. At the present time, for example, the Ministry has requested assistance from IICA to diagnose and evaluate the occurrence of Bovine Tuberculosis in Guyana. This exercise, which is currently being executed, will inform on the status of the disease in the country and measures to be taken for control and eradication. This, however, is being proposed as part of an overall strategy to assist the Government in the improvement and strengthening of the animal health and veterinary services in the country.

Prior to this and up until 1986, IICA maintained a strong presence in animal health in Guyana, which because of its considerable potential for livestock production, has been regarded as the most appropriate location for the base of any Caribbean-wide livestock development programme. With the transfer of the Animal Health Specialist, a special request was made to the Director General by the Government for a replacement, which has been approved.

Guyana is also the location of the regional institution, REPAHA, which was established in 1975 for the training of Animal Health Assistants. The Guyana Office has always provided strong direct support to this training institution and there has been close collaboration between the two agencies.

The Bovine Tuberculosis Short-Term Activity currently being executed is expected to generate a major and important project which has serious promise of Government's technical and financial support. There is also an agreement that any project proposals emanating from this Activity will be incorporated as a component of a broader base project for supporting and strengthening the animal health services and capability in the country. There is a commitment of the Guyana Office to provide technical cooperation in the formulation and implementation of such a project.

In view of the importance of livestock production to the country and the considerable investment, both public and private, the proposed project is expected to have the fullest support from the national authorities as well as the participation of the wide cross-section of private farms and State Corporations engaged in livestock production. There is also a good possibility of external financial support for the proposed project. The regional possibilities of this project should also be emphasized given the importance of livestock production and trade to the CARICOM Countries and the larger Caribbean Basin Countries. It could find easy accommodation within the proposed multinational project "Strengthening of National Animal Health and Plant Quarantine Capability" (C.14).

SUMMARY OF TECHNICAL COOPERATION ACTIONS, PROGRAMME IDENTIFICATION AND SCHEDULE

| Technical Cooperation Instrument | Programme | Type | FINANCING | | | STATUS | | |
|---|-----------|---|-----------|-----|------------------|-----------------------------------|---|--------------------|
| | | | Quotas | GoG | External | 1989 | 1990-1991 | 1992-1993 |
| PROJECT | | | | | | | | |
| 1. Supporting the Generation and Transfer of Technology for Fruit Crop Production in Barbados and Guyana. | II | Multinational | Yes | - | Required | Approved (1988) | Continuing | Continuing to 1992 |
| 2. Supporting the Development of Integrated Livestock Production Systems in Guyana and Suriname | III | Multinational | Yes | - | Required | Reformulated and Pending Approval | Proposed to 1991 | - |
| 3. Integrated Rural Development Components: | III | National | - | - | Pending Approval | - | - | - |
| - St. Francis Mission | | | Yes | Yes | Required | " | Proposed to 1991 | Proposed Extension |
| - Mocha/Arcadia | | | - | | Proposed | - | To Be Formulated | - |
| - Linden | | | - | | " | - | - | To Be Formulated |
| - Wakapau | | | - | | " | - | - | - |
| 4. (Strengthening the Veterinary Field Services and Bovine Tuberculosis Control) | V | National (Possibly Multinational with Suriname) | Yes | | Proposed | - | To be Formulated and Approved as Product of Short Term Activity at 5. Below | - |

| Technical Cooperation Instrument | FINANCING | | | | | STATUS | |
|-------------------------------------|-----------|------|-------|-----|----------|--------|-----------|
| | Programme | Type | Quota | GoG | External | 1989 | 1990-1991 |

SHORT TERM ACTIONS

| | | | | | | | | |
|---|---|----------|-----|-----|----|--|---------------------|----|
| 5. Diagnosis and Evaluation of Bovine Tuberculosis in Guyana | V | National | Yes | Yes | - | Termination March 1989 (Ref. Project 4 Above) | No | No |
| 6. Collaboration and Support of Planning and Management Agencies and Systems for Agricultural and Rural Development | I | National | Yes | No | No | Approved (Possible Pro- ject to be Formulated and Approved | (Subject to Review) | |

IV. PROPOSED COUNTRY ACTION STRATEGY

4.0.0 PROPOSED COUNTRY ACTION STRATEGY

4.1.0 Government's National Agricultural Development Strategy

Many of the problems and constraints currently affecting national development in Guyana are expected to continue to influence the policies, programmes and strategy for agricultural and rural development throughout the final decade of this century. Accordingly, it is not expected that the current focus and direction of the Government's agricultural policies and programmes, as outlined in the current Agricultural Sector Plan, will undergo any major or drastic changes, at least not in the immediate Plan Period (1987-1990). Essentially, the focus of the development strategy has been on four priority areas:

