

Agricultural Diversification

The Case of St. Vincent and the Grenadines



Dominican Republic

19th November, 2013

Genesis

1. Recognition of the on-coming dismantling of preferential trading arrangement and the need to become more competitive
2. Need to reduce the over-reliance on trade in banana/expand the export base
3. The need to exploit opportunities in services
4. **Food security/import substitution (Poultry, Fruit & Vegetables)**

Features

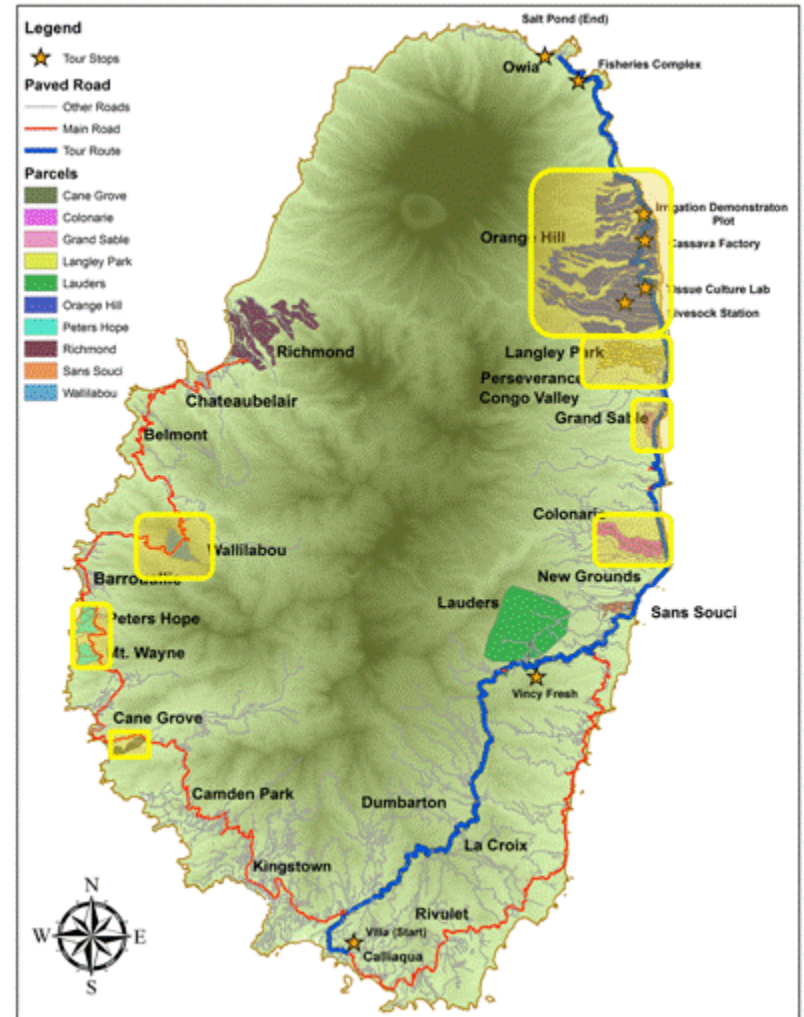
1. Diversification around bananas
2. Linkages with other complementary EU-funded programmes in SVG
3. Economic Diversification
4. Food and Nutrition Security.
5. Rural Development and Employment
6. Economic Growth and Poverty Alleviation

Recent Major Investments

1980s - 2000s

- **Agricultural Reform and Diversification Project (Roads, lands, housing, capacity building)**

Despite investments, IICA assessment found negligible agricultural performance due to constraints: **Institutional ineffectiveness** (weak mechanisms for policy formulation and implementation and monitoring); **technological and marketing deficiencies** etc.



Recent Major Investments

1980s - 2000s

- Small Holder Crop Improvement Project (SVG)
- High Impact Agricultural Marketing programme (OECS)
- ORD Rootcrop, cocoa, turmeric and ginger programme
- National Irrigation Project
- Arrowroot Industry Improvement Project
- Agricultural Diversification Programme
- SFA 2006/07

