Attachment II to INS/HGC/2021/32/8

ADVANCING THE CARICOM AGRI-FOOD SYSTEMS AGENDA

Proposal by His Excellency
Dr Mohamed Irfaan Ali,
President of the Cooperative Republic of Guyana

Lead Head with responsibility for Agriculture, Agricultural Diversification and Food Security
(Including the Regional Transformational Programme – RTP)
within the CARICOM Quasi-Cabinet

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INTRODUCTION

In the Revised Treaty of Chaguaramas (RTC), signed in 2001, the Caribbean Community (CARICOM) enshrined a Community Agricultural Policy (CAP) with the following goals:

(i) the fundamental transformation of the agricultural sector towards market oriented, internationally competitive and environmentally sound production of agricultural products;
(ii) improved income and employment opportunities, food and nutrition security, and poverty alleviation in the Community;
(iii) the efficient cultivation and production of traditional and non-traditional primary agricultural products;
(iv) increased production and diversification of processed agricultural products;
(v) an enlarged share of world markets for primary and processed agricultural products; and
(vi) the efficient management and sustainable exploitation of the Region's natural resources, including its forests and the living resources of the exclusive economic zone,

Since then, considerable work has been done with a view to translating the Treaty goals into actionable outcomes at the policy, institutional and operational levels, and to address recognised binding constraints facing the agri-food sector (as per the *Jagdeo Initiative*). The region's approach was further elaborated in the Caribbean Community Agricultural Policy of 2011 and other important policy outcomes over the past two decades, including the *Common Fisheries Policy* and the *Regional Food and Nutrition Security Policy and Action Plan*. Recently, the Community adopted the *CARICOM Covid-19 Agri-Food Security Action Plan* in May 2020 as a response to the deleterious impact of the Coronavirus pandemic on the region's agri-food agenda, most notably on food and nutrition security.

Notwithstanding the progress achieved, the Region continues to face a myriad of challenges in developing a competitive agri-food system that can contribute to the achievement of its food security and economic goals. Challenges include high trade costs, vulnerability to climate change, environmental and external economic shocks, weak infrastructure, lack of modern and creative financing mechanisms, outdated extension services, limited application of technology and uptake of research and development (R&D) and barriers to intra-regional trade, among others.

The food import bill continues to rise and now stands at US$4.7 billion, a clear indication that food availability from regional sources continues to be a key challenge to achieving food security in the Caribbean region.

The challenges in the agri-business sector have been further compounded by the COVID-19 pandemic. The recently concluded CARICOM/World Food Programme Caribbean COVID-19 Food Security and Livelihoods Impact Survey; revealed that approximately 2.9 Million persons within the region are at risk of being food insecure. Further, over 70% of respondents had indicated that they suffered loss of income and increases in food prices. Similarly, the Economic Commission for Latin America and the Caribbean (ECLAC) has posited that there is an urgent and necessary need to reinvigorate regional integration (including agricultural trade) to support the post-pandemic recovery.

In this twentieth anniversary year of the enshrinement of the CAP in the RTC, it is appropriate for the Community to review and revisit the approaches adopted to achieving the goals agreed to in 2001, building on the progress made and drawing on lessons learned.

It is imperative that Regional Leaders urgently address the attendant challenges to agri-food production and trade and commit to the requisite policy changes to create a business environment that will attract greater agri-business investments. Already there are encouraging signs from the private sector to undertake impactful investments in regional agri-food systems, providing that the necessary policy support could be put in place. If realized, such investments could improve intra-regional trade and regional economies through employment and wealth creation and reduce the Region's growing dependence on food from extra-regional sources.

With this in view, it is proposed that CARICOM redouble its efforts with the aim of becoming in the shortest possible time, a Community that effectively feeds itself and collectively serves as a net exporter of food to the world. This will be aided by the commercialization of food supply undergirded by a supporting policy framework to ensure the affordability of quality food, reliability of supply and efficiency in production through renewed partnership with the private sector, synergising of government systems, adoption of technology and youth involvement.

Political commitment would be critical. The first invitation is for Heads to consider increasing investment in the agri-food sector at the domestic level by a factor that each might sovereignly determine. This would be complemented by provisions and incentives to facilitate cross-border investment through the development of a CARICOM Cross Border Agri-Food Investment Strategy to support Production Corridors.

