



OECS Agriculture Competitiveness (AGRICOM) Project

Enhancing access to markets and sales for competitively selected farmers and fisher-folk (FFs), as well as their allied aggregators and agro-processors (AAs).



“Promoting Agri Market Development”

Stakeholders Sensitisation Meeting South Central Windward Learning Resource Centre

27th February, 2018



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Project Background and Approach

- ✚ The “Linking Farmers and Agro-processor to the Tourism Industry” study found that the current market structure for fresh produce is not efficient and results in suboptimal market performance and that a combined production-marketing system led by the private sector could be a promising model to address the market failures.
- ✚ The AGRICOM project aims at improve linkages between the demand and supply of smallholder produce. Due to the market size, the project broadened its focus on the demand side to domestic, regional and international markets.



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Project Background and Approach

- ✚ The project aims to meet the needs to the tourism industry and local population alike, but also and equally important, to increase exports, thereby reducing the food trade deficit.
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Project Background and Approach

- ✚ The Project is based on similar experiences using a Productive Alliance approach in Latin American and the Caribbean and across the world, but adapted to the reality of small island states.
- ✚ It uses a holistic value chain approach by teaming up key stakeholders along the value chains, such as producer groups, SMEs, buyers and financial lenders to prepare together with support from the project technically feasible and financially viable business plans.



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Project Background and Approach

- Competitively selected business plans will get matching grants to finance investments and technical assistance at the farm and fisher level as well as at the aggregation (marketing) and processing level. Expected investments at the farm and fisher level are: small machinery, equipment and material. At the aggregation and processing level it will include storage facilities, processing equipment and logistics.
- Successful outcomes of this project will contribute to 3 strategic goal of the National Economic and Social Development Plan:



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What is the Productive Alliance Approach?

- ✚ A specific type of collaboration between the public and the private sector aimed at facilitating the access of associated smallholder agricultural producers to markets.
- ✚ These alliances are developed within particular value-chains, in a way that creates a win-win outcome for all participating parties.
- ✚ It is represented by any collaborative arrangement between a small producer organization and an agribusiness firm, aimed at reducing technical, commercial, financial and/or social risks associated with its mission of increased income.

