Good Policies

a prerequisite for

Good Agriculture

In a Nutshell

July 2005

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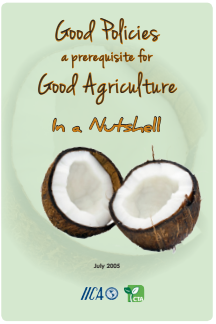

This is the information age where access to knowledge and information is a critical ingredient in success. The In a Nutshell series is designed to stimulate interest and inform on issues and topics of importance to sustainable agricultural development in Caribbean countries.

Good agriculture is essential to sustainable development and good policy is essential to good agriculture. Policies affect our options, decisions, activities, interactions and standards of living. Shouldn't you have a say?

This issue appeals to the youth, rural women, indigenous people and educators, urging them to enable the success of a new agriculture by getting involved with farmers, scientists, universities, ministries of agriculture and development agencies in strengthening the policy process for agriculture.

AGRICULTURE is more than Food!

Agriculture starts on the farm and agriculture provides food. But agriculture is...

… more than food;
… more than farming;
… more than forestry and fishing;
… more than rural areas.

Agriculture must satisfy the social, economic, technological, recreational and environmental needs of a 21st Century society.

The links in the Agriculture chain capture an expanded and integrated set of activities related to the production, processing, marketing, distribution, utilization and trade of inputs, food and non-food products, other agribusiness and environmental services.

Agriculture continues to play a central role in building strong economies and, in the process, reducing inequalities by increasing incomes and employment opportunities for the poor, while preserving the natural resource base for next generations.

Bad policy can make fertile soils infertile and good products, uncompetitive!

The policies and decisions made today will determine the direction and speed of development of agriculture and its ability to meet the need

VISION, Goals and Policies

. . . setting the stage for action

Vision

To establish an environment where opportunities for higher incomes and employment are created for resource-poor agricultural producers alongside a thriving and sustainable agri-business sector.

Goals

. . . . for agricultural development must ground the Vision and lead to sound Policies and Actions, e.g.;

Goal 1:

Make agriculture sustainable, more efficient and globally competitive.

Goal 2:

Support the development and growth of micro, small and medium enterprises.

Goal 3:

Conserve agricultural natural resources (land, water and biodiversity.

Agricultural POLICIES Matter

Policies are the decisions and instruments Governments use to create the environment that enables change to take place. They must give effect to the vision for agriculture.

Governments' philosophy is that development must benefit most, if not all members of society. To achieve this, a policy could be that "agriculture must generate incomes and employment." This policy could be achieved through programmes designed to:

- **reform** domestic markets (eg. to increase efficiency and productivity and opportunities for small producers);
- **stimulate** international trade (eg. through engaging in negotiations, facilitating structural adjustment, etc);
- **ensure** agricultural health and food safety along the entire agri-food chain;
- **manage risk** (to reduce vulnerability and uncertainty in agriculture);
- **strengthen** agricultural research and extension to fuel innovation-led productivity;
- **improve** agricultural development infrastructure and financial services;
- **promote** rural participation and coordination (through cooperatives/ associations)

Achieving Policy BALANCE Matters

A goal can be achieved by multiple policy objectives. But good information and open dialogue are critical to help determine the trade-offs to be made within and between policy objectives.

Go GMO or Organic?

Both production methods offer opportunities for efficiency:

- GMO (Genetically Modified Organisms): through improved drought, pest and disease resistant, higher-yielding and consistent-quality varieties.
- Organic agriculture: through positive and sustainable environmental, human safety and health impacts.

Produce Food or Non-Foods?

Both outputs offer opportunities for competitiveness. Populations are growing. Food will always be in demand. Agriculture will remain the base of food security.

- Crops are not only used for food, but also to satisfy society's needs for:
- cosmetics (avocado & aloe vera),
- lower cost pharmaceuticals (eg. yam for birth control pills),
- bio-degradable plastic packaging material (from corn, sweet potatoes and cane);
- renewable energy (ethanol from corn and cane).

The process by which policy decisions are made also matters!

Mechanize the Farm or Modernize the Farmer?

The farm is not a factory that operates under controlled conditions. Innovative technologies are good options for modernization. But they must be appropriate to Caribbean situation.

The farmer is an important human agriculture resource and the primary custodians of natural resources and ecosystems. They must be modernized to operate more effectively using available and appropriate tools (eg. irrigation, greenhouse and information technologies.)

Promote Exports or Food Security?

Exports are critical to growth in agriculture. Agricultural products need to satisfy international standards to access markets and other social and environmental factors to enhance market success.

Expanding trade is an important source of food supplies. But strengthening local agricultural production to feed ourselves will be most critical in ensuring our food security.

The Dimensions of Agricult
- the Ag

Society:
The Bee's Head
- with its organizations, institutions and values, provides the orientation. All stakeholders must get involved in orientating agriculture by participating fully in the dialogue process.

Soc

The Economy
Techn

Natural Resources:
The Bee's Body
- contains the country's resource endowments, (land, water and labour). Equitable access to these resources is critical for sustianable growth and development in agriculture.

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The Economy, Science & Technology: The Bee's Wings

- they determine the direction and speed of development. Equity and good governance, research and development will be the critical tools to set the pace of agricultural and rural development.

Policy: The Bee's Honeycomb

- is the enabling environment which is indispensable to the bee's survival. Policy is agriculture's honeycomb - the environment that will enable its growth and development.

ency for Development and Cooperation (SCD), www.sdc.gov.ch; www.infoagrar.ch

Policy: as good as the PROCESS

Policy is developed through a step by step interactive Process that is built on information, participation, dialogue and commitment.