Section one of this paper further explores the issue and challenges to commercialization of food production and supply within the region; section 2 proposes relevant policy solutions and section 3 summarises the timelines and partners for addressing the key actionable issues in the two preceding sections.

1. COMMERCIALIZATION OF FOOD SUPPLY

Commercialization follows a continuum, moving from low to advanced degrees along different dimensions addressing the role and nature of farmers, technology, market linkages, marketing, finance, institutions, infrastructure, and consumers.

The key factors that typically drive commercialization are effective institutions; improved infrastructure; knowledge management; adequate incentives; stakeholders' initiative; and a conducive environment.

Previous initiatives in the region aimed at commercialization had a subsistence sector-based approach where the focus was on supporting the "transition of smallholder agricultural systems into more competitive and commercially dynamic ones and to improve the food security situation of smallholders, farmers and intermediaries". [1]

In order to reduce the region's bill and improve its food security, emphasis must be placed on higher and more advanced degrees of commercialization which support specialized production, corporatization of farming, high capital intensity, intensification of vertical integration, variety of credit and insurance mechanisms, increased role of R&D and use of technology and improved farm and market support infrastructure such as roads and transportation networks to get products to markets in the most cost-effective and efficient manner. This approach will fully embrace a value chain approach but based largely on a self-directed market.

The approach will be to inject large-scale private sector investments in the agri-business sector, productive activities and supporting infrastructure, while not marginalizing small holders but rather seeking to pull them along through mechanisms to promote backward

[1] FAO 2013. The Food Security through Commercialization of Agriculture Programme in the Caribbean Region. Viewed At; Http://Www.Fao.Org/3/I3424e/I3424e.Pdfsa

and forward linkages. However, there are significant challenges that the region faces that must be addressed before a proposal of this nature is to work.

1.1. Addressing the Challenge of Weak Infrastructure

Given the challenge of weak infrastructure within Member States' agriculture and agribusiness sector, appropriate investment by the private sector in supporting infrastructure would have to be considered, either separately or in tandem, with investments in productive activities. In tandem would be more economically feasible to avoid a situation where investments are undertaken in infrastructure and the associated investment in productive activities are never realized to ensure realization of the returns to investments in infrastructure.

1.2. Supporting MSMEs in the Agriculture and Fisheries Sector through Contract Farming/Buying Arrangements

Concomitantly, it is also necessary to support smallholders, including those in the Agriculture and Fisheries Sectors. While large enterprises may have the wherewithal to respond to the market mechanism. Smallholders will continue to be marginalized in trading opportunities if the market is not able to effectively coordinate supply and demand due to information asymmetry and other failures. For smallholders, it is therefore necessary to promote the use of contracts as an alternative exchange mechanism to the market. In fact, contracts are increasingly becoming part of commercial agriculture around the world as the key exchange mechanism and are the preferred mode of exchange in developed value chains. They have been used successfully to support agriculture development and cross-border trade among ASEAN countries such as Thailand, Lao People's Democratic Republic, Vietnam, Cambodia and Myanmar. Contracts can be done, with farmer groups and/or agriculture marketing corporations in Member States, as opposed to individual farmers, to promote group liability.

Contracts can also be used as a mechanism to control quality by specifying standard requirements that must be met and can form part of a harmonized regional standards regime. Trade under the Common Market for Eastern and Southern Africa (COMESA) shows the further benefits to contract farming from improving the implementation of harmonized agricultural standards and customs procedures.

As part of commercialization and stabilizing supply, there should be focus also on the development of futures contracts market to encourage reserves of staple crops, which may prove useful during global economic downturns that could limit the region's access to key imported staples.

In addition to futures contracts, further consideration could be given to an Agri-Food Exchange that encompasses instruments that will facilitate a spot, future and hedging markets that can help with de-risking the sector.

1.3. Use of the Special Economic Zone (SEZ) framework (Production Corridors) as a Model Guide for Designing Incentives Scheme

Member States could follow the special economic zones (SEZs) model in designing incentives scheme for investors targeting exports to CARICOM markets. This may encompass Export Processing Zones such as CARICOM Agro Industries Export Processing Zones for countries with the land mass to facilitate this; Free Ports based on farming districts with backward linkages with agribusiness exporters; free enterprises or Single Factory/ Single Unit Free Zones. This may require developing the legislative and regulatory framework where it does not exist.

