INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE



IICA TECHNICAL COOPERATION STRATEGY IN ST. VINCENT AND THE GRENADINES 2011-2014



PROMOTING SUSTAINABLE AND COMPETITIVE AGRICULTURE IN THE AMERICAS

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IICA COUNTRY COOPERATION STRATEGY 2011-2014

This document outlines IICA's technical cooperation strategy (2011-2014) for St. Vincent and the Grenadines. The new Country Strategy succeeds the National Technical Cooperation Agenda (2006-2010) which guided the activities of the Institute over the period.

The Country Strategy was developed following exhaustive review and analysis of public documents which outline the Government of ST Vincent and the Grenadines' plans and programmes for agriculture and rural development in the country. Documents of note are: (1) The Strategic Plan for Agricultural Development 2010-2020; (2) National Food Production Plan (November 2007); (3) Rural Transformation Plan; (4) Livestock Sector Investment Plan and; (5) Corporate Plan and Advance Proposal 2011-2013. The document review process was followed by a series of consultations with a wide cross section of stakeholders from the community of agriculture and rural life.

The process resulted in an exhaustive list of demands for technical cooperation from stakeholders, however these were further fine-tuned and a final list of technical cooperation demands agreed in consultation with the Ministry of Rural Transformation, Agriculture, Forestry and Fisheries.

This Country Strategy therefore details the final list of demands to be addressed by IICA based on the priorities established by the national authorities and other stakeholders and the objective of IICA as outlined in the Medium Term Plan (2010-2014), approved by the Inter-American Board of Agriculture.

STRATEGIC FRAMEWORK FOR THE AGRICULTURAL SECTOR

ST. Vincent and the Grenadines possesses a small open economy vulnerable to the vagaries of international commodity markets. Agriculture, a key economic sector, plays an important role as a foreign exchange earner mainly through the export of primary commodities – and as an employer of labour, particularly in rural communities where it maintains a dominant role as the major economic activity.

Agriculture has always had an export orientation with export of primary commodities for regional and international markets. The sustainability of the latter has been based on a system of trade preferences which ensured the survival of small-scale producers. Such arrangements have largely described the banana trade between ST Vincent and the Grenadines and the United Kingdom over several decades.

The context has changed with the dictates of new international trading agreements virtually ensuring that the system of preference is replaced by one of open competition which has allowed encroachment of the multinational operations in Latin America on the small market share for Windward Island bananas in the United Kingdom.

Regionally the country continues to be a key supplier of primary agriculturally commodities to both CARICOM and non-CARICOM countries. The list of export commodities is much more varied than in the international context and includes, among others, root crops, fruits and field crops.

On the domestic market, potential exists for growth of commodity markets of fruits and vegetables, meat and meat products. This is evidenced by the large and growing food import bill for a wide range of fresh and processed agricultural commodities and processed products which in 2009 valued over one hundred and twenty million dollars (XCD).

The opportunities for exploitation of many of the non-traditional commodities is however associated with several challenges. These commodities have never possessed the defined market structures of traditional crops destined for international export with their clearly systems for production, transportation, marketing and supply of inputs with its arrangements for the standardization of products according to set GAPs criteria. They also lack the organization at the producer level inherent in the production of bananas where farmers are organized into geographic clusters.

It is recognized that transformation of the sector along the lines envisioned will require attention to the strengthening of the institutional arrangements for the delivery of services to the producers and other stakeholders along the commodity chains. This is an essential ingredient as development of the capacities and capabilities among farmers, processors and other stakeholders would be conducted by extension agents who themselves must be retooled to deliver the necessary level of services to clients. Training and development of producers is seen as a necessary prerequisite for the growth and development of all commodity chains identified for attention by the state authorities.

The national authorities have a new strategic plan 2010-2020 for agricultural development intended to exploit the opportunities inherent in these markets. This plan outlines a general goal: *To promote agricultural entrepreneurship and conservation of the natural environment.* This is complemented by five specific objectives and associated strategies as follows:

1. <u>Increase production, competitiveness and incomes and reduce risk.</u> The associated strategy focuses on strengthening the value chains of a select set of crops, livestock, and fishery and forestry products. The products are to be