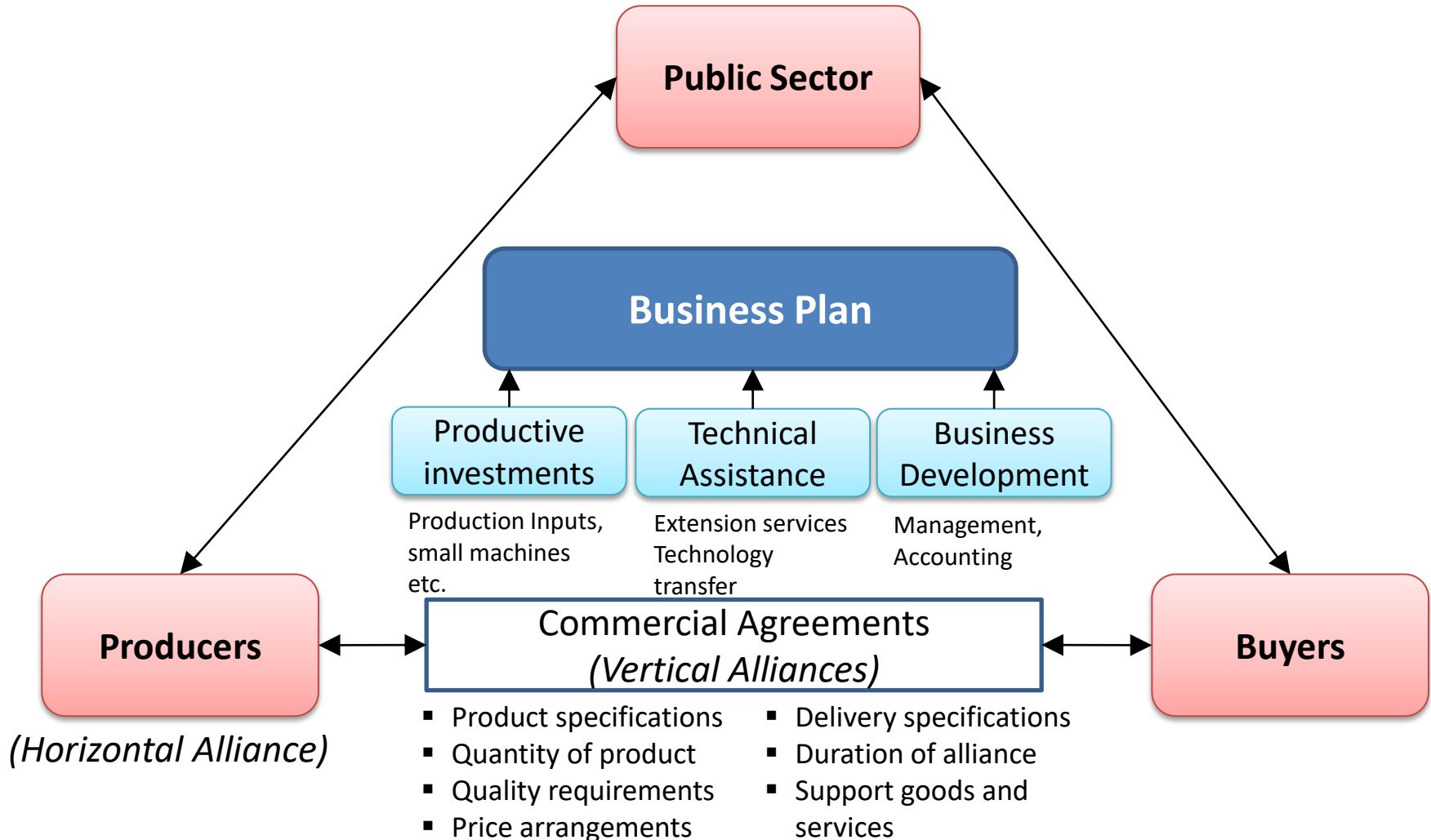


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