



**Ministry of Industry, Commerce, Agriculture and
Fisheries**

Speech Notes for the Hon Audley Shaw, CD, MP

Quarterly Media Briefing

2nd Floor Conference Room, Hope Gardens

Thursday, December 5, 2019

10:00 a.m.

Salutations

- **P.S. Dermon Spence**
- **My Colleague Minister, Hon J.C. Hutchinson**
- **Specially invited stakeholders**
- **Members of staff of the MICAF**

It gives me great pleasure this morning to join the PS in welcoming you all and, in particular, the ladies and gentlemen of the media fraternity to this media briefing for 2019. This morning is also an opportune time to reflect a little on last year, even as we look forward to the year ahead.

I therefore wish, in this briefing, to highlight a few of the activities of what we all know is a very large Ministry with several areas of portfolio responsibility, so we can only briefly highlight a few of them today.

So first things first: The Ministry recently completed our senior management retreat at which we took stock of our performance for the Financial Year 2019-2020, even as we are now preparing not just for the calendar year, but the Financial Year which will commence in April next year.

So what did our review show?

Overview of Ministry's performance

On the one hand, it showed some notable achievements, while it also helped us to identify some gaps in performance as we chart the way forward.

So there is good news and there is also not so good news.

As a country and a Ministry, we continue to face the challenges of climate change, which has brought with it increased unpredictability in our weather patterns resulting in increased drought on the one hand and excessive rainfall on the other.

This, of course, has directly impacted the agricultural sector. During the year, there were several cases of bush and farm fires islandwide. In the month of July, for example, there were over 123 reported cases in St Mary.

And, in August, we had the dramatic case in Flagaman, St Elizabeth, where more than 200 acres of farmland were razed by fire, which resulted in losses estimated at \$45 million. And, I wish to commend and applaud our private-sector partners who joined with the Ministry to speedily assist our farmers in that area, so that now their farms are sprouting again and they are able to provide fruits and vegetables for the festive season.

Islandwide, \$565 million has so far been provided in this FY under the Production Incentive Programme to assist farmers in their production efforts.

Against that background, the country recorded less than desirable growth in the agricultural sector with flat performance over the January to September period of this year when compared to last year.

So that is the bad news.

There was slightly better news in the manufacturing sector. This sector showed modest growth of 1.2 per cent in the January to September 2019 period when compared to the same period in 2018.

Opportunities in Agriculture

But to come back to the agriculture sector, the good news is that the challenges in the sector, some of them perennial, are pointing not just to us in the Ministry, but other stakeholders and investors to new opportunities for growth and investment in agriculture.

So, in addition to several companies such as CB Farms, we welcome new investors such as the Gassan Azan-led 400-acre Lakes Pen Agri-Ventures Limited to be established on the Bernard Lodge lands.

We also note Michael Lee Chin's plan, already under way, at Innswood in St Catherine to cultivate some 2,850 acres of land and involving Israeli expertise and technology.

What is interesting about this is that these initiatives are being built upon the concept of mother farm and satellite farms relationships. I addressed this matter in my Sectoral presentation to Parliament in 2018; not 2019, but 2018 when I promoted the Mother/Satellite Farm Concept

And as I said then, “ it is not our intention to leave behind the small farmer who has always been there, through thick and thin, but who is, sadly, operating at a subsistence level. Sustainable growth must include everyone.”

And so, we continue to invite and welcome more of these investments in agriculture.

Diversification of land use

These initiatives also speak to our strategy and plan to diversify the use of government lands, many of which were formerly engaged in the cultivation of sugar cane. Government is diversifying the sector by leasing idle state-owned land, formerly engaged in sugar cane cultivation.

The rationalization plan for lands, particularly in St Catherine, Clarendon and Trelawny, has been prepared by the SCJ Holdings Ltd.

And, in fact, between April 2018 and October 2019 there were over 80 new leases provided to investors actively engaged in economic activity of various kinds on some 24,826 acres of Government lands managed by SCJ Holdings islandwide.

To this end, the Ministry has identified a number of priority crops which have been selected on the basis of their marketability. Among these are

crops such as cassava, dasheen, Irish potato, yams, pineapples, red peas, hot peppers onions, bamboo, cannabis, castor beans and orchard crops.

On June 13, 2019, Jamaica's mango season went down in history. The country saw the first shipment of mangoes off to the United States from the Montego Bay Export Complex at the Sangster International Airport. Some 12,000 pounds of mangoes, representing 800 boxes, were shipped to the USA.

With our entry into the United States market, and the potential for other global markets, now is also the time for investment in mango orchards, as well as other orchard crops such as breadfruit and ackee, which are in great demand at home and abroad.

We have the opportunity before us to create **New Industries** and in that regard, the Ministry is aiming, in the next FY, to request cabinet provide some \$1 billion under the Production Incentive Programme to facilitate growth in the sector.

And I will invite Minister Hutchinson to outline to you later the progress now under way at the Holland Estate lands in St Elizabeth where a model is being created for the use of former cane lands in the establishment of an agro-economic zone.

Farm Roads

Let me also use this opportunity to say a few words about the National Farm Roads programme.

Following the recent report by the Auditor General on this programme, we note the exuberance of the Opposition in their public misinterpretation of the situation. We wish to assure the nation that the Ministry is now examining the genuine recommendation of the AG regarding this very important programme that so critically impacts agricultural infrastructure and rural development.