- selected according to potential and the value chains developed. The assessment of the value chains will cover analysis of marketing, labour, land, agricultural credit, the quality of human resources available and institutional support issues.
- 2. <u>Protection of the natural environment and biodiversity.</u> The associated strategy seeks to establish a collaborative approach by all sectors to protect the natural environment. Attention will also be paid to the establishment of linkages with the tourism sector through nature tourism.
- 3. <u>Strengthen the institutional environment for agricultural development.</u> This will include attention to issues of governance, institutional coordination and collaboration, reform of the Ministry of Agriculture and strengthening of farming institutions.
- 4. <u>Contribute to deepening of the southern Caribbean integration movement.</u> This objective anticipates a move towards integration among three countries including ST Vincent which could redound to the benefit of the sector.
- 5. <u>Contribute to the viability of rural areas.</u> The Ministry of Agriculture considers itself a key player in the process of rural development as agriculture is the main economic activity in these areas. The strategy envisions a collaborative approach to rural development among agencies engaged in developmental work in rural territories.
- 6. <u>Contribute to increasing food security.</u> The Ministry expects that its food security interventions will be guided by a comprehensive food security strategy addressing the four components, availability, accessibility, individual nutritional security and stability.

With the implementation of as per the priorities established by the authorities, IICASVG will provide support to the realization of the objectives set out by the authorities in their strategic plan to accomplish the goal of development of the agricultural sector and rural territories.

IICA TECHNICAL COOPERATION ACTIONS IN ST VINCENT AND THE GRENADINES

OBJECTIVES OF TECHNICAL COOPERATION ACTIONS

During 2011-2014 IICA will provide technical cooperation to aid the development of agriculture and rural territories in ST Vincent and the Grenadines through the execution of a comprehensive project (annex 1) aimed at developing small holder enterprises and the producer organizations. The primary objective of this intervention will be to facilitate the development of competitive agribusiness enterprises in ST Vincent and the Grenadines. Specifically attention will be paid to the development of entrepreneurial

competences and capabilities of agribusiness stakeholders and producer organizations. Attention will also be paid to the development of marketing standards to support the development of the emerging markets.

SUMMARY OF TECHNICAL COOPERATION ACTIONS

To accomplish the set objectives IICA will undertake a series of actions over the project period captured under five technical cooperation instruments namely:

- 1. Direct technical support to stakeholders in the agricultural sector. Through this instrument IICA's actions will involve engagement in training, education and extension to enhance the capabilities of stakeholders in the agricultural sector. This will also include the development of institutional strengthening processes for groups.
- 2. Training in subjects related to IICA's areas of competence to stakeholder organizations, individuals and groups. IICA will provide Technical support to programmes and projects of official units, producer organizations and local actors involved at the primary production, processing and service oriented activities.
- 3. The development and administration of projects in support of agricultural development. This will involve the Formulation and promotion of studies and proposals for preinvestment projects and the Formulation of profiles and investments projects.
- 4. **Delivery of new conceptual frameworks models and tools.**_IICA will be engaged in the Design and implementation of actions to support agribusiness development and the Promotion of economic producer organizations
- 5. Provision of knowledge management tools for stakeholders. This will involve the Systematization of experiences and lessons learned from successful programmes and projects that have developed best practices

ACCOUNTABILITY AND EVALUATION OF RESULTS

The implementation of the present IICA Technical Cooperation Strategy will be subject to an ongoing process of monitoring, follow-up and evaluation, intended to make sure that the available technical and financial resources are allocated strategically in implementing the technical cooperation projects and activities approved and validated by the senior authorities of the Ministry of Agriculture.

IICA, by monitoring the progress of the projects, following up on implementation throughout the life of the project and evaluating the expected results will generate information which, in turn, will also serve as feedback for the key national counterparts.

To this end, the *Integrated System for the Monitoring and Evaluation of Technical Cooperation (ISME)* has been created. This system will make it possible to evaluate, in stages, the completion of technical cooperation actions, contribute to the achievement of the Institute's objectives and report to the Governing Bodies.

Internally, the monitoring, follow-up and evaluation process will be the responsibility of the Offices, in coordination with the Directorate of Management and Regional Integration (DMRI) and the Secretariat of Planning and Evaluation (SEPE). The three processes will focus on:

- **a) Monitoring:** This will identify relevant elements or signs during implementation of technical cooperation projects and actions. They will be detected on a monthly by the DMRI and the SEPE.
- b) Follow-up: This will focus on analyzing progress in the implementation of activities programmed for the life of the project, through: 1) regular reports, starting at the beginning of each activity of the projects; 2) quarterly reports on the physical and financial execution of the activities; 3) regular reports on the conclusion of activities; and 4) the fourth quarterly report, to be submitted in December of each year at the close of the Annual Action Plan and used as the basis for preparing the annual report presented at the annual accountability seminar. The Offices will follow this procedure in contributing to the ISME, based on the attached matrix.
- c) <u>Evaluation of Results</u>: This will take place at the close of the project cycle, based on the expected results of the projects, and will provide information to consider in evaluating the medium-term focus of the Technical Cooperation Strategy.