1.4. Developing New Financial Instruments

New types of financing instruments would have to be developed to address commercialization of agriculture in the region, including crop insurance. A useful model to emulate is the Sustainable Agriculture Finance Facility (SAFF) used by Brazil to provide a line of credit for integrated crop-livestock-forest systems (ICFL) practices with defined goals for fund mobilization and land cultivation. SAFF is designed as a 10-year revolving credit facility with lines of credit for each target product being financed. It is an investment fund built on commercial and concessional capital and incorporating a virtual marketplace to disseminate funds to farmers.[2] The Sustainable India Finance Facility (SIFF) is a similar financing model and shows how supporting financial services could be developed through strategic cooperation among international partners, commercial partners, and the government.

There are regional private sector entities already making advancements in financial market instruments similar to those of Sustainable Agriculture Finance Facility (SAFF) of Brazil and the Sustainable India Finance Facility (SIFF). For example Producers' Market is a digital marketplace application working with leading impact investors globally to facilitate a series of AgriParks in the Caricom region (including a focus on Suriname and Guyana) to achieve regional import replacement, scaled rural economic activity, and climate change mitigation and adaptation. This program is partnering with the Sub-national Climate Fund (SCF) a $750m fund approved by the Green Climate Fund to lead in foreign direct equity investments into the private sector to support scaled climate-friendly agriculture. The company is partnered with the Inter-American Institute for Cooperation on Agriculture (IICA) and in collaboration with the United Nations Environment Programme. It would be useful to establish strategic partnerships with such companies to provide the access to post-harvest digitalization and the capital required to support commercialization of agriculture and the access to international networks needed to promote sustainable access to financing.

[2] Https://Www.Climatefinancelab.Org/Project/Sustainable-Agriculture-Finance-Facility/

1.5. Addressing Transportation Challenges

The challenges associated with regional transportation could potentially play a major hurdle to increased intra-regional trade in food and agriculture products. The policy issues associated with this matter would have to continue to be addressed. Private sector leadership on this matter would be critical. It is expected however, that expanded production on scales that make intra-regional shipping profitable would drive improvements in shipping facilities.

1.6. The Role of Digitalisation in Commercialization

It is also immensely important that Member States prioritize investing in the enabling digital infrastructure to promote and advance agriculture commercialization and promote food security. For instance, both the CARICOM Private Sector Organisation (CPSO) in its '25% by 2025 Plan' and the CARICOM COVID-19 Agri-food Action Plan highlight the urgent need to employ land use mapping to facilitate optimization of agricultural land use, introduction of on-farm innovation and technological solutions.

Digitalisation has the potential to re-structure agriculture value chains, enabling efficiency, precision, and sustainability of agriculture processes. A broad range of digital technologies can drive improvements in agricultural processes and practices, leading to increased productivity, market access and financial inclusion. Greater access to information can reduce transaction costs and asymmetries in information common in the agriculture sector. This is particularly important for enhancing smallholder inclusion and competitiveness and the commercialization of agriculture.

There are three broad pathways through which digitalisation can impact agriculture value chain commercialization. Firstly, digitalisation can facilitate market transparency by enabling greater bargaining power for smallholders. Secondly, digitalisation can enhance market access through disintermediation and can enable value-addition and diversification by supporting transparency and efficiency of value-chain processes, both upstream and downstream. Finally, digitalisation can facilitate the inclusion of marginalized actors such as smallholders in rural areas and women by reducing persistent digital divides.

1.7. Attracting Regional and Foreign Direct Investment

It is necessary for CARICOM to support private sector investors interested in cross-production and trade in food and agriculture products. This requires increased engagement with the Private Sector, improvements in the ease of doing business across the Community and improvement of infrastructure.

Youth involvement in agribusiness is critical to address an aging population in the regional agriculture sector, limited youth interest in farming activities but possible greater interest in smart agriculture and agribusiness as a professional undertaking. For youth entrepreneurs with limited individual resources but interested in exploring investment opportunities in the region, the group or cooperative approach may be a viable option.

