

April 24<sup>th</sup> 2020

## Excerpts from the 2020 Budget Address on Agriculture

### Introduction

*One thing that the Covid-19 crisis has illustrated, is the way our country has been able to provide food for its citizens, and how our farmers continue to earn money by exporting food regionally, in particular to Trinidad and Tobago, and Barbados. All this points to the efforts of the Ministry of Agriculture, and by extension, the ULP administration, to further energise the agricultural sector. For more on this, we present this excerpt from the 2020 budget address delivered by the Minister of Finance, Hon. Camillo Gonsalves.*

Agriculture remains the largest employer of Vincentians and one of the largest direct contributors to the wealth and wellbeing of our citizens. Farming and fishing are deeply engrained in the Vincentian identity, culture and ethos. Long before the colonial invaders imposed plantation agriculture and the exploitation of enslaved Africans in Saint Vincent and the Grenadines, our indigenous peoples were taking full advantage of our fertile soil and bountiful seas.

Over the years, we have remained true to the transformative potential of agriculture. The cash crop of the day has changed. The methods have changed. The markets have changed. The global environment has made small island agriculture more difficult. Indeed, some of our regional neighbours are abandoning agriculture in a headlong pursuit of ephemeral and unsustainable schemes.

Not Saint Vincent and the Grenadines.

### Our Potential

We continue to recognise our custody of the region's most fertile soil, most talented farmers and most able fisherfolk. We continue to invest wisely to capitalise on these blessings.

In 2019, Saint Vincent and the Grenadines exported more livestock than ever before, with cattle, goats and pigs being shipped to our regional neighbours. We exported more tonnes of seafood than ever before. We cultivated more cocoa than ever before. And we became the first new country of origin for coffee production in more than 50 years, with the introduction of a new premium specialty coffee brand. For the first time in recent memory, Saint Vincent and the Grenadines emerged from the Christmas season without the need to import eggs. Instead, with production of 50,000 eggs per day, we are now poised to export eggs regionally. With the resolution of the currency exchange impasse with Trinidad and Tobago, our traffickers are enjoying increased exports of root crops and other agricultural produce.

Hundreds of local farmers have become licensed as cannabis cultivators, and large swaths of land have been bought or leased for the production of medicinal cannabis.

Agriculture in Saint Vincent and the Grenadines is in a period of rapid change and exciting possibilities. This reinvigorated sector – ably and energetically led by our Honourable Minister of Agriculture, our farmers and our fisherfolk – is poised to be a dynamic engine for growth and development over the coming decade.

### **Faith in Agriculture**

Budget 2020 demonstrates our faith in the power of our farmers, fisherfolk and the agriculture sector. In our Capital programme, we will be investing \$2.7 million this year in the revitalisation of the arrowroot industry, including the construction of a new arrowroot processing facility. Our traditional excellence and experience in the production of arrowroot dates to pre-colonial times. In recent years, arrowroot has enjoyed a resurgence as a gluten-free, grain-free, vegetable with high fiber, protein and folate content. Unfortunately, our arrowroot production facilities lacked the requisite modernity and phyto-sanitary capacity to take full advantage of the crop's global reemergence.

We are grateful for the hard work of the Ministry of Foreign Affairs, the advocacy of Ministers Caesar and Daniel, and the generosity of the government of the Republic of India, which provided US\$1 million to construct a new factory shell for arrowroot production. The new facility, to be located in Orange Hill, will be constructed this year.

Blackfish is another traditional product of Saint Vincent and the Grenadines that will enjoy significant investment and modernisation this year. Budget 2020 makes provision for \$3.4 million to be spent on the construction of an advanced Blackfish processing facility in Barrouallie. The ministers of Foreign Affairs and Agriculture worked closely with the government of Japan to make this important project a reality.

Last year, the Honourable Minister of Agriculture spearheaded an initiative to move Saint Vincent and the Grenadines beyond subsistence-level fish production by engaging the private sector and capitalising on the capacity of the Argyle International Airport. This initiative has been an unqualified success. The Bequia Seafood Company Limited and the Ocean Marine Shipping Agencies Limited have signed lease agreements with the Government to manage the underutilized facilities at Bequia and Owia, respectively. These two facilities now employ over 100 Vincentians and contributed to the strong growth in fish landings and exports for 2019. Both facilities intend to expand their employment and capacity in 2020.

As promised in last year's budget, 2019 saw the beginning of construction of a new \$10 million seafood processing facility at Calliaqua. It will be completed in August 2020. That facility is being built by Rainforest Seafoods, the largest processor and supplier of premium quality seafood in the Caribbean. Rainforest Seafoods intends to utilise the Argyle International Airport to export live lobsters and other Vincentian seafood to markets as

distant as China and Japan. The processing facility will directly employ over 40 Vincentians and will purchase up to \$20 million in lobster and seafood annually from Vincentian fisherfolk and local suppliers. When one considers that fish production in 2019 was estimated at approximately \$18 million, Rainforest's planned annual \$20 million purchases hold tremendous promise for the growth of the fisheries sector and economic development.

The Government of Saint Vincent and the Grenadines recognises that 2020 presents a window of opportunity for Vincentian farmers and fisherfolk to capitalise on the exciting developments in the agriculture sector. As a result, we are significantly increasing the monies available under the Farmers Support Revolving Fund, to allow our fisherfolk and farmers of livestock, poultry, banana, vegetable, arrowroot and other root crop to enhance their capacity for increased production in anticipation of the coming opportunities.