- a) broadening the base of the export sub-sector to include production of selected non-traditional export commodities including selected fruit tree crops;
- b) improving and expanding livestock production with emphasis on dairy and small livestock (sheep and goat) production;
- c) improving and expanding domestic food production to achieve a higher level of domestic food self-sufficiency and food security;
- d) promoting economic and social development in all Regions, including particularly the attainment of higher levels of self-sufficiency in all Regions so as to provide increased employment and incomes and improved welfare for the country's hinterland, riverain and coastal population.

During the current biennium, the technical cooperation programme has been directed to supporting these priority areas of the Government. On the basis of discussion with the national authorities and analysis of the on-going policies and programmes of the Government, the proposed action strategy will be to consolidate and strengthen the current areas of concentration and to incorporate other areas agreed upon with the Government. The Guyana Office, however, will continuously monitor the national

development programmes to determine any major or significant policy or priority changes, and what changes, if any, are required in the country strategy and programme emphasis in the light of such changes.

4.2.0 IICA's Technical Cooperation Programme Strategy

The strategy adopted and implemented by the Guyana Office may be viewed at two levels:

- a) at the level of the project and in accordance with the general guidelines and strategy of the respective Programmes; and
- b) at the national or country office level which considers the relationship between the Guyana Office and the Government as well as with other participating agencies, national counterparts and their contribution and/or support to the particular area of technical cooperation.

4.2.1 Programme I

The areas of technical cooperation provided by IICA to Guyana are but a small part of the total package of international assistance (technical and financial) provided to the country, and indeed constitute only a small proportion of the national investment in the sector. It is further recognised that there are several national, regional and international agencies concurrently participating in agricultural and rural development actions in the country.

In keeping with the basic concepts of Programme I, the promotion of economic and social development on the basis of agricultural development requires internal consensus in the countries, and this cannot be achieved without the combined efforts of the pertinent technical cooperation agencies seeking similar objectives.

Accordingly, the strategy of the proposed project will be not only to collaborate with the responsible national Agricultural Planning Unit, but equally important to encourage and assist in strengthening relations between the agricultural sector planning unit and other sectoral units providing analytical and advisory services for decision-making, including the State Planning Secretariat and other agencies such as NARI and UG.

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Effective planning and coordination of policies and programmes also require a reliable system of data and current information. In view of the existing shortcomings and deficiencies in the Agricultural Planning Unit, an initial effort will be made to support efforts to strengthen and improve the management information system. This has been approved as a short-term activity for 1989. For the succeeding period (1990-1991), it is proposed to formulate a planning project to achieve the following objectives:

- a) substantial improvement in the information system required for sectoral and national planning and evaluation of policies, programmes and projects.
- b) an improved capability of the Agricultural Planning Unit to plan, monitor and execute its mandated responsibilities.
- c) a wider sensitivity, involvement and coordination among the pertinent planning and resource management agencies in the planning process.
- d) improvement in the number of trained and skilled personnel engaged in planning and information processes.

The primary beneficiaries of this effort will be the Agricultural Planning Unit and the Central Planning Secretariat. Other agencies and entities directly and indirectly involved in agricultural and rural development actions will also benefit as a result of improvements in the planning and management of activities and the organisation of information systems and services. Indications are that these agencies are willing to commit available resources (physical facilities, equipment and personnel) in collaboration with the efforts and actions of the Guyana Office.

4.2.2 Programme II

The Government of Guyana has adopted a strategy to "broaden the base of the export sub-sector to include production of non-traditional export commodities". Such a production strategy will not only lessen an historic dependence on a few traditional crops but will also promote new opportunities for foreign exchange earnings.

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The foregoing offers considerable opportunities consistent with the Programme II strategy guidelines to concentrate efforts in conducting activities with the potential of considerable multiplier effect in areas where relevant technical contributions can be made.

In the above context, it is to be noted that the first phase of the project "Fruit Crop Demonstration Propagation Unit" (FCDFU) succeeded in strengthening and improving the physical capacity of the Central Horticultural Station at Timehri, as well as the technical resources capability of the Ministry of Agriculture through its programme of training and apprenticeship. Moreover, consistent with the aims of the Programme, the project succeeded in transferring appropriate technology which has contributed to the modernisation of the plant propagation unit, which now has a capacity of 100,000 plants per year.