The support for large scale private sector investment is also predicated on the fact that private enterprises will be better placed to undertake applied (firm-level) research and development (R&D) that may be necessary to support future innovative activities in the agriculture sector so that there could be increased value addition.

The attraction of investments within the regional agri-food system, should not be restricted to CARICOM nationals. Foreign Direct Investment remains critical to the region's economic development. Therefore, foreign investments should be encouraged, targeted, and facilitated. However, there should be a coordinated approach to attracting foreign investment, at minimum through the establishment of explicitly set criteria that reflect the region's interests. The list below is a suggested starting point that could be further enhanced.

(i) Minimum investment requirement to be stipulated/agreed on in predetermined target products.

(ii) A percentage of sales to be agreed on/stipulated must be destined for at least one CARICOM market.

(iii) Use of the 'made in CARICOM' initiative as part of marketing and to create appreciation for regionally produced goods.

(iv) Commitment to create backward linkages with smallholders and producers' organizations through contract farming/ buying arrangement, also on future contracts terms.

(v) Commitment to value-added activities based on the uptake of currently available output of research and development initiatives.

(vi) Commitment to investment in the use of technology to promote efficiency in productive activities.

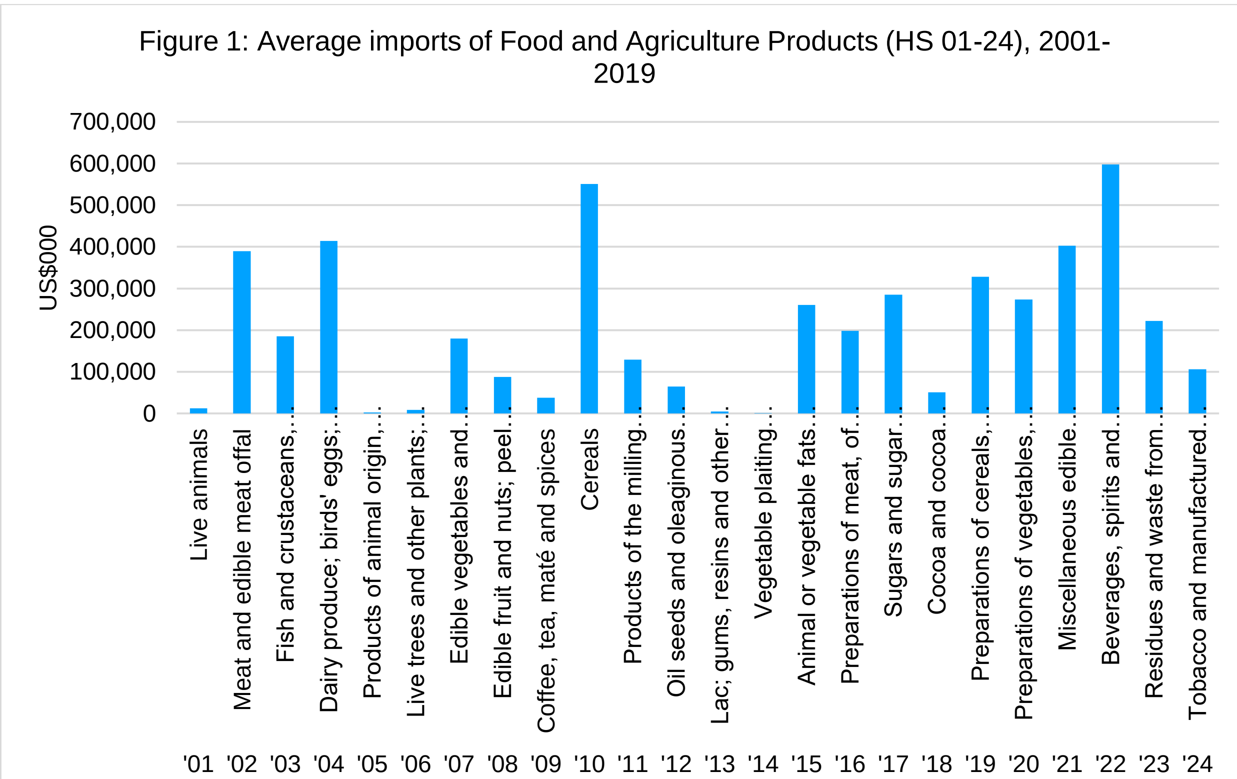
(vii) Willingness to invest in supporting infrastructure, where lacking or through a public private partnership approach.

