

THE BAHAMAS

2005 Annual Report

The Contribution of IICA to
the Development of Agriculture
and Rural Communities



Inter-American Institute for Cooperation on Agriculture

BAHAMAS: ANNUAL REPORT, 2005

1. EXECUTIVE SUMMARY

1.1 INTRODUCTION

The Bahamian economy is heavily dependent on tourism and financial services to generate foreign exchange and create employment. Tourism provides an estimated 60% of the Gross Domestic Product (GDP) and employs about half the Bahamian work force. The financial services sector accounts for about 15% of both GDP and employment. The agricultural and fisheries sectors together account for about 5% of both GDP and employment. Exports from the fisheries sector account for about 27% of domestic exports while the agricultural sector contributes about 5%. Food imports account for about 80% of the country's food consumption.

1.2 THE STATE OF AGRICULTURE AND RURAL LIFE IN THE BAHAMAS IN 2005

There are several critical issues in the international and national context that impact agriculture and rural life in The Bahamas. These include trade liberalization and trade agreements, environmental issues in the management of natural resources, natural disaster management, technological advancements, national policies and the development of human resources.

In The Bahamas, the main urban centers are located on the islands of New Providence and, to a lesser extent, Grand Bahama. The rural communities are found mainly on the other populated islands, known as the Family Islands. On these islands, agriculture is an important stabilizing social factor that supports those communities. Presently, the farming population is aging with the youth not showing much interest in pursuing farming as a career. They are migrating to the urban centers seeking better economic opportunities.

The rural communities were severely affected by hurricanes Frances and Jeanne in 2004. These communities further experienced the damaging effects of the hurricane season particularly by hurricane Wilma in 2005. The outbreak of citrus canker on the island of Abaco in 2004 has resulted in a decline in citrus exports and thus, economic losses in 2005. Due to hurricanes and the citrus canker outbreak, the performance of the agricultural sector and the state of rural communities has been negatively impacted.

1.3 THE NATIONAL AGENDA

A National Agenda for The Bahamas was developed by a consultative process. The process was guided by the Ministerial Committee on Agriculture (MCOA) which was

established to develop a Ministerial Declaration and Plan of Action (MDPA) for the rural sector and to monitor progress in its implementation. The MCOA initiated the process by canvassing stakeholder opinion on the problems and prospects for the development of the rural sector. Those responses were used to draft the MDPA. On September 20, 2001, a national consultation was held to review and receive comments on the draft MDPA. Based on the comments received at the national consultation, the MDPA was finalized by the MCOA. The National Agenda for The Bahamas is based on this process of consultations and established the basis for the Inter-American Institute for Cooperation on Agriculture's (IICA's) work in The Bahamas during the period 2002-2006.

1.4 RESULTS

The results obtained reflect the scope of IICA's strategic and supporting areas in The Bahamas, as well as the strategic alliances in which the Office in The Bahamas is engaged.

In the area of **Facilitating Competitiveness and Global Trade**, the Office was involved in the improvement of productivity in selected industries. To this end, a Commodity Chain Analysis (CCA) for tomatoes was updated in July, 2005. The process, methodology and Terms of Reference (TOR) for the conduct of a Situation and Outlook for the agri-business sector were submitted to the Bahamas Agricultural and Industrial Corporation (BAIC) and agreed to. A draft report was prepared and discussed. The BAIC has also requested this Office's support in the development of profiles of industrial activity utilizing indigenous raw material and targeting the vast tourism market. The Office has secured the services of the Florida Association for Volunteer Action in the Caribbean and the Americas (FAVA/CA) and preliminary discussions were held with all parties including the Ministry of Tourism. The Office co-sponsored two events in this area in 2005. These were the "2nd Annual Abaco Business Outlook-2005" on the island of Abaco, at which a paper on "The prospects for Agri-business in The Bahamas" was delivered and the Eighth BahamArts Festival under the theme "Utilizing Our Natural Resources".

In the area of **Promoting Food Safety and Agricultural Health (FSAH)**, the involvement of The Bahamas in meetings of the Sanitary and Phytosanitary (SPS) Committee of the World Trade Organization (WTO) continued in 2005. Three persons attended two meetings during the year. The attendees represented the Ministries responsible for Agriculture and Health and the Bahamas Customs Department. Preparations for the meetings in 2005 reflected the new structure of the programme, which requires more active involvement by participants, greater preparation before departure for the meetings and reporting on return.