In the second phase of the project, "Supporting the Generation and Transfer of Technology for Fruit Tree Crop Production in Guyana and Suriname", the strategy will be to replicate the successful experience of technology transfer gained at the CHS to other Regions of the country along with the efforts of institutional strengthening, specifically the training of national technicians and farmers and the setting up of a Fruit Tree Crop Production Unit with special responsibility for the promotion and development of this sub-sector.

The expansion of the production base will be forward linked with an appropriate marketing arrangement and linked backwardly with appropriate research inputs and training supported by the National Agricultural Research Institute (NARI) - and the new Guyana Marketing Corporation (GMC). It also expected that improvements in productivity and production will generate increases in supply for the fresh markets but also for agro-processing outlets. In fact, special attention will be focussed on varietal selection and production systems, appropriate to the agro-processing sub-sector. In this context, technical support will be drawn from both the Programme II and IV Directorates. While there is, in the current technical cooperation programme, no specific agreement for technical assistance in the area of marketing and agro-processing, this has been identified as a priority and critical area and offers the possibility for technical cooperation actions.

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Structurally, this project is being implemented as a national component of a multinational project based in Barbados. The Institute has been engaged in other initiatives of marketing of non-traditional fruit tree crops in the Eastern Caribbean. In view of the current interest shown by various Caribbean Governments in this particular area and the opportunities for national and external investments, there are good possibilities for the development of a multinational project - perhaps along the lines of PROMECAFE in Central America. This would suggest a broad-base project proposal involving not only two or three Programme areas but also a number of national and international agencies with strong private-sector interest and support.

4.2.3 Programme III

According to the current Agricultural Sector Plan, as part of the development strategy, the aim will be to promote "economic and social development in all Regions, including particularly the attainment of higher levels of self-sufficiency in all Regions so as to provide increased employment and incomes and improved welfare for the country's hinterland, riverain and coastal population".

The project "Improving Dairy Production Systems for Landless, Small and Medium-Size Farmers in Guyana" was initiated in 1984 with a strategy aimed at strengthening the national institutions responsible for the education of farmers and emphasizing the transfer of technology for improved livestock production. Recognising that a large majority of livestock farmers were small producers, including, within this population, a significant number of landless farmers, considerable orientation and emphasis were directed to small farmers as individuals or in organised groups.

The basic strategy which has proven quite successful in the first phase of the project will be continued, emphasising the institutionalisation of the project's concept and methodology through institutional strengthening, but equally through programmes of training for farmers and other rural participants and groups and generally through the transfer of technology. In this regard, the project will continue to work in close collaboration with the relevant national agencies including the NDDP and NARI. The former agency has successfully extended the pasture development programme throughout the country whereas the latter has provided some essential back-up research inputs

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and with CARDI, is extending the methodology to other selected grasses.

In 1986, the Government, through the Ministry of Agriculture, requested IICA's technical assistance in the formulation and execution of an integrated rural development project. Preliminary analysis of the socio-economic data and problems of the communities identified by the Ministry of Agriculture suggested that the strategy proposed, integrated rural development, was well informed and feasible.

In promoting the integrated rural community development strategy and concept, efforts will be made to encourage and support actions of the relevant Government Ministries and their active engagement in planned community activities and programmes. For example, the project will promote and support activities of the Ministry of Education in providing relevant training at the Primary School level in the principles and practices of crop and animal husbandry as well as in aspects of small business management and public health. Such training would be extended to post-primary young adults, to stimulate an interest in agriculture, agro-industry and other activities such as handicraft. Suitable training programmes, which will contribute to an improved community environment and welfare, will also be organised for adults.

The executing agency (IICA) will collaborate closely with its principal counterpart agencies, the Regional Democratic Council and Ministry of Agriculture, in the analysis, evaluation and monitoring of project activities and in supporting their implementation by the community groups and responsible individuals and agencies. Collaboration with the community will be informed and deliberate to secure the fullest identification with the project, support and participation of the community. The Ministry of Agriculture will have the overall responsibility for the evaluation of the performance and final results of the project.

Based on preliminary discussions with the community leadership, agriculture has been identified as the activity with the greatest potential for economic development and employment generation. Linked with primary agricultural production are the possibilities for small-scale agro-processing activities based on cassava and coconuts, agro-forestry and handicraft. Evaluation of these possibilities will be done in close collaboration with the relevant Government Ministries and IAST to ensure their collaboration and commitment for scheduled implementation.

