

ANTIGUA AND BARBUDA

NATIONAL AGENDA

EXECUTIVE SUMMARY

The National Agenda of Antigua and Barbuda was developed at the request of the Director General. The Agenda reflects the combined recommendations of consultations held in 2001 and 2002 and received the full support of the Minister of Agriculture, Lands and Fisheries.

The economy of Antigua and Barbuda is mainly services – banking, insurance and tourism with agriculture providing only 3.4% of GDP and 8% of the total labour force of 30,000. Agriculture is confined primarily to rural-based activities in primary commodities. There is minimal export and very little activity in agribusiness.

The National Agenda seeks primarily to facilitate the development of value-added micro-enterprises in order to enhance the sector's contribution to rural life, to strengthen the necessary support measures such as health and food safety services, and to promote trade policies sensitive to the peculiarities of agriculture sector with limited exports and high food imports. The major markets envisaged are the fresh produce and value-added domestic market with tourism providing a lucrative market channel. An expanded export niche markets for value-added is also envisaged.

Based on the above, the Agenda will be assessed on the extent to which capacities were strengthened to appropriately influence trade policies, adequate management and information systems were established in the Ministry of Agriculture, Lands and Fisheries, technologies were sourced and accessed to support micro-enterprise development in rural areas, selected aspects of the agricultural health and food safety systems were improved, and economic linkages were enhanced or created between agricultural communities or enterprises and other sectors.

The impact is expected to be acceptable standards of living in targeted rural communities, reduce food imports and increase in selected importing niche markets.

The Agenda is not the national agricultural programme for Antigua and Barbuda. It reflects the areas where IICA is expected to partner the Ministry and other stakeholders in the efforts to move agriculture forward over the period 2002-2006.

1. INTRODUCTION

The economy of Antigua and Barbuda is mainly services – banking insurance, and tourism. Combined, these sectors contribute just over 40% to GDP. Agriculture provides 3.5% of GDP and 8% of the total labour force of 30,000 which is a comparatively large contribution to employment. The country is very susceptible to hurricanes, sometime receiving two hurricanes in any one season.

The impact of trade liberalization and increased competition will impact on the Antiguan economy quite differently from the other IICA member countries in the ECS. The main impact will be on the services sector, tourism banking and communication. In this regard Antigua and Barbuda is hard pressed to ensure appropriate legislative frameworks and institutional capacities to remain attractive and competitive in services in a liberalized environment.

The impact of trade liberalization on the agriculture will probably result from the expected increases in prices of food imports, assuming export subsidies in the developed countries are significantly reduced. Antigua and Barbuda has a weak agriculture export sub-sector (6.4% of total exports), it is highly dependent on imports for fresh and processed food (17.4% of imports) for the hotel sector as well as to satisfy household food security. The opportunity therefore exists for increase market shares in domestic fresh fruits and vegetables and some meats if the quality requirements can be met. The focus however is on the role that agriculture can play in the creation of employment in rural areas, and the potential for increased contribution to GDP through value-added products.

2. THE CONSULTATION PROCESS

2.1-2.2 Methodology

The consultation process in Antigua and Barbuda was limited to meetings with the Minister of Agriculture, Lands and Fisheries, and a team of agricultural technicians. Notwithstanding, the discussions used as a point of departure the recommendations emerging from the 2001 consultations on agriculture and rural life. At that consultation the groups represented were as shown below.

- Public Sector
 - Ministry of Agriculture, Fisheries and Lands
 - Ministry of Trade
 - Bureau of Standards
 - Barbuda Department of Agriculture
 - Barbuda Council

- Private Sector
 - St John's Credit Union
 - Farmers
 - Agro-processors
 - Livestock Farmers

- NGOs and Civil Society
 - Fishermen's Cooperatives
 - Gilbert Agriculture Research and Development Centre
 - Archives
 - Caribbean Council of Churches

This happened because the Ministry of Agriculture felt that it was not necessary for IICA to have the level of consultation envisaged. Also, subsequent to the 2001 consultations on agriculture and rural life, the Ministry had a major national consultation with stakeholders in the sector and have documented its findings and conclusions in a report entitled *Food Security, National Resources and Rural Development in Antigua and Barbuda*.

The two documents Medium Term Plan 2002-2006 and Repositioning of IICA to Meet the Challenges of the 21st Century, were also discussed.