1.8. Strategic Partnerships with the Regional Private Sector

The CARICOM Private Sector Organization (CPSO) has committed to preparing investment business cases on agri-food opportunities under its proposed 'Twenty-five by 2025' strategy to reducing the regional food import bill. The CPSO includes manufacturers, distributors, producers, MSMEs, transport and logistics firms, and tourism operators, and therefore offers a unique opportunity to follow the value chain approach and to ensure better match between supply and demand. Strategic partnerships should therefore be built with the CPSO, and other potential investors in the region, to capitalize on the current investment interests and further support the private sector as the driver of the transformation needed in the region agri-business sector.

1.9. Target Sectors / Products

Based on average imports for the period 2001-2019[3], the main products (based on value of imports) imported into the region were: Beverages, spirits and vinegar (22); Cereals (10), Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere ...(04); Miscellaneous edible preparations (21); Meat and edible meat offal (02); Preparations of cereals, flour, starch or milk; pastrycooks' products (19); Sugars and sugar confectionery (17); Animal or vegetable fats and oils and their cleavage products; prepared edible fats (15); and Preparations of vegetables, fruit, nuts or other parts of plants (20); Residues and waste from the food industries; prepared animal fodder (23). (See **figure 1** below).



Source: Ministry of Foreign Affairs and International Cooperation of Guyana based on International Trade Centre Data

[3] Note: Guyana is excluded from this analysis.

Based on reports of the Secretary-General of CARICOM on Suspensions granted from the Thirty-Eighth to the Fiftieth Meeting of the Council for Trade and Economic Development (COTED), the following are the key products for which suspensions of the CET were granted.

(i) **Oils and fats** under HS chapter 15-Animal or vegetable fats and oils and their cleavage products; prepared animal fats; animal or vegetable waxes.

(ii) **Fruits and nuts** under chapter 08- fruit and nuts, edible; peel of citrus fruit or melons and chapter 12- Oil seeds and oleaginous fruits; miscellaneous grains seeds and fruit, industrial or medicinal plants; straw fodder.

(iii) **Herbs and spices** under chapter 09- coffee, tea, mate and spices.

(iv) **Juice compounds**, concentrates, flavours and purees under chapter 20- Preparations of vegetables, fruit, nut or other parts of plants and 21- miscellaneous edible preparations.

(v) **Sugar** under chapter 17- sugars and sugar confectionary.

The total value of imports under for these chapters in 2019 were equivalent to **US$1,266,862 (000)** which was about 27% of the region's total imports of food and agriculture products **(US$4,707,164 (000))**.

The Caribbean Private Sector Organisation (CPSO) under the "Twenty-five by 2025" proposal also identified priority investment opportunities within the region as reflected in the table below:

Table 1: CPSO proposal for investment opportunities under the "Twenty-five by 2025" initiative

Investment Opportunities	CARICOM Market Value based on Imports (2016-2018)
Poultry Meat	US $121 million
Hatching Eggs	US $54 million
Corn and Rice (Feed Production)	US $93.8 million
Meat (Beef, Pork, Mutton)	US $30 million
Niche Vegetables	US $50 million
Cassava	US$30 million
Coconut Products	US $40 million
Total	US $418.8 million

*Based on potential substitution of wheat.
Source: CPSO Proposal

Box 1: Summary of the key elements of what is being proposed

1. Emphasis on high to advanced commercialization of Agriculture and agri-business through a value chains approach.

2. Large private sector investment in cross-border production and trade in key target crops based on current demand trends.

3. Inclusion of smallholders through contract farming/buying to provide market security.

4. Emphasis on both CARICOM investors and foreign direct investment.

5. Coordinated approach to targeting foreign investors.

6. Outlining of key investment criteria for attracting regional and foreign investment in any Member State.

7. Strategic partnerships with the private sector umbrella bodies that have already demonstrated a commitment to intra-regional investment in the food and agriculture sector.

8. Use of the special economic zones (production corridors) model to guide the design of incentives scheme for investors targeting exports to CARICOM markets.