With respect to primary agricultural production, there has been a tradition of crop selection and production that, hitherto, has been limited to satisfying family and community needs. Intervention in these activities and introduction of improved production practices are expected to yield community surplus output and this will necessitate the identification of market outlets and provision of market services. Production systems will be tested and validated using on-farm trials and demonstrations.

In the planning and execution of the project, priority attention will be given to training both the potential community beneficiaries, including farmers, women and technical counterparts. The purpose of such training will be to provide and improve the skills available to the community for the adoption and application of improved technology and also to improve the capacity of the community to plan and manage its social and economic programmes and activities. The aim will also be to strengthen the technical capacity of the national agencies to deliver effective services in support of the community activities and enterprises. The initial project has been developed for the first community, St. Francis Mission, but over the succeeding two-year period it is proposed to incorporate other communities into the project. Already identified by the Ministry of Agriculture are Mocha/Arcadia, Linden and Wakapau. This, of course, will depend on the availability of funds. The Government has already committed substantial funding for the implementation of the St. Francis Mission component.

4.2.4 Programme V

As in the case of crop production, considerable losses are sustained annually within the livestock sub-sector through pests and diseases in the form of low levels of productivity or outright losses. For example, an exercise is currently being executed on the occurrence of Bovine Tuberculosis in Guyana. The results of this exercise will inform on the status of the disease in the country, its economic impact, and measures to be taken for control and eradication. This, however, is being proposed as part of an overall strategy for the improvement and strengthening of the animal health and veterinary services in the country, which ultimately will contribute to greater productivity and output.

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Development of the industry has also been discouraged by the inability of the country to develop an export market, especially with CARICOM Member States due to quarantine restrictions, although there has not been any major outbreak of notifiable diseases in this country for many years. However, contributing to this trading problem is the generally low level of development of the industry with an absence of acceptable standards of physical facilities i.e. strengthening of abattoir facilities and the low standards of management and technology.

Particularly with respect to quarantine conditions, this applies not only to the promotion of trade but, equally important, the movement of livestock across borders with Venezuela, Brazil and Suriname, all of which are IICA Member Countries. The proposed project "Strengthening the Veterinary Field Services and Control of Bovine Tuberculosis in Guyana", in the context of Programme V, offers the opportunity to implement a strategy which would not only support the country in the development of the livestock industry, but also assist in developing the linkages, marketing, research, etc. with other CARICOM countries.

Considering the problems facing both livestock and crop production in Guyana, the five areas of Programme V emphasis offer appropriate strategy guidelines for the implementation of the project, specifically relevant to:

- strengthening of Government institutions responsible for animal health and plant protection;
- assessment of economic losses due to diseases and pests;
- advising on restrictions which obstruct international trade;
- strengthening of quarantine and emergency systems.

It is proposed to complete the first phase of the proposed project by March, 1989. This involves a Short-Term Activity initiated during the latter months of 1988 which deals exclusively with the diagnosis and evaluation of Bovine Tuberculosis in Guyana. The second phase will be the formulation of a wider project which will incorporate measures for the control and possible eradication of Bovine Tuberculosis as an important component. Other aspects of the project will deal with strategies for:

- collaboration in data-gathering and participation in Animal Health Information System;
- training of farmers in the requirements and benefits of improved animal health management and husbandry;
- supporting the national agencies, especially the veterinary and animal health services, to improve the technical capability;
- supporting efforts by the Ministry of Agriculture to strengthen and improve its laboratory diagnostic services;
- supporting, generally, efforts to promote and strengthen the linkages with animal health and veterinary services and agencies throughout the hemisphere.

4.2.5 Strategy at the National Level

At the broader level of IICA's operations in the country and its relationship with the national authorities and other entities, the strategy which the Office pursues must reflect and be guided by the current Medium Term Plan (MTP). It also must consider the Ottawa Declaration, specifically in respect of the Plan for the Reactivation of Agriculture.

As stated in the MTP, one of the central components of IICA's strategy is the "concentration of efforts and technical leadership in a small number of subject areas of high-priority to the Member Countries in which IICA will develop technical leadership in order to provide an effective response to problems facing the countries". This has served as the principal strategy guiding the operation of the Guyana Office over the past several years and is reflected in the concentration of technical cooperation efforts in two high-priority and critical areas identified by the Government, involving tree crop and livestock production.

