Challenges and Opportunities for Agriculture development

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Sugar Cane Cultivation

- Area under cultivation harvested declined by 34% during 1997-2009
- Exports declined by 47% during 1996-2009
- Production of molasses declined by 39% during 1996-2009
- Production of molasses declined by 39% during the same period

Sugar contd.

- The conversion rate of sugarcane to sugar fell sharply during the same period
- The yield per acre declined fell from 25.2 tonnes (2000) to 21.3 tonnes (2008)
- The industry has been accumulating losses post 1994
- The gap between export prices and the cost of production has been increasing

Sugar Contd.

- Prices paid to farmers have been declining consistently
- in 2010 prices received by farmers were less than the cost of production. This trend continues
- Sugar lands continue to be alienated from production at the rate of 400 acres per year

Sugar Contd.

- Accumulated losses by farmers have led to divestment and accelerated decline in output

Opportunities

- The transformation of the sugar industry into a sugar cane industry offers bright prospects
- The Cane Industry Restructuring Project (CIRP) focuses on the production of specialty sugars, ethanol, molasses and energy from bagasse for cogeneration

Implementation

- Success requires the following:
- Continuing research on cane varieties
- Research into specialty sugars
- Increase in yields per acre
- Increase in the area planted and output
- Enhancement of best practices
- Increase in factory efficiency

Implementation Contd.

- Attracting skilled youth into the industry
- Modernization of cultivation technology

Root Crops, Fruits and Vegetables

- A variety of root crops and vegetables are produced using open field and greenhouse systems
- A major limitation of the open field approach is weather variability
- The recent introduction of greenhouse technology should enable all-year production

Challenges

- Limited government support through policies and extension
- Slow response by government agencies to farmers' requests for technical support
- Lack of training
- Lack of access to capital
- Inadequate use of technology
- Low returns to investment

Challenges Contd.

- Inefficient marketing systems
- Poor crop scheduling
- Praedial larceny
- Inability to attract talented and trained youth
- Minimal focus on production of value-added products
- The above conduce to cheap imports

Opportunities

- Substantial opportunities exist for increasing output of value-added products
- Exports to cruise ships
- Import substitution to replace the large quantity of imported fruits and vegetables
- Exports of tropical produce to Europe and North America using the Economic Partnership Agreement (EPA)

Opportunities Contd.

- Export of tropical produce to the diaspora
- Contract growing for agro processors
- Production of fresh juices

Organic Farming

- The market for organically produced commodities has grown rapidly within the last decade
- Progress in the production of organic farming has been slow due to non-certification of farmers engaged in organic production of vegetables

Major Challenges

- Absence of certification
- High cost of certification
- Small scale of farmers' operations resulting in high per unit of production overhead costs
- Lack of access to research and development

Challenges Contd.

- Minimal support from the extension services
- Non-availability of training and education in organic farming

Opportunities

- Existence of lucrative markets (local, regional, international)
- The closed nature of organic farming (most inputs are produced on-farm) presents opportunities for substantial savings in domestic and foreign costs components

Opportunities Contd.

- Green products such as fertilizer from chicken waste; green medicinal plants are potential savers/earners of foreign exchange
- Organic farming has the potential to compensate for the slack created by a declining sugar sub-sector
- Organic farming is eco-friendly

Dairying and Beef

- Dairying is a highly capital intensive activity
- Investment in dairying generates poor returns due to the current quota system and the two tiered pricing structure that makes production levels in excess of a supplier’s quota uneconomic
- More than fifty percent of revenue is required to defray the cost of feedingstuff

Dairying and Beef Contd.

the beef sector is small and unable to compete with imports

Challenges

- Required change in the relevant legislation to designate the Chief Veterinary officer as the competent officer to certify animal products for export
- High cost of imported feedingstuff
- The quota system and two tiered pricing structure

Challenges Contd.

- Shortage of capital for R&D of the beef and dairy herd
- Slaughter of young heifers in order to remain in business
- Weak extension services support
- Shortage of capital for upgrading of plant and animals

Challenges contd.

- Shortage of trained manpower
- Increase in cost effectiveness
- Unavailability to the subject Ministry of a dedicated nutritionist to advise concerning the industry

Opportunities

- Increase in exports of fresh milk to the sub-region
- Increase in domestic sales
- Increase in the dairy herd is likely to contribute to an increase in the supply of young bulls to the beef industry
- Increase in demand for packaged hay

Poultry

- Commercial production focuses on chicken meat, eggs, and turkey which is a seasonal activity
- The industry is capable of meeting the local demand for whole chicken, eggs, except special cuts required by the fast food industry
- The average level of production for 2005-2010 was 14,305,000 kgs

Major Challenges

- Change in the relevant legislation to designate the Chief Veterinary Officer as the competent officer to certify animal products for export
- Access to financing for computerized production systems to enhance efficiency
- Upgrading of technology and facilities utilized by small farmers

Challenges Contd.

- Access to insurance by small producers
- Development of substitute feed grains using ingredients that are produced regionally to reduce the content of corn and soya that are sourced extra-regionally
- Enhancement in competitiveness in order to compete globally
- Training for laboratory technicians

Challenges Contd.

- Zoning of production to obviate conflict with residential communities

Opportunities

- Import substitution to replace imports of specialty cuts of chicken required by the fast food industry, as well as chicken wings, backs and necks
- Import substitution of turkey imports
- Increase in exports of poultry products to the sub-region
- Increase in job creation

Opportunities Contd.

- Increase in exports to the European Union member states
- Increase in high-end valued cuts to the cruise market
- Increase in foreign exchange earnings

Pork

- During the past two decades much progress has been recorded in the sector. Substantial upgrading of has been achieved through the efforts of the Barbados Agricultural Society (BAS) and the subject Ministry. The pig improvement programme is reflected in the increase in the domestic production of pork which averaged 36,207 kgs during 2007-2009

Major Challenges

- Greater control over the price of feeding-stuff
- Greater control over the price of energy
- Price of potable water
- Lack of modern infrastructure
- Upgrade in small farmer practices

Major Challenges Contd.

- Systematic selection of good quality piglets
- Consolidation of the sector

Opportunities

- Use of the existing legal framework to develop a cooperative for the purpose of exploring the potential for development of alternative sources of feeding-stuff, using local/regional ingredients to substitute for imported corn and soya
- Import substitution

Sheep and Goats

- The sector is adversely impacted by the low level of commercialization. The Greenland Livestock Station provides the means to upgrade stock. Specialization of function is necessary to facilitate the development of the industry; for example:
- Breeding
- Feed lost for fattening

Sheep and Goats Contd.

- Optimum feeding-stuff
- Meat supply
- Slaughtering
- Special cuts of meat
- Supply of skins
- Nutrition to advance feed/weight conversion

Goat and Sheep Contd. Policies to spur development

- Price differentiation to enhance efficiency in production and quality of output
- Reliable cost of production data to inform decision-making at all levels of the sector
- Improved pasture management
- Strengthening of procedures for continuous testing of the quality of feeding-stuff