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REPORT OF WORKSHOP II

Subject: Factors Affecting Demand and Supply in the Antigua Agricultural Sector

The main task of this Workshop was to come up with concrete policy recommendations which would require more than a listing of factors influencing demand and supply which the report had already covered. The Workshop felt that some of the areas covered below were currently being examined at the regional level and that the local programmes and policies should take cognizance of this.

The Workshop concluded that:

1. The food production system of Antigua should be geared towards meeting, first, the domestic requirements for foods and adequate nutritional needs of the population and, as far as is possible, the food needs of the tourist sector as long as the latter did not jeopardize the supply of food to the people of Antigua.

In relation to this recommendation, it was noted that there could be some conflict between satisfying the needs of both segments especially in relation to the use of scarce resources. However, policy should clearly attempt to minimize any such conflicts in favour of the domestic population. The Hotel Sector, to a large measure, depended on imports - an attempt should be made to have import substitution but the feeding of the local population is the first responsibility of Government. It is recognized that this goes beyond ascertaining the demand and supply function but more crucial is the overall ability of the population to buy adequate food, bearing in mind minimum nutritional requirements.

The Workshop noted that, through tourism, Government could earn foreign exchange and that such should be then applied to all the sectors of the economy including agriculture.

2. It was noted that, given the possibility of continuing drought, agriculture should adapt to dry farming conditions through use of appropriate drought-resistant crops, water production and storage methodology, agronomic practices as well as livestock grazing and feeding techniques.

Water was identified as a fundamental constraint to increasing agricultural production. It was felt that there was sufficient intermediate technology to come to grips with this problem. Implementation of a water resource programme should take priority and the programme should be accelerated by whatever means possible. It was recognized that there had been surveys done before and that there was sufficient material available from which a clear water resource policy could be drawn up. This policy should take cognizance of the possibility of the competing needs of the various sectors, particularly agriculture, domestic use, tourism and other industries. More efficient and appropriate technology should be used to conserve and maximize the use of water.

It was felt that the price of water to the agricultural sector should be less than the price of water to other sectors. It was further recognized that water was only one of the constraints and that the whole matter of crop selection and appropriate technology should be looked at further.

3. It was recognized that, in view of the real constraints facing agriculture in Antigua, livestock as an industry might lend itself more readily to development and expansion in Antigua relative to food crops.

It was also noted that the food import bill was heavily weighted in favour of livestock products and that a greater impact might be made on foreign exchange savings if livestock development were given higher priority. However, it was also recognized that livestock products were imported as a source of protein and that there could be some agricultural products produced more cheaply which could provide the equivalent nutritional requirements in order to reduce the dependence on imports of said commodities.

Government should look at the practicality of livestock development with a view of increasing self-sufficiency. Special attention must be paid to the development of small stock.

It was noted that there was not a proper system for the management and control of livestock, which led to some destruction of crops.

4. It was noted that one of the policies of licensing of food imports was to ensure that the hotel industry and the domestic sector utilized the maximum amount of local supply especially garden vegetables. The policy governing the issue of licenses should be geared towards ensuring the continual utilization of feed commodities for local consumption at prices that benefit both the producer and consumer. Imports should be seen as a source of last resort. The CMC should play a more active role in monitoring the food requirements of the industry and the population. (Refer to Appendix III of the Report.) CMC should see imports as being an instrument of ensuring supply when domestic production cannot cope with the situation, given the requirements of all sectors of the country.

The CMC should be actively involved in the policy and mechanism of import and export licensing.

5. Processing would have to be closely looked at, as well as packaging and distribution in order that the effects of the seasonality of supply could be reduced. It was recognized that there are several advantages to processed items (e.g. shell life, ease in final preparation and storage), which would improve their competitive position on the domestic market and increase the potential for export. Such activities would also create additional employment.

6. Government should increase its efforts in the above direction, and full use should be made of the media. Ways of preparation, presentation, quality control standards, domestic and commercial preservation of local foods, should be widely and continuously promoted. The Home Economics Division, the new ADC and the food technology laboratory should be mobilized for maximum impact in this area.

7. It was agreed that the services of the CFNI should be used to identify the nutritional requirements of the domestic population and in the preparation of a food balance sheet, as it appears that they were the appropriate body to do this.

A survey of consumers needed also to be undertaken on a continuous basis to ensure that changing consumption preferences could be guaged along with changing income distribution in the interest of meeting nutritional needs.

8. It was noted, in relation to import substitution, that the country could not in the near future, given the current technology, produce all the items imported. Therefore, the policy-makers and technocrats should analyze those which could offer potential for local production in terms of all of the factors of supply and demand. A clear cut policy should be established in terms of each item. An effort should also be made to identify nutritional substitutes for imported items which would lend themselves to local production.

9. It was noted, regarding agricultural policy and the development of large scale expatriate agricultural units, that such should not be done at the expense of the interests of local farmers.

10. It was felt that land tenure was an important consideration affecting agricultural production and farming (e.g. availability of credit and development of long term crops). Furthermore, general consensus was that land tenure could have an influence on production patterns and that, therefore, the present systems of land tenure should be examined with a view to introducing a policy consistent with the long term development of agriculture.

11. The farmer representation on the CMC and other agency boards was considered to be insufficient and, therefore, this representation should be strengthened.

It was recognized that though some type of association of farmers in the main geographical district was desirable and that, even in the absence of this, farmers in each of these districts should elect representatives to work with the various committees of the official organizations, and their views should be taken into account in the planning and coordinating activities of the country.

12. It was noted that, prior to the involvement of the CMC in the supply of vegetables to the hotel sector, farmers could get a more attractive price from the hotels even though there were problems in penetrating this market. It was felt that in supplying the hotel sector farmers should act under an umbrella organization either public or private. Local prime quality produce, should be sold at a price to the sector which is at least equivalent to the landed imported price. Pricing policy should reflect different grades, quality and standards. Prices should also be used as an incentive to produce high quality.

13. It was recognized that many of the hotels have foreign chefs, therefore it could be expected that this would influence the hotel menus and thus the use of local foods.

It is not accepted that tourists want only the food to which they are accustomed. Part of the tourist experience must include the exposure to local dishes.

Chefs must be shown ways and means of preparing and presenting in interesting, diverse and exotic forms the local foods as is the practice in other parts of the world. However, the thrust for such a programme must rest with Government and its agencies. In addition, hotels should be encouraged to engage local chefs familiar with local recipes.

14. Research was identified as being important and the whole planning process required that adequate inputs be made by people engaged in research. Proper research requires more than the designation of a research person. A researcher must have the necessary support facilities and resources to discharge the research function effectively.

It is noted that there is provision for a research officer in the Ministry of Agriculture. The fact that one has not been appointed indicates an indifference to and lack of appreciation of the function of research in the system, especially in development planning. This should be corrected as a high priority. One area of weakness was identified as being market research and market intelligence.

It was felt that Government should use their contacts with regional research organizations and the other organisations in an effort to make their expertise available to institutions such as the CMC.