One of the main goals is to generate useful information for refocusing the resources and actions, and by so doing ensure that the technical cooperation provided to the countries has the greatest possible impact.

ANNEX

1. Name of Project: Developing small-holder enterprises and producer organizations.

2. Predominant Line of Action of the 2010-2014 MTP

- Linking producers to markets including small scale producers
- Modernization of markets and marketing systems
- Contribution of family agriculture to the rural economy
- 3. Level: National

4. Problem

Agriculture in St. Vincent and the Grenadines has been characterized by the predominance of a primary export commodity destined for consumption in extra-regional markets – usually Europe. Secondary (nontraditional) crops, of less economic importance have been produced for local and regional markets. Banana production and export has been the mainstay of economic activities - particularly in rural areas - for several decades. Changes in the international trading arrangement of this commodity since the early nineteen nineties have resulted in a precipitous decline in its economic importance, affecting the livelihoods of many rural households.

In light of the challenges, state authorities have adopted a strategy of *agricultural diversification* intended to exploit opportunities existing in other commodity markets. Many of the emerging commodity systems however lack the organization – at the producer and marketing level - inherent in the production and trade of the traditional crops. This lack of organization has severely hampered the development of other commodity systems and their ability to replace some of the lost earnings from bananas. Over the years stakeholder organizations – including IICA - have been assigned the task of addressing different constraints, according to their particular strengths and competences, to modernize these commodity systems.

IICA operating on its mandate from authorities to develop these commodity systems will:

- Address the constraining institutional deficiencies affecting the public sector institutions primarily the Ministry of Agriculture – providing technical services to these commodity systems.
- Foster the development of commodity organizations for targeted nontraditional commodity systems.
- Promote the participation of small farm operations including youth and women in emerging commodity markets.

5. General Objective

To facilitate the development of competitive agribusiness enterprises through a systematic approach addressing the challenges and constraints affecting the development of targeted commodity chains.

6. Specific Objectives

- i. To develop the entrepreneurial and organizational capabilities of agribusiness stakeholders and producer organizations.
- ii. To modernize marketing systems through a process of capacity development of stakeholders in targeted commodity chains.
- 7. Beneficiaries: Beneficiaries from this project include both public and private sector stakeholders including:
 - ➤ Ministry of Rural Transformation, Agriculture, Forestry and Fisheries
 - Commodity producers/organizations
 - > Exporters
 - Agro-processors
 - Consumers
 - > AHFS stakeholders
 - > Agri-entrepreneurs

8. Duration: This project will be executed over a period of four years (2011-2014).

9. Description of Activities, Outputs, Results and Achievement Indicators

Activity	Output	Expected Results	Achievement Indicators
Support the formation and development of commodity organizations in non-traditional industries to accelerate transformation of the agricultural sector.	 Two forums created for commodity stakeholders to dialogue and achieve consensus on the development of their industries. Completed studies on non-traditional sectors to inform stakeholders of their potential and opportunities existing for their development. Development of plans completed for two non-traditional industries to chart their development in the medium to long term. Workshops organized to address issues of organizational leadership, group dynamics and networking for agribusiness development. 	Knowledge and technical competences of stakeholders in two non-traditional industries have been strengthened and stakeholders have adopted a systematic approach to value chain development	 1.1 Reports on outcome of forums and follow-up actions of stakeholders by end of year two. 1.2 Two completed documents on analyses conducted in two nontraditional sectors are available by end of year two. 1.3 By end of year four, development plans are completed for two industries. 1.4 Reports and evaluation are available on leadership and business capacity enhancing two workshops conducted for stakeholders available by end of year three.
2. Strengthen the entrepreneurial capacities of the SVGNRWP and the engagement of its	Three agribusiness workshops to address holistic farm planning and farm business	The knowledge and technical capacities of members of the SVGNRWP has been strengthened and members	2.1 By the end of year three twenty members of the SVGNRWP trained in agribusiness management principles and