2.3 Issues Considered in Building a new National Agenda

2.3.1 External Environment to IICA's Office

Institutions: The Ministry of Agriculture, Lands and Fisheries has primary responsibility for agriculture, which makes it accountable for all aspects of food - its production, processing, marketing, nutritional quality and safety. The sector has also got responsibility for the sustainable use and development of natural resources, land and marine. Other important institutions are the Central Marketing Corporation and the Antigua and Barbuda Development Bank, which offers credit to the sector.

Performance in Agriculture: Based on 1999 data, the total contribution of agriculture to GDP is just under US\$230 million with fisheries making the major contribution, followed by crops, livestock and fisheries. However just about a third of food imports is for the tourist industry. This means that very soon Antigua and Barbuda would have to satisfy good agricultural practices and other food safety demands if it is to benefit from potentially expanded domestic market for local fresh produce. Measures would also have to be taken to enhance consistency in levels of supply. Based on a recent analysis, there is in fact great scope for reducing the importation of fresh fruits and vegetables, herbs, spices and some meats and meat products. Already livestock, mainly egg production is close to satisfying local demand, just over 80%. On the other hand the beef subsector experiences serious competition from imports, because the local beef is ungraded.

A number of concerns have been identified as areas, which must be addressed to deal with the special and different circumstances of Antigua's agriculture. These include the following:

- Weak capacities to participate in agricultural trade policy issues that respond to the special situation of Antigua and Barbuda (high food imports, very small exports, development focus on value-added, high rural dependency on agriculture)
- Inadequate management and information system to facilitate all types of planning and monitoring e.g. technologies and practices to reduce high cost of production
- Inadequate support for effective and efficient institutional framework for planning, programming and management
- Weak policy framework to guide the development of the sector
- Inadequate water resources for irrigation
- Inadequate marketing systems
- Inadequate technology development and transfer facilities and mechanisms
- Inadequate agricultural health and food safety systems
- Inadequate and ineffective linkages between agriculture and the other sectors

2.3.2 Internal Environment to IICA's Office

The IICA Office in Antigua and Barbuda is staffed with a technical specialist and an administrative secretary. The Office has the administrative capability to manage the affairs of the Institute. Some assistance will be required from the other technicians in the ECS in areas of agricultural health and food safety and to a lesser extent in sustainable rural development.

The CA has effectively carried out activities in the four strategic areas. Strongest emphasis has been in the area of agricultural health and food safety. This continue to be an are of high demand in Antigua and Barbuda

The CA is currently without transportation, neither is it equipped to provide information to the public.

2.3.3 Priorities as defined by Antigua and Barbuda

The priorities for Antigua and Barbuda for the National Agenda are as shown below:

- Strengthened capacities to participate in agricultural trade policy issues that respond to the special situation of Antigua and Barbuda (high food imports, very small exports, development focus on value-added, high rural dependency on agriculture)
- Adequate management and information system to facilitate all types of planning and monitoring particularly within the Ministry of Agriculture.
- Adequate technology development and transfer facilities and mechanisms particularly to support the development of value-added micro-enterprises.
- Strengthening agricultural health and food safety systems to provide adequate and coordinated services with emphasis on plant quarantine, food safety including GAPs quality of fresh produce and HAACP.
- Adequate and effective linkages between agriculture and the other sectors with emphasis on the linkages with the tourism sector: increase supplies of fresh and processed foods to the hospitality industry and in farm tourism

3. THE NATIONAL AGENDA

3.1 **Agreed Goals, Priorities, and Strategic Actions that are in line with IICA's Supporting Areas**

Policy, Trade and Integration: The goal is to enhance the capacity of the agriculture sector to participate in national discussions and consultations on trade policy and to promote positive and timely response by stakeholders to market opportunities. Agricultural technicians are basically out of the loop, where discussions and decisions happen that impact on agricultural trade policy. This happens because many of the agricultural technicians are not sufficiently informed on the issues of trade in a liberalized market and cannot participate in the arguments. For this reason, trade policy objectives are often not well understood by them but perhaps importantly the technical and social implications for the sector, in terms of adjustments are left out of the discussions and are not appreciated by the policymakers. The priority then will be to increase knowledge-base of agricultural technicians on trade policy matters so that they can become valuable participants in the formulation of policy, and that they can in turn articulate to the sector and assist in the conversion of policy objectives into business initiatives. To ensure that this is integral to the work of the Ministry, Antigua and Barbuda is seeking further assistance to design and establish a Planning Unit within which this trade policy support and monitoring capacity will be housed.