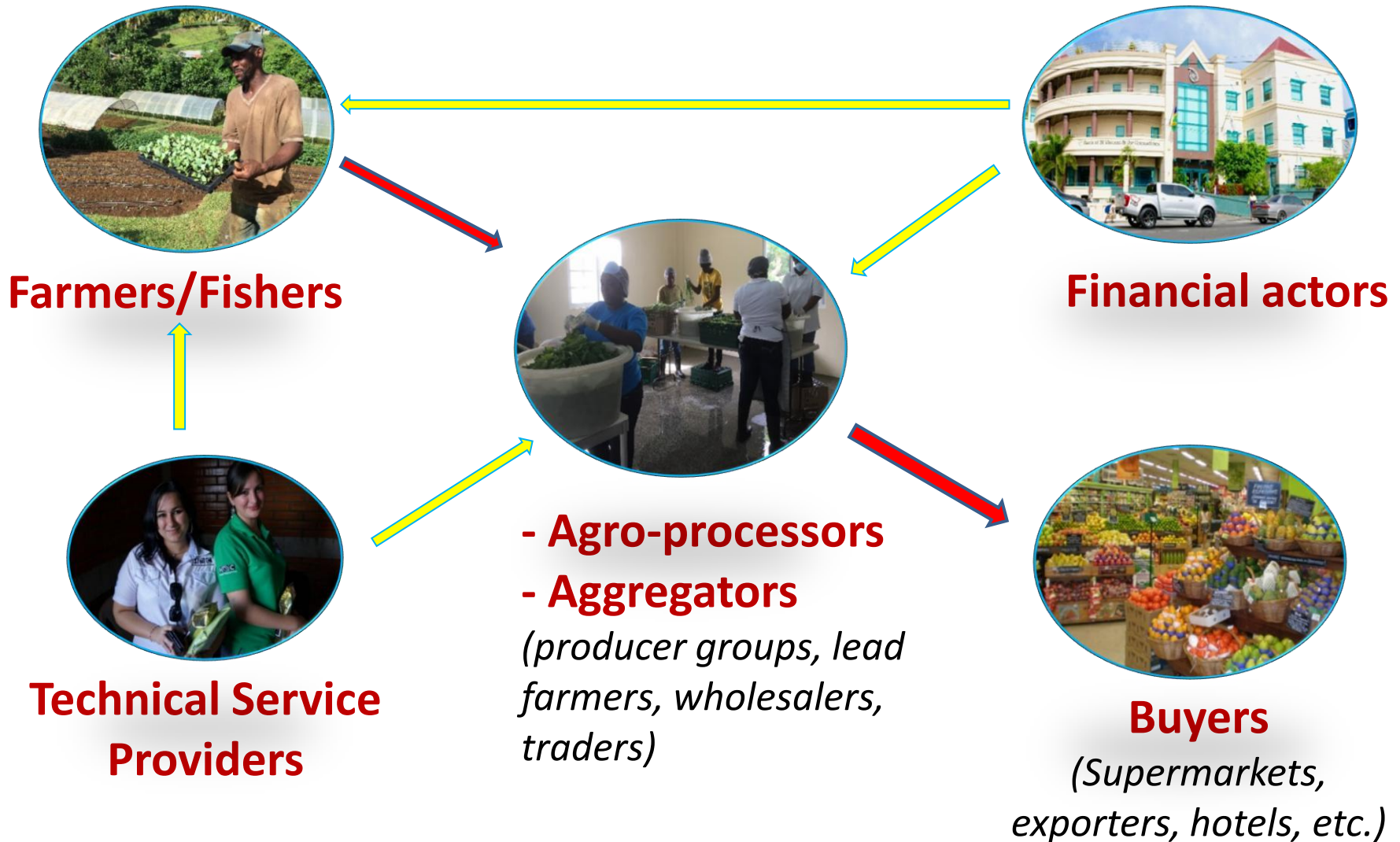