2. PRACTICAL POLICY SOLUTIONS FOR ADVANCING REGIONAL AGRICULTURAL FOOD SYSTEMS

2.1. Policy issues to be addressed

The strengthening of the Region's agri-food system presents tremendous opportunities but requires swift action and implementation of resource-intensive programmes and policies.

The strategies pursued, must focus on sustainable wealth creation along with food and income security and advance the strategy being pursued to build resilience and support the transformation of the agricultural sector. Stakeholders, policy makers, development partners among others are acutely aware and collectively agree that unified actions are required to upend institutional bureaucracies and rigidity, a necessary pre-requisite to 'leap-frog' Regional Agricultural Systems transformation.

The notable policy interventions and actions with the potential to achieve the greatest return and create the necessary enabling environment to foster the commercialization of food supply are:

(i) Addressing Non-Tariff Barriers to Trade

(ii) Updating the Common External Tariff and Rules governing Suspensions

(iii) Implementation of an E-Agriculture Strategy

(iv) Development of a CARICOM Cross Border Agri-Food Investment Strategy to support Production Corridors

(v) Accelerating the pace of finalising and adoption of the CARICOM Investment Code to facilitate ease in effecting and sustaining cross-border investments in the food and agriculture sector of the Community

(vi) Greater Funding for Research and Development, (including stronger emphasis on utilization of existing appropriate technologies and innovations)

(vii) Implementation of effective Agriculture Disaster and Risk Management and Innovations in Agricultural Risk Transfer Mechanisms

2.2. Immediate Policy Solutions being Proposed for Implementation by the Region

2.2.1. Complete Removal of all Technical Barriers to Trade

The Revised Treaty of Chaguaramas provides for unrestricted trade in all products originating within the Region but recognizes the right of Member States to impose legitimate technical requirements on imports. It outlaws all quantitative restrictions, including import licensing and administrative measures that restrict intra-regional trade.

The Region as a matter of urgency must commence the implementation of the following policy solutions to address the technical barriers:

(i) Strengthen the role of the Caribbean Agricultural Health and Food Safety Agency (CAHFSA) including its ability to act as an arbiter in SPS related disputes.

(ii) Creation and immediate implementation of a Regional Trade and Information portal for Member States and the private sector to access information with the aim of linking excess production with food deficits and opportunities throughout the Region.

(iii) Establishment of CARICOM Agricultural Non-Tariff Barriers Online complaints mechanism and identification of the respective national Focal Points for information sharing.

(iv) Adoption and implementation of SPS Dispute Resolution Mechanisms for the CARICOM Region.

(v) Adoption of the Regional Policy on Agricultural Health and Food Safety.

(vi) Implementation of the Fisheries SPS protocols for the Region.

(vii) All Member States to adopt and implement the soon to be completed harmonized sanitary and phytosanitary (SPS) measures and protocols for 19 specially select agricultural commodities to facilitate intra-regional agri-food trade and to support food security of Member States.

(viii) Adopt and Implement over the next three years the Regional Policy on Trade in Animals and Animal Products.

(ix) Creation of a Regional Food Import/Production Monitoring Mechanism to provide real-time information on the potential for regional production and supply of key food items and inputs.

(x) Member States to adopt the use of electronic processing systems for all SPS related permits.

(xi) Acceleration of the Trade Facilitation Reform process for CARICOM to improve the ease of doing business with a focus on digitalization.

2.2.2. Rules of Origin and CET Regime and Suspensions

The Common External Tariff (CET) regime, the major instrument for providing regional producers with the level of protection needed to support production and facilitate intra-regional trade, recognized in its original design, that agricultural products required higher levels of protection than those accorded to most non-agricultural products. While some of those concerns may persist, it should be noted that many of those products have been prioritized at the Regional level for special attention. These include sheep and poultry, eggs, pork, goat meat, several dried and salted fish products, onions and shallots, maize and refined sugar.

(i) It is therefore necessary for Member States to revisit the list of products for which lower tariffs apply with the aim of applying a uniform CET.

Concerns have also been raised about the processes for suspending the CET and for granting approval for the use of non-originating raw materials in the production of goods that qualify for duty-free treatment in regional trade under the Rules of Origin. In addition, under the Conditional Duty Exemptions regime, Member States are currently authorized to exempt industries from the payment of the CET on certain products, without recourse to the COTED.