Improved Breeding Centres



Palletisation Centres



Enhanced Plant Protection



Irrigation Development



Food Technology Lab



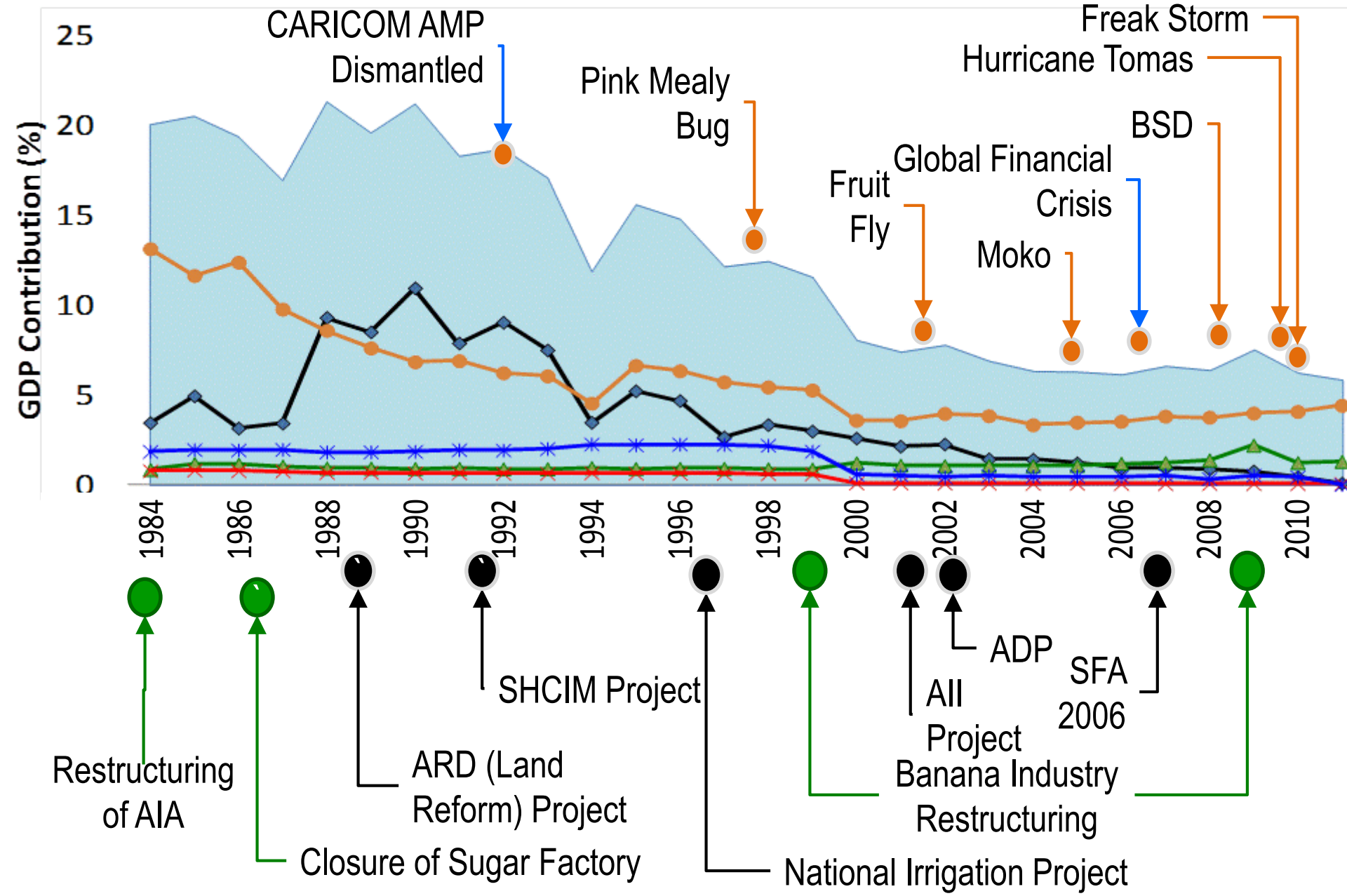
Agricultural Training Institute



Hatchery



Performance



Analysis

Over-reliance on build up of hard infrastructure issues and insufficient focus on soft 'people' issues:

Positives: (1767 ac distributed to dispossessed 743, 318 house lots, 34 miles of road ; (ii) Physical infrastructure built up (feeder roads, irrigation infrastructure, marketing infrastructure, arrowroot factory, equipment, training institute, cassava factory etc.); (iii) capacity of technicians enhanced.

Negatives: (i) Fragmentisation of production base; (ii) insufficient focus on converting labourers into entrepreneurs/managers; (iii) insufficient focus on linking producers into the global value chain; IV) under investment in VC actors' to build capacity & resilience.

Analysis

Other Constraints

1. Small internal market + Weak linkage with tourism.
2. Weak Logistics + expense of airfreight (e.g. fish).
3. Absence of a single-desk seller/marketing coordinator.
4. Inherent mistrust among all VC actors and supporters.
5. External shocks (exotic pests, hurricanes, financial crisis).
6. Market dynamics (liberalisation, food health & safety).
7. Expense associated with meeting standards
8. Weak safety net of agricultural workers.

Pillars for Success and sustainability

1. **Demonstrated partnerships** (Govt, Civil society, Development partners/Donors)
2. **The basis for diversification must be competitiveness and sustainability**
3. **Strengthen and actualise local referent capacities:** HR, Institutional, (weak mechanisms policy formulation and implementation and monitoring), technological and marketing.
4. **Addressing other gaps (e.g. affordable access to credit)**