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Project Objective

To enhance access to markets and sales for competitively selected farmers and fisher-folk (FFs), as well as their allied aggregators and agro-processors (AAs) [...]

Contribution to National Sector Objectives

1. Increase access to marketing of agricultural products [...]
2. Contribute to food and nutrition security on a sustained basis by promoting the use of healthy and nutritious foods through various programmes.
3. Increase agricultural exports by developing a comprehensive export strategy for agricultural produce.



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Who will Benefit From The Project?

- 1. Small-scale individual or organized farmers and fisher folks (FFs).**
- 2. Aggregators and agro-processors (AAs),** including producer organizations (associations, cooperatives or similar formal organizations with legal standing); and small and medium enterprises (SMEs) such as wholesalers, traders, lead farmers (with legal standing to act as aggregator) and industrial agro-processors.
- 3. The Ministry of Agriculture Extension and other related staff** are expected to be strengthened by the project.



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Project Cost and Components

The total project costs is US\$4.30 million and is for a period of five (5) years from June 2017—May 2023.

Project Components

Component 1: Support for Preparation of Business Plans

Component 2: Implementation of Business Plans

Component 3: General Agricultural Services and Enabling Environment

Component 4: Project Management, Monitoring, and Evaluation

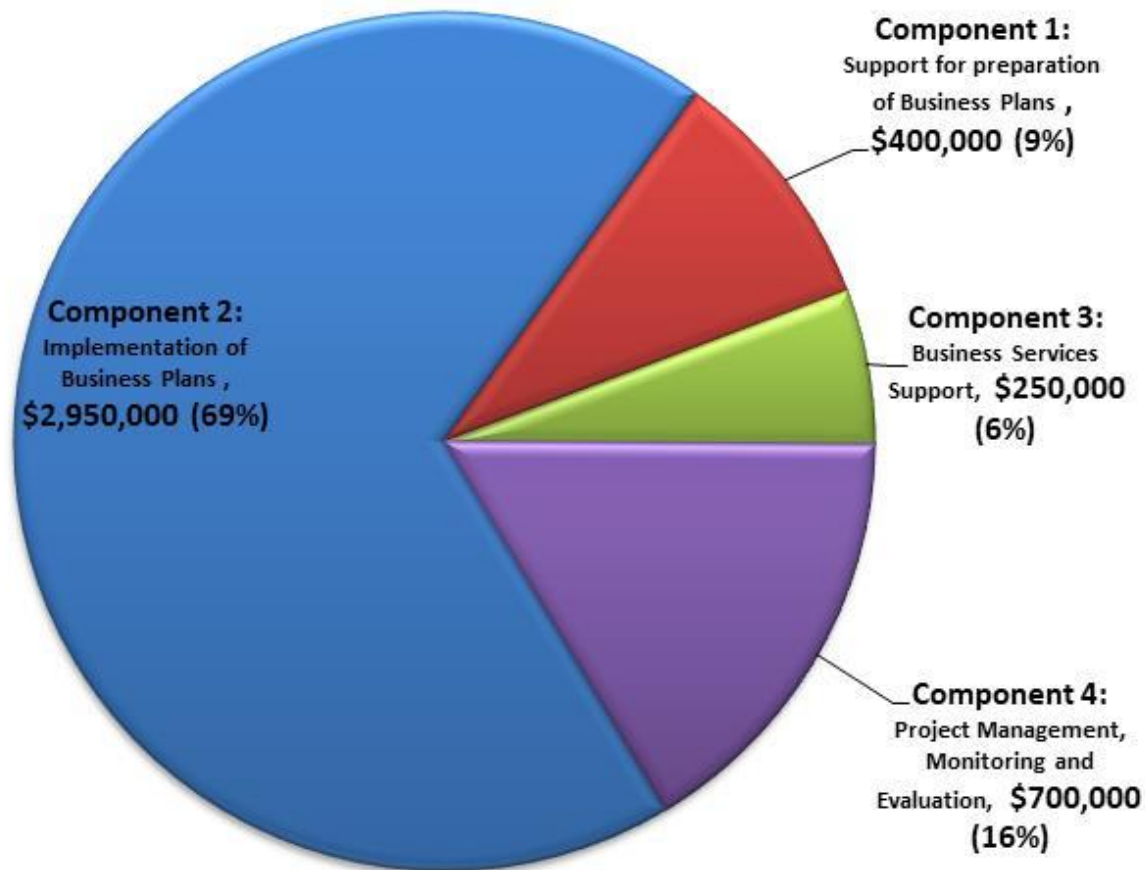


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AGRICOM Project Cost by Component





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Project Cost and Components

Component 1: Support for preparation of Business Plans

- (i) promote the project scope and outreach to potential stakeholders and beneficiaries
- (ii) identify potential business opportunities for prioritized value chains and their translation into viable and profitable business proposals;
- (iii) fully prepare selected proposals into business plans.



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Project Cost and Components

Component 2: Implementation of Business Plans (US\$2,950,000)

To provide matching grants to co-finance the implementation of technically feasible, financially viable, economically profitable, socially responsible, and environmentally sustainable business plans, which when implemented will contribute to a consistent and timely supply of sufficient quantities of quality produce to buyers while providing a reliable income to allied farmers and fishermen.



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Project Cost and Components

Component 3: Business Services Support (US\$250,000)

To strengthen general agricultural services directly linked to the subprojects to enhance the probability of success.

- (i) activities to improve and increase the availability of key inputs required for the adoption of more productive technology
- (ii) organization or participation in trade fairs and study tours,
- (iii) strengthening the national extension services, including training and equipment
- (iv) technical studies to generate new knowledge in key aspects of competitiveness:
- (v) improvements in key public infrastructure



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Criteria for Accessing Project Funds

A Productive Alliance (FF and AA) must present a single Business Plan which will qualify for project support on a competitive basis.

FFs and AAs that meet the Project's eligibility criteria must be able and willing to enter into an agreement with each other to supply a particular product under specified set of conditions (quality, quantity, delivery place and time and price).



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Criteria for Accessing Project Funds

Farmers and Fisher folk

- ✚ Must participate in preparing the subproject proposal and be willing to sign a subproject agreement.
- ✚ Be registered with the Ministry of Agriculture and possess a valid farmer's ID from the Ministry;
- ✚ Own agricultural land or fishing boats and related assets, or be in possession of a long-term lease (5 years or more), especially for assistance with crops.
- ✚ Can demonstrate to have cultivated, reared or fished for the last three (3) years.
- ✚ Be willing to exhibit his/her plot as a demonstration plot, if required.