members in agriculture and related rural development activities.	development. 2. Completed project proposals to support agribusiness investment among members. 3. The completion of a medium term plan to address development of the group. 4. Seedling nurseries established to support efficient vegetable production among members.	have adopted new technologies and approaches to the development of their individual enterprises and the group.	practice and at least 60% are applying the methodologies taught and have farm business plans to support development of their ventures. 2.2 Two completed project proposals developed by the IICA office and presented to the group by the end of year two. 2.3 One medium term plan completed for SVGNRWP and the group has accepted the document and is utilizing it as a guide for the development of its annual work plans. 2.4 Seven operational seedling nurseries by the end of year two.
3.Support and promote the participation of youth in commercial agriculture	1. Capacity building project proposal completed to support engagement of youth in agriculture. 2. Medium term plan developed for the operation of SVGAFY. 3. Three capacity building workshops completed on entrepreneurship and business development and project proposal writing.	1. The knowledge and capabilities of members of SVGAFY have been enhanced and internal structure strengthened and the groups has adopted an expanded role in agricultural development and has elaborated a national agenda for the engagement of youth in agriculture.	 1.1 by end of year one, one capacity building project proposal has been completed for the SVGAFY and is accepted by the group as the instrument for the delivery of capacity building support from donor agencies. 1.2 By the end of year four twenty members have received training in agribusiness development and at least 50% have internalized and are applying the concepts. 1.3 One medium term plan to chart development of SVGAFY and engagement of youth in agriculture has been developed

			and is being implemented by the group by the end of year two.
4. Modernization of marketing systems to support agricultural development.	Methodological course on the application of the CADIAC completed for Ministry of agriculture extension agents. One course on the development and application of product standards for two agricultural commodities.	1. The Ministry of Agriculture, Rural Transformation, Forestry and Fisheries and other stakeholder institutions have improved their capacities to deliver technical services to clients and are actively engaged in the delivery of new knowledge to stakeholder groups.	 4.1 Twenty-five persons engaged in agricultural marketing have received training in application of CADIAC and have internalized the methodology and are utilizing its principles. 4.2 Twenty extension agents have received training in development of standards and are applying it to two commodity systems

Note: This project and its associated activities reflect the contribution of IICA to agricultural and rural development in St. Vincent and the Grenadines. The area identified for technical co-operation as specified in the strategic and medium term plan *Creation and development of capabilities* and the *strengthening and modernization of institutions* according to the prioritized needs established by national stakeholders and expounded at consultative meetings held to inform project development.

10. Project Budget

ANNUAL DIRECT COSTS OF THE IICA PROJECT				
1. PERSONNEL				
1.1 Office Personnel (the substantive contribution of the project)				
	Name	Position	% of Time	
Michael Dalton	1	Technical Specialist	80	
Rosette Bacchus Asst. Executive Secretary		Asst. Executive Secretary	80	
1.2. Personnel of the Technical Concentration and Cross-cutting Coordination Programs, CAESPA, a			oordination Programs, CAESPA, and	
other units (the complementary contribution to the Project)				
	Name	Position	% of Time	
Kervin Stephenson		International Specialist - Projects	6.1	
Robert Reid		International Specialist - Agribusiness	2.0	

Carol Thomas	International Spec Health and Food Sa	ialist – Agricultural fety	1.2
Ena Harvey	International Specialist - Agro tourism		1.2
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2. DIRECT OPERATING COSTS	(US\$)		
ITEM	QUOTA	MISCELLANEOUS	REGULAR FUND
	CONTRIBUTIONS	INCOME	
MOE 3: Training and Technical	2000.00		2000.00
Events			
MOE 4: Official Travel	2000.00		2000.00
MOE 5: Publications and Materials	400.00		400.00
MOE 6: Equipment and Furniture	0.00		0.00
MOE 7: Communications, Public			
Utilities and Maintenance	15100.00		15100.00
MOE 8: Service Contracts	0.00		0.00
MOE 9: Insurance, Official	1000.00		1000.00
Hospitality and others			
Total Direct Operating Costs of	20,500.00		20,500.00
the Project			
CONTRIBUTIONS OF PROGRAMMES OR PROJECTS TO OPERATING COSTS			
CONTRIBUTOR:	•	•	-
CONTRIBUTOR:	•	•	-
CONTRIBUTOR:	-	-	-
	-	-	-
GRAND TOTAL OPERATING COSTS	20,500.00		20,500.00