The strategy also recognises, however, that the technical cooperation programme must be responsive to the changing needs and priorities of the Government; it must, accordingly, seek to reflect such changes insofar as they are within the framework of the MTP and can be accommodated within the resource constraints (technical and financial) of both the Institute and the Government. In this regard, the changes and broadening of the scope of the technical

cooperation programme in Guyana have been in response to changes in the area of concentration of the Government as well as its strong commitment to regional programmes for agricultural development.

To be in tune with the changing national policies, programmes and priorities requires that the Guyana Office maintain an excellent working relationship and close collaboration with the national authorities and counterparts and be in a position to monitor, analyse and, when required to, provide appropriate technical guidance and advice. Where this cannot be provided directly from the resources of the Office, technical and scientific brokerage will be provided in locating and channelling the necessary technical support to the Government and its parastatal agencies.

The other aspect of the Guyana Office strategy has been to actively promote and maintain good relationship with other regional and international agencies engaged in activities of agricultural and rural development in the country. This relationship involves, on the one hand, working closely with or collaborating with technical cooperation agencies in the implementation of projects and activities; on the other hand, it involves promoting the Institute's image and its ability to formulate and implement important technical cooperation actions, thus gaining their respect and financial support.

In the above context, particular mention ought to be made of the CARICOM Secretariat which has been most actively pursuing the formulation of a Regional Agricultural Sector Plan as mandated by the Member Governments. IICA has been collaborating in this effort and there has been a convergence of the Regional Sector Plan and the parallel exercise conducted by the Institute under the Ottawa Declaration mandate for a Plan of Action for the Reactivation of Agriculture. In both exercises, Guyana emerges as one of the important countries with vast potential for future agricultural growth and development; the projects selected for this country all lend themselves to regional programmes and multinational cooperation and development in agriculture.

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**V. UTILISATION OF ASSIGNED RESOURCES
AND OF RESOURCES UNDER NEGOTIATION**

5.0.0 UTILISATION OF ASSIGNED RESOURCES AND OF RESOURCES UNDER NEGOTIATION

5.1.0 External Resource Prospects for Financing Office Projects and Activities

During 1988, follow-up action and initiatives were undertaken to obtain external funding mainly with the following international agencies:

- Inter-American Development Bank (IDB)
- Canadian International Development Agency (CIDA)
- Inter-American Foundation (IAF)
- European Economic Commission to Guyana (EEC).

In addition, exploratory discussions were held with the Consular Representative of Japan to Guyana.

The European countries visited during the course of 1987/88 by the Director of External Relations unfortunately are unrepresented in Guyana and this Office has been unable to take advantage of these initiatives.

Discussions with the above and other potential financing entities would be continued to explore not only possibilities of external financing but also the possibilities of joint technical cooperation actions.

Following is a summary of the status with respect to external funding initiatives of the Guyana Office:

| Project Title | Funding Agency | Date Reference | Status |
|--|----------------|-----------------|---|
| 1. Development of a Strategy for Production and Marketing of Selected Fruits in Guyana | IDB CIDA | July 24, '87 | Withdrawn - Marketing now included as a component in an on-going project. |

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| Project Title | Funding Agency | Date Reference | Status |
|---|--------------------|-----------------|--|
| 2. Strengthening the Veterinary Service Unit for Epidemiology, Dairy Herd Health and Fertility. | IDB CIDA | July 24, '87 | IDB has deferred. Pending a decision from CIDA but this proposal is expected to be reformulated. |
| 3. Integrated Rural Development Project | IDB CIDA IAF | | Deferred Pending Pending |
| Components: | | | |
| - St. Francis Mission | GoG* | August '88 | Approved |
| - Mocha/Arcadia | | | Pending |
| - Linden | | | Pending |

*Funds approved by the Government of Guyana are in local currency, initially for one year, 1989.

The agencies identified above are the more important and potential external funding agencies based in Georgetown. These agencies, however, have shown a preference for bilateral or direct funding and execution of projects. With respect to the IRD project, the IDB, following several months of intermittent discussions and site visits, has now indicated that in view of past experiences with IRD projects generally, the Bank would prefer to assess the first year's performance and execution of the project before committing funds. Both CIDA and IAF have expressed considerable interest in the project and further discussions are planned.