Step 1: Time to Decide!

Society will always have multiple needs and objectives. The problem/objective must be properly identified. Good information and dialogue are key to filter and prioritize. Which problems to fix? Which objectives to pursue?

Time to DECIDE!

Step 2: Time to Design!

One–size-policy does not-fit-all. Design is critical in formulating a policy package that responds to the specific need and objective. Credible information and timing are critical. Consult stakeholders and **DESIGN NOW**!

Step 3: Time to Test!

The policy may work in some situations and not in others. Needs and objectives are many but resources are scarce. Mistakes are costly. Evaluate and test the policy. Follow the process.

Don't be HASTY!

We need to shift from traditional thinking of policy as a set of discrete events, to one of policy as a process of continuous events, based on dynamic rather than static properties

Step 4: Time to Decide!

Good policies will lead to good programs and projects. Progress will not be made, or sustained without them. Delays and distractions make a bad situation worse.

Implement them,

DON'T WAIT!

Step 5: Take Stock!

How is the policy working? Was the project effectively implemented? The only way to know if the process is on track or if progress is being made is to follow-up and measure the impact, during and after policy implementation.

EVALUATE

WHAT!?!
No Impact!?!

1. **RE-VISIT the Problem.**
2. **RE-TRACE the Process: Don't Skip Steps.**
3. **WORK the Plan.**
4. **PLAN for Contingencies!**

GOVERNMENT has the final SAY.
But YOU have a Decisive Part to Play!

Good Agricultural Policy

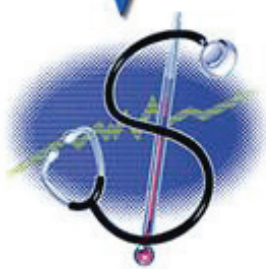
. . . necessary, but not sufficient.

The policy decisions on the direction and pace of agricultural development often depend on factors outside the influence of agricultural policy itself.

Sometimes. . .

- **Industrial policies** that seek to facilitate low-cost raw materials to encourage manufacturing can lead to an increase in the use of imported inputs (including primary and semi-processed agricultural products). This could reduce demand for and use of local agricultural raw material in manufacturing and restrain growth in agriculture.

- **Trade policies** that commit to lower the tariffs on imported products in order to provide 'cheaper' foods for the general population, can reduce and/or remove the protective barriers against competing imports. This could reduce demand for local foods and eventually, the level incomes and employment in agriculture.



- **Exchange rate policies** that 'devalue' the local currency against leading currencies (US dollar, Pound sterling) can actually enhance the competitiveness of agricultural exports and increase the demand for local agricultural products.

We need to fill the gaps!

GAP #1:

Good Agricultural Projects

Well defined, designed and directed projects are the vehicles through which policies can lead to on-the-ground change for agriculture and rural development.

Some good agricultural projects are:

- upgrading education, training and skills levels;
- establishing production and marketing infrastructure;
- conducting demand-driven research and technology development;
- promoting business development and entrepreneurship;
- providing information and communication technologies.

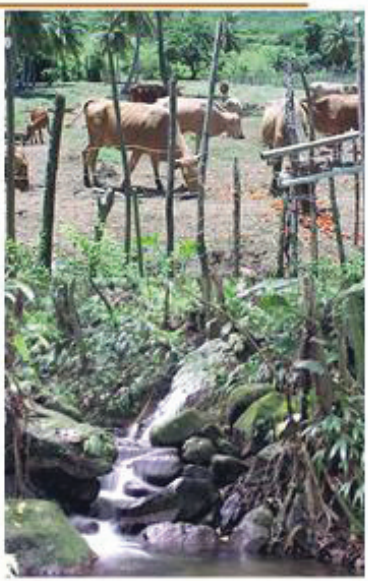
Many people will continue to live in rural areas and agriculture will continue to be an important activity. More investment is needed to stimulate self-reliance among producers, growth in agriculture and rural development.

A vibrant agriculture is essential to achieve gender and social equity, food security and alleviate hunger and poverty.

filling the gaps . . .

GAP #2:

Good Agricultural Practices



Agricultural health, food safety and environmental protection start with good practices on the farm. Land and water for agriculture are becoming increasingly scarce. Good Agricultural Practices (GAPs) are the foundation to sustainable agriculture. A well-balanced environment and ecosystem are essential for a competitive and equitable agriculture now, but more critically in the future.

GAP #3:

Good Agro-industrial Practices

Human health and safety and environmental conservation continue beyond the farm and up the chain through good industry practices. Manufacturing companies must now incorporate international standards for Good Manufacturing Practices (GMPs) to prevent, minimise and/or manage the ill-effects of pollution that may arise from their operations.

Good Practices are important to:

- **Producers, to reduce dangerous hazards;**
- **Consumers, to assure safe and nutritious foods;**
- **Environmental sustainability!**

Take Note!

Agriculture is expected to:

- **produce more food and reduce hunger;**
- **provide jobs and reduce poverty;**
- **provide inputs and stimulate industry;**
- **promote gender equity and ethnic balance;**
- **reduce inequality faced by small, female and indigenous producers;**
- **promote rural development and alleviate urban migration;**
- **protect the environment and facilitate eco- and agro-tourism development.**

But behind every:

- **development success story, there was agriculture;**
- **successful agriculture and agribusiness, there was an enabling environment;**
- **enabling policy environment, there was a good policy process;**
- **good policy process, there was open dialogue and full participation of all members in society.**

Good Policy is a vital pre-requisite for Good Agriculture!
Good Agriculture is vital to Our Future!

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