The area of **Strengthening Rural Communities** was addressed through the continued work with the Bahamas Cooperative League Limited (BCLL) and the Department of Cooperatives of the MAFLG. A case in point is the Bahamian Bottled Tomato project for which a multi-disciplinary team in 2005, developed a feasibility report. Funding is now being sought for implementation. The year 2005 also saw the launching of the Bahamas Agricultural Producers' Association (BAPA). The BAPA is expected to be another forum

for discussion of critical issues affecting the agri-business sector as well as an avenue for dialogue with policy makers on matters of mutual importance.

For the **Development of Human Capital**, three persons involved in herbal extraction, two of them being from the private sector, attended the Caribbean Herbal Association meeting in St. Lucia. Representatives from the Attorney General's Office and the Ministry of Trade attended a workshop on the use of WTO Notification Dissemination Software for Government Enquiry Points and /or Notification Authorities. Training was also secured for a member of the agri-business community in Organic Farming in the Dominican Republic.

In the area of **Environmental Management**, this Office led IICA's regional efforts in Disaster Management. In 2005, work which was started in 2004 was advanced. A document entitled "A System to Minimise the Effects of Natural Disasters on the Agricultural Sector of the Caribbean" was presented to regional Ministers of Agriculture in Jamaica. Its recommendations were incorporated into the 'Jagdeo Initiative'. A report on measures to improve arrangements for disaster management in the agricultural sector of Jamaica was submitted to the IICA Office in that country. A summary of IICA's work in disaster management was presented to the Organization of American States (OAS) Delegates in Washington, DC. The Office participated in workshops for the development of a research project sponsored by the Global Environment change and Food Systems (GECAFS) programme to define current food systems, examine the effects of vulnerability and impacts on those systems, improve the food systems to adapt and design a decision support system to facilitate implementation. Funding is being sought for the project. A project developed for the North Abaco Fisheries Cooperative in 2004 was approved and funded by the Caribbean Food and Nutrition Institute in 2005. The Office monitored its implementation and prepared and submitted the required reports.

1.5 INTER-AGENCY COOPERATION

There was frequent interaction with the OAS, the Pan American Health Organization/World Health Organization (PAHO/WHO) and the Inter-American Development Bank (IDB) on matters of mutual interest.

1.6 FUTURE OPPORTUNITIES FOR COOPERATION

Future opportunities for cooperation will continue to be in line with the National Agenda, which is updated periodically. Strengthening relations with national authorities, strategic partners and the private sector would facilitate greater effectiveness in carrying out future cooperation activities.

Opportunities for cooperation will continue in the development of the Communication Center to improve the information flow to the rural sector; providing support to industries with the potential for improved competitiveness; and providing training to personnel in the office, as well as the public and private sectors.

Four Most Important Events Organized By The IICA Office In The Bahamas In 2005

| Official name of the event | Date held | Site of the event | Number of participants | Place and date of publication of the report or proceedings of the event |
|--|--|--|------------------------|---|
| 1 “Bahamas Agri-business Forum” for launching of the Bahamas Agricultural Producers’ Association (BAIC). | April 5 th | College of The Bahamas, Nassau, New Providence | 70 | Internal Management Report of the Bahamas Agricultural and Industrial Corporation (BAIC), dated April 13 th , 2005 and Press Releases. |
| 2. “Bahamas Agri-business Forum Sequel” | June 9 th | Holiday Inn Hotel, Nassau, New Providence | 52 | Report on the Presentation of the 2004 Annual Report of the IICA Office in The Bahamas and Press Releases. |
| 3. “Second Annual Abaco Business Outlook” Co sponsored with The Counsellors Limited under the theme “Managing the Challenges of Growth”. | September 29 th | Abaco | 75 | Press releases and reports from The Counsellors Limited. |
| 4. “Eighth BahamArts Festival” co sponsored with the BAIC under the theme “Utilising Our Natural Resources” | October 28 th to 30 th . | Heritage Village, Arawak Cay, Nassau, New Providence | Thousands | BAIC’s Internal Management Reports, Press Releases and Brochures. |