5.2.0 Technical and Administrative Resources Approved and Required by the Guyana Office

The annexed Table summarises the technical and administrative (general services personnel) assigned to the Guyana Office and indicates the source of actual or potential funding.

The level of staffing is satisfactory to meet the current (1989) needs of the technical cooperation programme.

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However, with the expected or proposed increase in professional staff - one (1) IPP Animal Health Specialist and one (1) LPP Rural Development Extension Specialist - the services of one (1) additional secretary/typist will be required.

REFERENCES

- National Agricultural Sector Plan, 1987-1990
(Rev. 88)
- Ottawa Declaration
- Medium Term Plan, 1987-1991
- CARICOM Agricultural Sector Plan 1987
- IICA Action Strategy Document - Guyana - 1987-1988
- Office Projects and Internal Reports
- National Agricultural Statistics
- Guyana - Policy Framework Paper - External Financing
Requirements/Technical Assistance Needs.

APPENDICES

SELECTED SOCIO-ECONOMIC INDICATORS OF GUYANA

1. POPULATION

| | |
|--------------------------------------|--------------|
| - Total inhabitants (1987) | 756,300 |
| - Annual rate of population increase | -0.1 percent |

Population Characteristics

| | 1984 | 1985 | 1986 | 1987 |
|--------------------------------------|------|------|------|------|
| Urban Population (percent of total) | 31.8 | 30.9 | 28.3 | 30.4 |
| Population age structure (percent) | | | | |
| - 0 - 14 years | 38.2 | 37.1 | 36.9 | 37.5 |
| - 15 - 64 years | 57.7 | 58.2 | 59.2 | 58.7 |
| - 65 years and above | 4.1 | 4.7 | 3.9 | 3.8 |
| Crude birth rate (per thousand) | 29.3 | 25.5 | 24.0 | 24.0 |
| Mortality rate (per thousand) | 7.6 | 6.6 | 8.0 | 8.0 |
| Infant mortality rate (per thousand) | 33.6 | 43.9 | 45.3 | 49.0 |
| Life expectancy at birth (years) | 65.1 | 70.0 | 63.0 | 63.0 |

2. REAL PRODUCTION

| | 1984 | 1985 | 1986 | 1987 |
|----------------------|------|----------------|------|------|
| | | (Growth Rates) | | |
| Total GDP | 2.1 | 1.0 | 0.2 | 0.7 |
| Agricultural Sector | 3.4 | 0.0 | 3.7 | -5.8 |
| Mining Sector | 21.6 | 19.4 | -8.1 | 10.3 |
| Manufacturing Sector | -5.9 | -3.1 | 0.0 | -7.5 |
| Construction Sector | 0.0 | 0.0 | -1.6 | 5.0 |

Per Capita: 1985 - US\$775.00
1986 - US\$714.00

% Agricultural Contribution to GDP average:
- 1984-1986: 26.2

3. AVERAGE ANNUAL RATE OF INFLATION

| | 1984 | 1986 | 1987 |
|------------------------------|-------|-------|--------|
| | | | (June) |
| Urban consumer price indices | 561.5 | 696.7 | 913.0 |

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| 4. EXTERNAL PUBLIC DEBT | (Millions of Dollars) | | |
|-------------------------------|-----------------------|-------|-------|
| | 1984 | 1985 | 1986 |
| Disbursed Debt | 694.4 | 742.7 | 772.3 |
| Debt service actually paid | 31.0 | 25.0 | 21.0 |
| | | | |
| 5. SURFACE AREA | (Thousand ha) | | |
| Total Country | 21,344 | | |
| Agricultural (FAO Survey) | 295 | | |
| | | | |
| 6. STRUCTURE OF LAND USE | (ha) | | |
| Total crop land acreage | 238,082 | | |
| - Cultivated: 176,473 | | | |
| - Uncultivated: 61,609 | | | |
| Total Forest | 16,109,028 | | |
| Total savannah | 2,130,202 | | |
| Total coastal unoccupied area | 1,052,996 | | |
| Total land area | 19,530,310 | | |
| Total waterways | 1,813,765 | | |

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- Sources:
1. Inter-American Development Bank - Economic and Social Progress in Latin America - 1988 Report.
Special Section: Statistical Profile on Guyana.
 2. Cde. Carl Greenidge, M.P., Minister of Finance -
Budget Speech on March 28, 1988.
Special Section: Table I.
 3. IICA Office in Guyana - Annual Report (1987) to
Government of Guyana.