Agri-business Development: The goal is to create a facilitating environment for the agribusiness sector and with a focus on the value-added sub-sector. Accordingly, Antigua and Barbuda has identified as a priority the need to address the poor development of this sector. Linkages with markets are inadequately developed; there is inadequate technology development, or transfer and utilization and no mechanism to cause this to happen. In general modern practices of operating agri-businesses or farm enterprises are not the norm. Support is requested in this area in order to improve productivity and profitability and to make the sector more attractive to the lending institutions. The strategic actions will include training, access to technological options, and learning from the experiences and success in neighboring Caribbean countries. Preference will be given to those actions that support businesses or initiatives that can benefit from the many concessions now being provided by the Government.

Sustainable Rural Development: The agriculture sector provides employment for 8% of the 30,000 employed. Nearly all of these people are in rural areas. There is an absence of value-added rural-based enterprises which keeps employment creation at the lower end of the income scale being mostly primary commodities.

The goal is to contribute to improvements in the standards of living in farming communities or other rural areas through economic activities which provide higher levels of incomes i.e. value-added rural enterprises and /or higher levels of production per unit cost in primary commodities

Micro-enterprises will be promoted in rural areas through actions such as capacity building for entrepreneurship, project identification and implementation and business management focusing on the participation of rural people. The identification of new and improved marketing channels will be facilitated through formal linkages with the hospitality industry and the upscale supermarkets. Selected commodities which have the potential for product differentiation in the export market receive technical support to enable the development of small industries e.g. Antigua Black pineapple, sweet potatoes and hot peppers.

Water for agriculture has been identified is a critical element in this goal towards economic development in rural areas. While the issue of allocation for water irrigation will not be addressed in the Antigua and Barbuda Agenda a model for increased land productivity based on rain fed agriculture will be transferred and encouraged for adoption in Antigua and Barbuda.

Agricultural Health and Food Safety: The goal is for an efficient and effective agricultural health and food safety system of strategic importance to Antigua and Barbuda, due to its high dependence on the tourist industry and the high importation of fresh fruits and vegetables. There is therefore a high demand for national food quality and standards systems that can stand up to international scrutiny on the one hand and the high risk of incidence of exotic pests and diseases. Adequate quarantine measures and a coordinated food safety system must be in place. Measures such as GAPs and

HACCP are a critical aspect of these measures since the expectation is for increase in the supply of locally produced agri-food products to the tourist industry.

3.2 Agreed goals, priorities and strategic actions that are in line with IICA's Support Areas

- **Technology and Innovation**

The goal is to develop an agro-processing sub-sector using the best technological options for product development, productivity and competitiveness. The priority is given to technologies foreseen for cottage type industries. The technologies accessed are those which will provide options for production technologies, for improved management of the operation and for product differentiation including packaging, labeling and branding.

- **Horizontal Technical Cooperation**

Antigua and Barbuda would like to benefit from experiences in Caribbean and Latin American countries, in selected areas; micro-enterprises for rural agriculture dependent areas; successful technology development and transfer mechanisms for small developing economies; arrangements or policies to encourage linkages between agriculture and tourism and/or agriculture and processing. Networking with established laboratories in the area of agricultural health and food safety will be necessary.

- **Training and Education**

The goal is to have adequate capacities along the agri-food chain to manage the sustainable development of agriculture. Training support is foreseen in areas of international trade, to strengthen plant quarantine, to develop public awareness materials (videos) to improve pests and diseases management, strengthen capacities involved in rural development (implementing agencies as well as beneficiaries), in business management for small industries and cottage type industries, and in information systems as tools for policy formulation, planning and management.

- **Institutional Modernization and Strengthening**

The goal is to strengthen selected institutions to facilitate agriculture and rural life. Priority will be given to support for the creation of a Planning Unit in the Ministry of agriculture, and a trade monitoring capacity in that Unit, strengthening of the National Bureau of Standards to function as the Directorate for quality control in fresh produce trade and the drafting of supporting legislation.

A policy on cooperatives and their role in facilitating development in rural areas, and identification of and modernization of support services which traditionally facilitate agri-entrepreneurs to meet demand of export markets.