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Criteria for Accessing Project Funds

Farmers & Fisher-folk

- ✚ Agree to work together with the extension officers and representatives from the project, and with the consultants appointed a. appointed by the respective PCU/ PIU, to identify the investments and inputs needed as well as the proper use and handling of the inputs.
- ✚ Be willing to give feedback about the benefits derived from the help received and lessons learned.
- ✚ Agree not to use banned agro-chemicals on their farms and to adopt the best practices as recommended by the project.
- ✚ Agree to comply with subproject Environmental and Social Management Plan.



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Criteria for Accessing Project Funds:

Aggregators & Agro-processors

- + Be a registered business or producer association legally established, with taxes paid up to date or legally exempted from tax. Start-ups are also eligible.
- + b. Comply with integrated pest management rules/regulations established by the project.
- + Supply information on usage, storage, protection, disposal, etc; of pesticides and other agro-chemicals.
- + Sign and adhere to the Subproject agreement with the respective PCU and PIU.



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Criteria for Accessing Project Funds:

Aggregators & Agro-processors

- ✚ Commit to work with a group of at least **10 FFs** in the business plan.
- ✚ Agree with an investment amount not exceeding 50 % of the total investment under the subproject (Aggregators and Agro-processors (AAs) plus Farmers and Fisher-folk (FFs)).
- ✚ For project purposes, an AA legally established as an SME shall have between 6 to 50 employees.
- ✚ Agree to comply with sub-project Environmental and Social Management Plan.



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Items and Activities that can be Financed under a PA Business Plan?

For FFs:

- i. Investment/operation expenses for farmers, such as equipment for land preparation and harvesting, irrigation infrastructure (including rainwater harvesting structures and pressured irrigation, greenhouses, tunnels, hydroponics, aquaponics, etc. and other small on-farm infrastructure,
- ii. Investment/operation expenses for fisherfolk to improve capture capacity (such as boats and fishing implements), temporary cold storage, etc;
- iii. Specialized technical assistance (TA) to be provided by technical assistance providers procured by the Project Coordinating Unit.



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Items and Activities that can be Financed under a PA Business Plan?

For AAs:

- i. Investments in equipment (transport, office, ICT tools/mobile applications, cold storage, product processing, etc;) and infrastructure (storage/warehouses, cold chain facilities, etc;)
- ii. Specialized Technical Assistance to support the implementation of the Business Plan.



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Implementation arrangements

INSTITUTION	ROLE
1. Project Coordinating Unit (PCU) /Ministry of Finance and Economic Planning – PSIPMU	Overall fiduciary and safeguard responsibility of the Project
1. Project Implementing Unit (PIU) in the Ministry of Agriculture	Overall technical implementation responsibility of the Project
1. Project Steering Committee (PSC)	Oversight, guidance and approval of work plans



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Stakeholder Feedback

Once subprojects' sites are known, the PCU social specialists will undertake **community consultations** to provide beneficiaries and stakeholder communities with information about the subproject and to elicit feedback on subproject activities and design.

The data collected during these two-way citizen engagement activities will be the basis for citizen engagement/beneficiary feedback for individual sub-projects

These consultations will occur during at least three critical points in the life of the subproject: (i) preparation, (ii) implementation, and (iii) following the completion of activities at subproject sites.



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Stakeholder Feedback

The **Project-level Grievance Redress Mechanism** provides a way for project affected people and communities, as well as members of the public to lodge complaints and/or request information about the Project.

The PCU will monitor and present quarterly reports to the Bank, including: Number of complaints registered; categorization of complaints received; and percentage of complaints solved.

The Project's results framework includes a Grievance Redress Mechanism indicator to measure the percentage of complaints solved.



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Next Steps

Business Round Tables

(Interactive meetings/fairs etc. to match demand with supply)

Farmers/ Fishers + Aggregators/ Agro-processors



Form/strengthen Productive Alliances

Call for Business Ideas Proposals (2/Yr)

Training to Develop Business Ideas Proposals

Develop Business Ideas Proposals

Evaluate & Select

Training to Develop Business Plans

Develop Business Plans

Evaluate & Select

Implement Business Plans

Producers - 80% US\$8,000
ea. (Max US\$120,000)

+

Aggregators - 20 - 50%
(Max US\$120,000)

Disburse Grants



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Thank You.
Your Feedback??

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