NUMBER OF FARMS IN GUYANA BY REGIONS AND SUBREGIONS

| REGION AND SUBREGION | TOTAL NUMBER OF FARMS | FARM SIZE IN ACRES | | | | | | | | |
|---------------------------------|--------------------------------|---------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
| | | LESS THAN 2.5 | 2.5 TO 4.9 | 5.0 TO 9.9 | 10.0 TO 14.9 | 15.0 TO 24.9 | 25.0 TO 49.9 | 50.0 TO 99.9 | 100.0 TO 199.9 | 200.0 AND OVER |
| GUYANA | 24,703 | 6,252 | 3,732 | 4,906 | 3,415 | 3,605 | 1,609 | 704 | 298 | 182 |
| NORTHWEST AND POMEROON | 1,692 | 143 | 160 | 227 | 483 | 263 | 260 | 119 | 29 | 7 |
| - Northwest | 911 | 128 | 86 | 81 | 327 | 111 | 95 | 65 | 18 | - |
| - Pomeroon | 781 | 16 | 75 | 146 | 157 | 152 | 165 | 54 | 11 | 7 |
| ESSEQUIBO COAST AND ISLANDS | 4,987 | 593 | 868 | 1,538 | 983 | 469 | 402 | 111 | 17 | 7 |
| - Essequibo Coast | 2,459 | 347 | 311 | 795 | 595 | 176 | 169 | 46 | 15 | 7 |
| - Essequibo Islands | 2,528 | 247 | 557 | 743 | 388 | 293 | 233 | 65 | 2 | - |
| WEST DEMERARA | 3,089 | 644 | 336 | 770 | 325 | 864 | 91 | 51 | - | 9 |
| EAST DEMERARA | 5,619 | 2,400 | 847 | 786 | 516 | 479 | 241 | 177 | 110 | 64 |
| - East Bank Demerara | 1,405 | 344 | 149 | 240 | 249 | 245 | 61 | 79 | 23 | 15 |
| - Lower East Coast Demerara | 2,220 | 1,552 | 451 | 150 | 11 | 35 | 16 | 2 | - | 4 |
| - East Coast Demerara-Mahaica | 1,205 | 270 | 126 | 296 | 160 | 152 | 84 | 56 | 34 | 26 |
| - East Coast Demerara-Mahaicony | 789 | 235 | 121 | 99 | 95 | 47 | 81 | 40 | 52 | 19 |
| EAST BERBICE | 2,184 | 637 | 231 | 401 | 374 | 177 | 135 | 116 | 70 | 44 |
| EAST BERBICE | 7,132 | 1,834 | 1,290 | 1,185 | 734 | 1,354 | 480 | 131 | 72 | 52 |
| - East Bank Berbice | 596 | 34 | 64 | 55 | 32 | 76 | 160 | 81 | 72 | 22 |
| - Lower East Coast Berbice | 710 | 446 | 89 | 11 | 19 | 83 | 34 | - | - | 28 |
| - Middle East Coast Berbice | 2,600 | 572 | 637 | 288 | 292 | 709 | 98 | 3 | - | 1 |
| - Upper East Coast Berbice | 3,225 | 783 | 500 | 830 | 391 | 486 | 188 | 47 | - | - |

SOURCE: Guyana Rural Farm Household Survey, 1982

Appendix III

ACREAGES HARVESTED & PRODUCTION OF SELECTED COMMODITIES

1987

| CROPS | ACREAGE HARVESTED | PRODUCTION ('000 lbs) |
|------------------|----------------------|---------------------------|
| Corn | 5,839.34 | 6,513.3 |
| Black Eye | 1,895.35 | 1,240.0 |
| Other Legumes | 1,349.40 | 956.1 |
| Peanuts | 4,163.99 | 3,898.2 |
| Coconut | 61,141.90 | 45,422.1* |
| Plantain | 4,688.74 | 46,493.0 |
| Cassava | 9,654.63 | 64,564.3 |
| Ground Provision | 6,638.04 | 48,101.9 |
| Banana | 3,342.50 | 21,744.2 |
| Citrus | 2,647.79 | 23,828.5 |
| Pineapple | 1,767.12 | 17,653.2 |
| Carambola | 282.68 | 5,434.8 |
| Water Melon | 1,123.89 | 7,142.0 |
| Tomato | 837.49 | 7,262.7 |
| Cabbage | 213.33 | 1,336.2 |
| Pumpkin | 1,256.94 | 14,013.1 |
| Eschallot | 723.27 | 4,157.3 |
| Hot Pepper | 547.20 | 2,472.8 |
| Ginger | 124.03 | 949.9 |
| Other Spices | 9.86 | 18.2 |