Improved stakeholder participation in decision taking through the formation and support of a National Agricultural Advisory Committee/National Alliance on Agriculture and Rural Life is also foreseen. Support will be given to the youth and rural women involved in agriculture.

4. MATRIX FOR IMPLEMENTATION OF THE STRATEGIC AREAS AT THE NATIONAL LEVEL

STRATEGIC AREA: **SUSTAINABLE RURAL DEVELOPMENT**

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<p><i>Training and Education</i> Capacity strengthening for groups involved in rural development (practical skills, project development, entrepreneurship, project identification and implementation)</p>	√	√	√	√	Regional Project Specialist GARDC* FAVA/CA	CBOs NGOs Farmers
<p><i>Institutional Modernisation and Strengthening</i> Support to determining the viability of existing micro-enterprises and the feasibility of creating new micro-enterprises in rural areas</p>	√	√	√	√	GARDC	Community Groups, Youth and Women
<p><i>Technology and Innovation</i> Support to the development of a pineapple and sweet potato industry in Antigua and Barbuda</p>	√	√	√	√	CARDI	Pineapple Farmers, Sweet Potato Farmers, Agro-processors
<p><i>Horizontal Technical Cooperation</i> Support to accessing or transferring successful experiences for linking tourism with rural communities (policy, and institutional framework as well as actions)</p>			√	√	Tourism Ministry, GARDC	Targeted farming communities Heritage Groups

* GARDC – Gilbert Agriculture Research Centre

STRATEGIC AREA: AGRICULTURAL HEALTH AND FOOD SAFETY

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<i>Training and Education</i>		√	√	√		
Assist in the production of country specific videos on pests and diseases		√	√	√		Ministry of Agriculture
Assistance to provide training in plant quarantine		√	√	√		Ministry of Agriculture
<i>Institutional Modernization and Strengthening</i>						
Assistance to determine feasibility of various options for establishing a single body (coordinating or centralized)	√					Ministry of Agriculture
Support for development of a Plan of Action for Plant Protection	√					Ministry of Agriculture
Support for a public awareness campaign on quality control and food standards		√	√	√	Bureau of Standards, PCB	Civil Society, Fresh Produce Exporters, Farmers, Extension Officers
Support to establishment of a Quality Control Inspectorate	√	√			Bureau of Standards, CFIA	Fresh Produce Marketers
Support to draft legislation for Quality Control Inspectorate		√	√		Bureau of Standards, Attorney General's Office	Directorate of Inspectorate
<i>Horizontal Technical Cooperation</i>						
Facilitate networking with established laboratories	√	√	√	√	CIDA/CPEC* PCBs+, FAO	Farmers Processors Exporters
Facilitate access to information on management of pests and diseases upon request	√	√	√		FAO	Ministry of Agriculture

STRATEGIC AREA: AGRICULTURAL HEALTH AND FOOD SAFETY

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<i>Technology and Innovation</i>						
Training in good agricultural practices for producers and post-harvest management	√	√	√	√	CIDA/CPEC* PCBs+	Farmers
Assistance in the promotion of sustainable technological options for production and post harvest handling of selected commodities (environmentally friendly options for increased competitiveness {sweet potatoes, hot peppers})	√	√	√	√	CARDI Chemical Companies	Farmers
Access to disease resistant root stock to combat citrus tristeza virus	√	√			USDA, CIRAD	Farmers

*Caribbean Regional HRD Program for Economic Competitiveness
+ Pesticides Control Boards

STRATEGIC AREA: TRADE, POLICY AND INTEGRATION

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<p>Training and Education Support to train two (2) agricultural technicians as trade specialists in matters related to international and regional trading in agricultural commodities</p>	√	√	√		Regional Trade Specialist OECS Secretariat	Ministry of Agriculture
<p>Support the development and management of on-going public information and awareness programme to promote competitiveness and investment in the sector</p>			√	√	CABA	Ministry of Agriculture
<p>Institutional Modernisation and Strengthening Provide support to establish a Planning Unit and specifically to create a trade monitoring capacity in the Planning Unit</p>	√	√	√		Regional Trade Specialist	Ministry of Agriculture
<p>Support for the formation of a National Agricultural advisory Committee and guidelines to its functioning</p>	√	√	√	√	Regional Project Specialist	Stakeholders in agriculture and rural life
<p>Horizontal Technical Cooperation Support to the maintaining linkages with other Ministries in the OECS on issues of regional trade</p>	√	√	√	√	OECS Secretariat Regional Trade Specialist	Ministry of Agriculture

