



Agribusiness forum: enhancing regional trade and adding value to Caribbean agrifood products

Organised by CTA and IICA

St Georges, Grenada, 16-18 November 2014

The Caribbean Regional Briefing took place from 16 – 18 November 2014 in Grenada. The event, which was organised by CTA, in collaboration with the Inter-American Institute for Cooperation on Agriculture (IICA) was in the format of an Agribusiness Forum, along the theme of “[Enhancing regional trade and adding value to Caribbean agrifood products](#)”. It is a follow-up to the work carried out by IICA and CTA during the 2013 Caribbean Week of Agriculture, held in Guyana.

The 50 specialists from the various islands of the Caribbean agree that the relationship between agribusiness and tourism is one of the most promising ways to diversify and grow the agricultural sector in the Caribbean.



Tourism is a key pillar of the economies of the Caribbean. The region is more dependent on income from tourism activities than any other part of the world. Many countries in the Caribbean are highly dependent on imported food and agricultural products, and therefore very susceptible to changes in world food prices. Across the Caribbean, the potential of agriculture, and especially value-added products, could be further developed and greater investments made in the sector. As a result, it

would be easier to attract youth and further develop farming activity in rural areas, have stronger linkages along the value chain and develop stronger networks between key actors such as farmers, processors, supermarkets, restaurants and hotel groups.

The Caribbean region has secured its position on the tourism map with luxury hotels, all-inclusive resorts and cruise ship arrivals in millions, but too often the financial benefits do not trickle down to the islands themselves in terms of local employment and revenue. The term Agritourism captures a variety of strategies, from large international hotels sourcing their products from local farmers, through the revival of indigenous culinary and medicinal culture, to marketing initiatives that highlight the region's unique products and heritage.

The link between local agriculture and tourism could spur the economy of the Caribbean countries, since it would open up a new market for producers and give the tourism industry access to local, high quality products at a lower price. Linking these two productive sectors seems a natural way to boost the development of trade and businesses involving fresh and processed products, in addition to promoting greater consumption of local products.

Supplying locally produced food to luxury hotels and cruise ships benefits both the tourism industry and the agricultural sector, hence the importance of developing business management skills, infrastructure and logistics, and food quality and safety capabilities, to ensure that the supply meets the requirements of consumers.

Jethro Greene, Chief Coordinator, Caribbean Farmers Network (CaFAN)

This is not to downplay the challenges involved in shifting food sourcing from conventional routes to local farmers. Common problems in sourcing products locally are well known - inconsistencies in the quality, reliability, or volume of produce, exacerbated by poor transport and lack of communication, data and information between supplier, purchaser and other operators in the value chain. Yet successful models exist and can be upscaled in a way that meets commercial needs and customer tastes, and where tourism operations can significantly increase their contribution to local economic development through channeling and creating demand for local products among their staff and customers; supporting the suppliers to deliver the quality and quantity required; and establishing workable communication channels between suppliers and buyers to increase local sourcing.

Key areas of follow-up work

- Documenting regional trade and value of linking agrifood and tourism

Mapping/studies will be carried out on market opportunities to demonstrate the economic value of the link between the two sectors and of leveraging the tourist “regional export” market potential (25 million tourist/year come to the Caribbean).

Mapping of companies serving tourism-related markets and informing the policy-makers on barriers and opportunities in regional trade and supporting multistakeholder dialogue to facilitate regional trade and support inclusive value chain development.

Studies on unexplored potential markets linked to the tourism industry (organic, fair trade, traditional and quality regional products, branded products, health and diets, skincare, toiletries and cosmetics...).

- Adding value to agricultural products

Need to **look at the regional value chain for the tourism industry** and export market. There is a need to map and identify tourism business groups and markets interested in agri-tourism and agriculture. Identification of the priority commodities to be enhanced strategically to complement production to needs should be included.

Certification and labeling (organic labelling, fair trade or equitable labelling and other such schemes) are important for the export market and should be looked at in the context of the tourism-related industry. Certified products with value addition have the potential to serve a demanding market that looks for high-quality food, while at the same time strengthening the local and regional markets that serve the tourism sector. In addition, most of tourists are already familiar with, or consumers of certified products commonly found in their country of origin.

Eco-labelling can also be an avenue for gaining access to niche markets in which a premium price is paid for ‘green’ products. For some producers, eco-labelling can present an opportunity to add value to existing products, expand reach in existing markets, access new revenue streams or capacity building tools or maintain market share in a competitive environment through product differentiation. Labelling can therefore provide these exporters with the potential to enhance their export earnings.

- Building capacity and developing PPPs

Regional transportation, storage, capital, branding and promotion have to be improved and key dialogues, networks and PPPs have to be developed. Without a regulatory framework that is favourable to regional trade, value chain development cannot happen. The quality of products and the innovation in the value chain have to be a priority and to that effect there is a necessity to share and promote business models, protect intellectual property and develop PPPs and sustainable financing mechanisms. Farmers networks have to be strengthened to supply markets and collective/cooperative models and networks defined to ensure sustainable supply. SMEs need to get further support from financial institutions and policy making bodies.

Better communication, knowledge sharing and interaction with big private sector groups and chains are needed, and should be stimulated through targeted policy incentives.

Strengthening the skills of farmers organisations, using private, effective extension systems that bring together the knowledge of farmers and communicates/explains the tourism industry requirements can be further developed. Through partnership with [CHTA](#), ideas can be presented and business models, strategic alliances and innovations established.

- **Upscaling successful models** in sustainable agrifood business through key PPPs and private sector development

It is proposed to have an annual Agribusiness/Agritourism Forum, aimed at bringing businesses together and showcasing PPPs and sustainable agrifood business models. Partners include [CABA](#), [CTO](#), [IICA](#), [Caribbean Export Development Agency](#) and others such as [UNIDO](#), [ITC](#), [FAO](#).

Various activities will be carried out in support of the agribusiness forum:

- Documenting best practices in view of upscaling business models in agribusiness/agritourism;
- Mapping companies (profiles) serving tourism-related markets and potential unexplored markets (organic, fair trade, traditional and quality regional products, branded products, health and diets, skincare and beauty...);
- Documenting trends in regional agrifood trade, integration processes and harmonisation in policies (agricultural, trade, fiscal policies) affecting agricultural trade and VC development;
- Access to finance: strengthening/developing VC finance tools adapted to small scale farmers and agribusiness.

Support to regional policy : Branding the region as a Food destination

- Support CTO efforts in promoting the region as a food tourism destination and mobilising investors, finance and VC finance experts (i.e. Possible certification schemes for hotels with local purchasing policy could be an avenue and partnership with IICA and CABA for business development).
- Support to *Network of Chefs* (Culinaire Federation) willing to raise awareness of Caribbean fresh and processed products, be ambassadors of local/regional cuisine and strengthen linkages with local companies and industries.
- Support the Food buyers club (CABA) linking producers, buyers, hotels and developing promotional products.

The recommendations and conclusions of the meeting will be revisited at an agribusiness forum due to be held in 2015.



Dorienne Rowan-Campbell, Rowan's Royale Organic Jamaica Blue Mountain Coffee

