

Draft

Today marks the beginning of the transformation of the agricultural sector across Grenada, Carriacou and Petit Martinique.

We do not have to repeat here today the pivotal importance of agriculture to national economic development, the vital importance of agriculture to the nation's food security, the critical role agriculture has played over the years, through the traditional crops of nutmegs, cocoa and bananas in bringing much needed foreign exchange to our people. There have been numerous policy statements in these areas over the past several years.

We do not have to repeat here today the positive role agriculture can play in the development of agro-industrial products which can bring us millions of dollars in foreign exchange as we strive to build a modern economy. We can learn some concrete lessons from the agro-industrial programme which was successfully implemented by the former People's Revolution Government (PRG).

The point being emphasised here is that the foundation has already been laid for the transformation process we are about to embark upon. We must be bold in our initiatives as we seek to change the image of agriculture in this country and make it the real and viable productive sector in the economy that all and sundry have said it should be.

We must engage international agencies to obtain the necessary technical and material assistance so as to realise our goals and objectives in this vital sector. We must reach out to Grenadians at home and abroad with training in agriculture and agriculture-related disciplines with a view to getting them involved.

During the recently concluded elections campaign, our platform promised, through our manifesto, to stimulate the agricultural sector. Our party manifesto states and I quote:

The NDC agricultural policy will be geared towards bringing hope to the thousands of farmers and their families, attracting young persons into agriculture and stimulating the rural economy. We will move agriculture from the back burner to its rightful place in the national economy with structural and economic linkages to tourism and other sectors.

Our farmers and fisher folk will be given the support and motivation they need to feed the nation, reduce the rising food import bill, which is now \$140m, and to improve the quality of life of our impoverished rural communities.

Consequently, the manifesto calls for the radical transformation of thirty areas in the agricultural and fisheries sector, including programmes with the appropriate incentives to attract young persons into modern commercial agriculture, the introduction of a crop insurance scheme for the protection of our farmers, the capitalization of the Nutmeg Association, and merger with the Grenada Cocoa Association so as to make them commercially viable industries, and the construction of a major agro-processing plant in St. Andrews, just to name a few,

Our focus, our energy, all our human and material resources must be geared towards the total transformation of this sector over the next 20 years and beyond. We need to put together a 20-year plan for the development of agriculture, starting with the first 4 years of that plan today. Let us pull out all the mini plans, all the policies and programmes, that have been drawn up and sitting on the ministry's shelves for years, and take the positive elements from them in developing this overall plan. This is a new thrust.

In this new thrust we need to pay particular attention to two fundamental areas: mobilisation of the necessary financial resources to move the production of a variety of crops to a different level; and developing the appropriate mechanism for the sale of agricultural products (whether in raw material, or value-added, form) on the local and regional markets, in the first instance, and, eventually, the extra-regional markets.

The urban private sector should be encouraged to get involved in modernised agricultural production. I speak here of hotel and restaurant owners, commercial establishments, financial institutions, and individual Grenadians, where possible.

The commercial establishments, i.e, the various private sector firms, should be engaged in discussions with a view to getting them to invest directly in agriculture. If successful, this would have a tremendous impact on the national economy, and the benefits for the commercial houses and farmers could be enormous.

Consideration should be given to the setting-up of a public company to aid in financing the developing of agriculture. Such a venture can be undertaken by hotel and restaurant owners in conjunction with individual Grenadians. The

public, as well as private sector firms, can be invited to buy shares in this company.

The local financial institutions are other areas that we should aim to get involved in agricultural production. The emphasis here should be the granting of loans to the farmers at affordable rates.

With respect to the marketing side of agricultural production I have already indicated the absolute necessity of stepping up our activities in this area. This means that we must start asking ourselves some critical questions. For examples: Which crops should be grown for the Grenadian market? Which crops should be grown for the regional markets such as Trinidad & Tobago and Barbados? Which crops should be grown for the Latin American market such as Venezuela et al. And which crops should be grown for the extra-regional markets such as the United States, Canada and the United Kingdom?

Other related questions are also critical. For instance, how do we guarantee decent incomes for the farmers and their work force? How do we guarantee stable and affordable prices for the local consumers? How do we decide on the quantities to put for each crop in contracting with farmers? How do we deal with the issue of guaranteed prices? Should we change the institutional forms for purchasing of crops by creating companies, for example?

I pose these critical questions, together with the broad ideas for financing and marketing stated earlier, so as to stimulate your thoughts as you debate the issues at the level of workshops during the next 3 days, in charting the way forward for this vital productive sector of the economy.

The transformation of agriculture means the transformation of the rural economy, which in turn means the transformation of the social and economic lives of more than half of the population of Grenada, Carriacou & Petit Martinique.