* Denotes '000 nuts

Appendix IV

ON-GOING TECHNICAL ASSISTANCE PROGRAMME

| AGENCY | TOTAL CONTRIBUTION (US\$M) |
|-----------------------------|-------------------------------|
| CIDA | 8.844 |
| IDB | 7.419 |
| UNDP | 6.032 |
| EEC | 5.099 |
| WHO/PAHO | 2.872 |
| WFP | 2.830 |
| ODA | 1.674 |
| UNICEF | 0.898 |
| WHO/PAHO/UNICEF/ROTARY | 0.745 |
| CFTC | 0.235 |
| FAO | 0.300 |
| UNESCO/NOPAD | 0.300 |
| UNFPA | 0.275 |
| MSF (NGO) | 0.170 |
| IICA | 0.166 |
| CUBA | - |
| FEDERAL REPUBLIC OF GERMANY | - |
| GRAND TOTAL | US\$38.433 M |

Source: GUYANA - POLICY FRAMEWORK PAPER -
EXTERNAL FINANCING REQUIREMENTS/
TECHNICAL ASSISTANCE NEEDS

SUMMARY OF TECHNICAL AND ADMINISTRATIVE RESOURCES APPROVED AND REQUIRED BY THE OFFICE IN GUYANA

| Technical Cooperation Title | Technical & Administrative Resources | | | Source of Funding | Remarks |
|---|--|------------|--------|-------------------|---|
| | Position | Classific. | Status | | |
| 1. <u>Management and Coordination</u> | | | | | |
| i) Representation | Representative | IPP | OP | Quotas | Resources Approved 1989 (Pending 1990-91) |
| ii) Basic Structure | Secretary | GSP | OP | Quotas | Operational (OP) |
| | Admin. Tech II | GSP | OP | Quotas | |
| | Driver | GSP | OP | Quotas | |
| | Office Assistant | GSP | OP | Quotas | |
| | Security 1 | GSP | OP | Quotas | |
| | Security 2 | GSP | OP | Quotas | |
| 2. <u>Technical Cooperation Instruments</u> | | | | | |
| i) Collaboration and Support of Planning and Management Agencies and Systems for Agricultural and Rural Development | Planning Specialist (Representative) | IPP | OP | Quotas | Short-Term Activity Approved for 1989 to be executed by Representative as Planning Specialist To be reviewed for 1990-91 Operational (OP) |
| ii) Supporting the Generation and Transfer of Technology for Fruit Tree Crop Production | Crop Production & Extension Specialist | LPP | OP | Quotas | Resources Approved for 1989 (Pending 1990-91) Operational (OP) |
| iii) Supporting the Development of Integrated Livestock Production Systems in Guyana and Suriname | Livestock Production Specialist | IPP | OP | Quotas | Project document in process of reformulation pending approval for 1989 (Pending 1990-91) (Current IPP pending transfer) |
| iv) Integrated Rural Development Project - St. Francis Mission - Mocha/Arcadia - Linden | Rural Development Specialist | LPP | PD | Quotas | External/national counterpart funds approved 1989 To be renegotiated 1990/91 Quota funds pending approval (PD) |

/...

| Technical Cooperation Title | <u>Technical & Administrative Resources</u> | | | Source of Funding | Remarks |
|---|---|------------|--------|-------------------|---|
| | Position | Classific. | Status | | |
| v) Strengthening the Veterinary Field Services and Control of Bovine Tuberculosis in Guyana | Animal Health Specialist (Veterinarian) | IPP | AP/PD | Quotas | Quota resources 1989 (Pending 1990-91) Recruitment of Specialist pending (AP/PD) |
| vi) <u>Technical and Administrative Support Personnel:</u> | | | | | |
| Projects (ii and iii) | Secretary | GSP | OP | Quotas | Resources Approved 1989 Operational (OP) |
| Projects (ii and iii) | Field Assistant | GSP | OP | Quotas/ CATI's | Resources Approved 1989 Operational (OP) |
| Projects (iv and v) | Secretary | GSP | PD | Quotas/ CATI's | New position to be created and funds to be approved (PD) |
| vii) <u>Other Resources</u> | | | | | |
| Physical | | | | | New/improved Office accommodation, facilities and equipment needed. |

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