(ii) Accelerate the reform and review of the rules and procedures governing the suspension of the CET, and the Rules of Origin.

2.2.3. E-Agriculture Strategy

E-Agriculture targets the enhancement of rural and agricultural development through the application of innovative information and communication technologies (ICT). For CARICOM, the emphasis should involve:

(i) Development of a regional E-Agriculture Strategy including promotion of an incentive regime to encourage greater technology adoption.

(ii) Develop and implement a *Business-to-Business (B2B) Platform* that is aimed at facilitating efficient interactions among private sector buyers and sellers of agricultural products and produce nationally and across the Region.

(iii) *Deployment of the Government-to-Government (G2G) portal* aimed at providing focused and direct engagement between Member States through the various CARICOM Ministers of Agriculture, to foster greater intra-regional trade of agricultural produce and commodities.

(iv) Support Member States in engaging, identifying, and packaging innovative technologies in ICT (drones and other precision agriculture techniques) for application in appropriate sectors in the Region.

(v) Development of a virtual extension platform to support the provision of regional extension services and access to key subject matter specialists.

(vi) Identify *High Impact* areas for farmer exposure (climate smart agriculture remains relevant); with aim of reducing the potential loss of investment.

2.2.4. De-risking of the Agricultural Sector

CARICOM Member States through a very deliberate policy instrument must cause the sector to become more attractive to the private sector and other potential investors. This requires creative and innovative approaches to financial literacy and financing of the Regional Agricultural Sector. This intervention is critical in strengthening the financial architecture surrounding agriculture/agri-business in the CARICOM Region. To achieve this, the following policy actions are being proposed:

(i) At a national level, the creation of a National Agricultural Catastrophe Fund that links into the Regional Caribbean Catastrophe Risk Insurance Facility (CCRIF) to create an insurance product that will allow the sector to be able to bounce back from shocks and natural disasters.

(ii) The enactment of Regional/National Food Security Procurement Policy that promotes an agreed percentage of all foods destined for Government Institutions (Prisons, Hospitals, Schools) to be sourced locally / regionally.

(iii) The adoption of a Regional Incentive System for potential investors in the Sector.

(iv) The adoption of alternative financing systems that require less sovereign support such as the use of the stock market and crowd funding mechanism.

(v) The creation of regional investment systems which allow for greater predictability of the sector by financing institutions.

(vi) Completion of the framework for the free movement of skilled agricultural workers and subject matter specialists across the region.

2.2.5. Improve the Transportation and Logistics throughout the region

(i) Development and Agreement on a special incentive regime and system for transporting regional agricultural produce and products.

(ii) Creation of Regional Trade, Transportation and Logistics Hub or Corridors to foster greater intra-regional trade. These can include a Northern Caribbean Trade Corridor, Eastern Caribbean Trade Corridor, and a Southern Caribbean Trade Corridor.

2.2.6. Investment in Production, Research and Development

(i) Creation of an information and statistical system underpinned by the Regional Strategy for the Development of Statistics (RSDS) to support evidence-based decision-making.

(ii) Develop a private sector led regional training and accreditation programme to improve the number of agricultural subject matter specialist throughout the CARICOM region to address the expected growth in the sector.

(iii) Implement capacity building for the Ministries with responsibilities for Agriculture and Fisheries to be more responsive to the needs of the Sector.

(iv) Consideration of innovative financing sources and mechanisms to fund R&D as well as the proposed Regional Catastrophe Fund.

(v) Development of production zones in larger land mass territories for Member States to facilitate cross border investment.

(vi) Complete transformation of the Regional Production Systems through the digitization of the agri-business sector.

(vii) Increase production and promote the availability of relevant planting material, agricultural inputs, and livestock feeds. Led by the Caribbean Agricultural Research and Development Institute (CARDI), the programme will establish strategic supply locations in Member States, which will be able to supply the region with high quality planting material.

(viii) Framework for contract farming and other mechanisms to promote efficient transmission of market and price information throughout the supply chain.

(ix) Promoting scientific and technological innovations across all aspects of the agriculture value chain.