It is a very serious matter and I will also ask Minister Hutchinson to elaborate on the Farm Roads Programme and present the facts.

New Industries – Cannabis

Yesterday, the Cannabis Licensing Authority marked a milestone when it issued its 50th licence.

A Phytomedicine and Medical Cannabis Institute is to be established in Jamaica, as part of a research partnership with Harvard International Phytomedicine and Medical Cannabis Institute.

Phytomedicine is a plant-based traditional medicinal practice that utilizes various plant materials in preventive and therapeutic processes. The research partnership aims to explore Jamaica's vast botanical resources and their natural medicinal properties for the development of new nutraceutical and pharmaceutical products.

So, the medicinal cannabis industry is moving apace and we are also ensuring that small farmers are involved in the process.

Market Expansion – Home Grown School Feeding Programme

Sustainable growth in agriculture and agro-industry is also going to depend a lot on our ability to respond to market demands.

To this end, I am happy to announce that, come September, it is our plan, working in collaboration with the Ministries of Education, Youth and Information and Health and Wellness and with the support of the Food and Agriculture Organisation of the United Nations to make significant strides in the national school feeding programme.

I have spoken extensively on the other markets available to us and will therefore only reiterate the importance of creating those linkages and platforms for increased supply to the tourism sector and the export markets.

The Sugar Industry

Let me now address the matter of the sugar industry in Jamaica.

Any assessment of the industry as it currently obtains must take the following into consideration:

1. Sugar is still part of the socio-economic infrastructure of Jamaica
2. The industry is in the midst of change and every effort is to be made to facilitate the rightsizing of this industry
3. There is still a market for sugar both on the local and regional markets
4. Government is committed to play its part in **Rightsizing the Industry.**

It requires collaboration and to get it right, there are a number of issues to be addressed:

1. We need to match production levels to demand
2. We have to implement product diversification – plantation white, molasses for rum production, and bagasse for energy generation, to name a few
3. We have to employ the best agricultural practices in order to increase productivity

4. We have to provide more and improved extension services to our small farmers
5. We have to produce more cane for factory throughput
6. And, we have to stop the illicit importation of sugar of all types into the country.

Some other highlights

Ladies and gentlemen, the Ministry during 2019 successfully launched or implemented a number of initiatives and scored some achievements. Let us recall that:

On January 16, we launched the Essex Valley Agriculture Development Project

With funding from the Caribbean Infrastructure Partnership Fund (UKCIF) administered through the Caribbean Development Bank (CDB) in an amount equivalent to £35,515,000, work on this project is pretty advanced, with the actual construction of the irrigation network (pipeline and pumps) scheduled to commence by December 2020 and completed by December 2021. Let me also mention the completion of the feasibility study to supply water from the Black River to the Pedro Plains in St Elizabeth, a project that will boost the availability of water for more than 4,000 farmers when implemented.

On May 16 - Trade Portal Launched

The business community now has quick access to the country's trade rules with the launch of the Jamaica Trade Information Portal (JTIP), the first of its kind in the English-speaking Caribbean.

With the launch of the Portal, Jamaica now has an authoritative trade information source for businesses to easily access the information they need at any time.

On August 7, 2019 – the Companies Office of Jamaica launched its online platform, the Electronic Business Registration Form (eBRF).

Entrepreneurs wanting to start business in Jamaica now have the option of doing so at their own convenience with the first online business name registration platform in the Caribbean.

“Christmas Gifts”

The increase of the age limit for imported vehicles from five to six years has been welcomed as a Christmas gift by many. The amendment to the Motor Vehicle Import Policy, which is administered by the Trade Board, a MICAF agency, therefore, now reflects new age limits ranging from six years for motor cars up to 30 years for commercial vehicles.

It is my belief that the availability of fresh produce for the Christmas season should also be accepted as gifts from the Father above.

And our records show that fresh fruits and vegetables, as well as eggs, poultry and pork products should be in good supply. Because of the unusual weather conditions earlier in the year a few crops like gungo and sorrel may be a little late this year.

Next Year 2020... has been designated International Year of Plant Health and Jamaica will join the rest of the world in observing this important occasion. In that regard, the Plant Quarantine and Produce Inspection Branch of the Ministry will lead this activity, even as we continue to confront and seek to mitigate the impact of such potential threats as the Tropical Race 4 Disease. We continue to appeal to all Jamaicans to be vigilant in our efforts to keep this dreaded banana and plantain disease out of Jamaica. And, I can announce today that some J\$16 million is being allocated in 2019-2020 to manage the actions to:

- a. Exclude the TR4 disease;
- b. Prepare adequately to identify and diagnose TR4;
- c. Detect TR4 early and eradicate it;

In the medium term, beginning in FY 2020-2021, we expect to continue to exclude the disease. The programme budget of J\$60M will include provisions to:

- Restrict TR4 spread; and
- Manage the disease appropriately.

I am also pleased today to note that the World Bank, through its International Bank for Reconstruction and Development, has approved some US\$40 million for Jamaica's Second Rural Economic Development Initiative Project (REDI) .

And, I am sure my colleague Minister of Finance and the Public Service, Dr Clarke, knows that this Ministry is standing ready to participate in that project.

Conclusion

In conclusion, ladies and gentlemen, the Ministry wishes to thank the media and all our other stakeholders for the support throughout 2019. And, as we look forward to a fast-approaching 2020, let me wish you all the very best for the season. And, let us all pray for health, productivity and prosperity in the new year.