STRATEGIC AREA: AGRI-BUSINESS DEVELOPMENT

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<i>Training and Education</i>						
Strengthen capacity to train selected groups in agri-business practices (product skills, labeling and packaging and business management)	√	√				Farmers Community Groups (CBOs) Agro-processors
Support to strengthen entrepreneurial approach to enterprise development	√	√	√			Community Groups, Agro-processors, Farmers
Training in packing and labeling for increased competitiveness of agro-processed products	√	√			Bureau of Standards	Agro-processors
Training for a business approach to cooperative management	√	√	√		FAVA/CA	Cooperatives, Producer Organisations
<i>Institutional Modernisation and Strengthening</i>						
Studies to determine the feasibility of agro-processing sub-sector (focus on cottage industries for selected commodities and agro-products)	√					MOA Agro-processors Lending Institutions
Feasibility study to determine viable agro-based cottage industries for selected and targeted commodities		√	√		Regional Project Specialist	Community Groups Agro-processors
Support to provide continuous and reliable information on cost of production (fresh and processed)	√	√	√			Ministry of Agriculture (MOA) Processors & Producers
Support to formulate policy on cooperatives (agri-business including fisheries)	√	√			FAVA/CA	Cooperatives
Modernization of support services for agri-enterprises to meet demands of export markets		√	√	√		Agri-input providers

STRATEGIC AREA: AGRI-BUSINESS DEVELOPMENT (cont'd)

Support Areas	Implementation Year				Alliances/ Partners	Beneficiaries
	2003	2004	2005	2006		
<p>Horizontal Technical Cooperation Support to exchange/share experiences of farmers and agri-persons e.g. processing of meats in Saint Lucia and Nevis</p> <p>Assistance to establish linkages with processors in the Dominican Republic</p>		√	√		Dept of Agriculture/ Nevis	Government Abattoir
			√	√		Agro-processors
<p>Technology and Innovation Support to access labeling and packaging technologies</p> <p>Technological options for increased competitiveness of agro-processors (product differentiation, branding, biotechnology etc)</p>	√	√	√		FAVA/CA Bureau of Standards	Agro-processors
	√	√	√	√	OECS Secretariat Regional Technology Specialist	Agro-processors

4. EXTERNALLY FUNDED PROJECTS THAT CAN SUPPORT IMPLEMENTATION OF THE AGENDA

Project entitled *Institutionalisation of GAPs in Selected Commodities in the OECS* in providing training in GAPs, TQM, due diligence and facilitating laboratory services for testing for contamination. This continues until 2003.

5. ADJUSTMENTS REQUIRED AT THE NATIONAL OFFICE IN ORDER TO IMPLEMENT THE NATIONAL AGENDA

This is one of the CAs where there is no facility for providing information and training. An information and distance learning centre should be established. As for the other CAs, this facility would be linked to the ADLC in Barbados. A vehicle must be purchased as soon as possible.

6. POTENTIAL AREAS OF TECHNICAL COOPERATION THAT CAN BE SHARED WITH OTHER COUNTRIES

- Capacity strengthening in matter related to international trade
- Public awareness programmes for agricultural health and food safety

- Options for micro-enterprises for rural development
- Strategies for strengthening linkages between agriculture and tourism

7. CONCLUSIONS AND RECOMMENDATIONS

The National Agenda of Antigua and Barbuda if successfully implemented can impact positively on agriculture and rural life. The strategic focus on micro-enterprises and value-added is most appropriate because of the small volume capability of the sector, whether for export or the domestic market. Focusing on the higher end of the employment chain is also wise. Agriculture is not the dominant sector in the economy. However it has the greatest potential for job creation. Notwithstanding the services sector continues to be more attractive and to provide false hopes of job opportunities, for a large proportion of the unemployed, whose expectations in terms of incomes are influenced by the service sector.

The institutional and policy frameworks for agriculture development are weak, and the Agenda will only be satisfactorily implemented if these areas are addressed early. It is therefore recommended that in the first two years, matters related to policy, institutions and other facilitating mechanisms e.g. agricultural health and food safety be addressed. This will provide the confidence that prospective investors and rural communities need to be motivated.