CONCLUSION

The implementation of the policy components above will foster an environment for the commercialization of food supply in priority sectors and areas through large scale private sector investment and further potentiating the contribution of micro, small and medium enterprises (MSMEs). This will help to reinvigorate the Regional Agricultural Food System, creating the wherewithal for the region to achieve a greater level of food selfsufficiency (food and nutrition security), displacement of extra-regional food imports, deepen intra-regional trade, increase employment and economic growth and development.

These areas, however, are by no means exhaustive and may have overlaps with current policy recommendations of the CPSO under the 'Twenty-five by 2025' proposal, as well as other regional proposals. For this reason, strong strategic partnerships will remain critical to ensuring synergy in implementation.

3. TIMELINES AND TARGETS

Approach	Policy Issues/ Targets	Timelines				Partners/ Community Organ
		Immediate	Short	Medium	Long	
		(1 to 3 months)	(3 to 6 months)	(6 to 9 months)	(1 year +)	
Commercialisation of agriculture	Strategic engagements with potential regional and foreign investors through appropriate mechanisms (e.g. investment forums, investment missions).					CPSO
	Agreement on criteria to govern a coordinated approach to attracting extra-regional foreign investment.					COTED COFAP
	Use of national investment authorities for proactive investor targeting, supported by designation of specific agribusiness investment officer/unit to champion the attraction of investors and coordination of investment interests.					COTED
	Development of legislative and regulatory framework for production corridors (SEZs) where necessary.					COTED
Policy Solutions	**Complete Removal of All Technical Barriers to Trade**					
	(i) Strengthen the role of CAHFSA.					COTED
	(ii) Creation of a Regional Trade and Information portal.					COTED
	(iii) Adoption and implementation of SPS Dispute Resolution Mechanisms.					CAHFSA
	(iv) Adoption of the Regional Policy on Agricultural Health and Food Safety.					CAHFSA
	(v) Implementation of the Fisheries SPS protocols.					CAHFSA

	(vi) Implementation of harmonized SPS measures and protocols for 19 agricultural commodities.					CAHFSA
	(vii) Adoption and implementation of Regional Policy on Trade in Animals and Animal Products.					CAHFSA
	(viii) Creation of a Regional Food Import/Production Monitoring Mechanism.					CAHFSA COTED
	(ix) Adoption of electronic processing systems for all SPS related permits.					CAHFSA COTED
	(x) Establishment of CARICOM Agricultural Non-Tariff Barriers Online complaints mechanism and identification of national Focal Points.					COTED
	Rules of Origin and CET Regime and Suspensions					
	(i) CET and rules of origin reform and review					COTED
	Implementation of an E-Agriculture Strategy (i) Regional strategy developed and endorsed including a *Business-to-Business (B2B) and Deployment of the Government-to-Government (G2G) Platform.*					IICA COTED
	De-risking of the Agricultural Sector					
	(i) Creation of National Agricultural Catastrophe Fund linked to the Regional Caribbean Catastrophe Risk Insurance Facility (CCRIF).					COFAP
	(ii) The enactment of Regional/National Food Security Procurement Policy.					COTED COFAP
	(i) Adoption of alternative financing systems.					CPSO/COFAP
	(i) Completion of framework for the free movement of skilled agricultural workers.					COTED
	Improve the Transportation and Logistics throughout the region					

	(i) Creation of Regional Trade, Transportation and Logistics Hubs or Corridors.					COTED
	<u>Investment in Production, Research and Development</u>					
	(i) Creation of an information and statistical system.					Statistics Programme
	(ii) Develop private sector led regional training and accreditation programme.					COTED
	(iii) Capacity building for Agriculture and Fisheries Ministries.					COTED
	(iv) Consideration for the application of a cess on ***selected*** extra-regional imports.					COTED
	(v) Development of production zones.					COTED
	(vi) Establishment of strategic supply locations for delivery of planting material and livestock feeds.					CARDI
	(vii) Framework for contract farming and other transmission mechanisms.					COTED
	<u>Commitment of Heads of Government to agri-business incentives that recognizes any of the following:</u> (ii) Youth investors (iii) Caribbean investors with a cross-border agri-food investment proposal/strategy (e.g. for production corridors) (iv) Foreign investors willing to invest in target crops that will see substantial exports to at least one CARICOM market. (v) Strategic investments for transporting regional products. (vi) Scientific and technological innovations for smart agriculture. (vii) Investments in capital market development as part of sector de-risking					COTED COFAP