AGRICULTURE IN TRINIDAD AND TOBAGO: HOW DO WE MOVE FORWARD?

FROM FARMING TO AGRIBUSINESS

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By the 1960s, the plantation economy of Trinidad and Tobago looked like so many others in the Caribbean, typified by the presence of several large farms owned by the social upper class. The agricultural sector grew largely due to the export of raw agricultural products to the UK and other European countries. In 1965, approximately 22 per cent of the labour force was employed in the agricultural sector *(Trinidad and Tobago. CSO 1975, 2)*. By 1977, the key agricultural exports were sugar (139,506 tonnes), molasses (30,768 tonnes), raw cocoa (3,168 tonnes), raw coffee (1,608 tonnes) and citrus (527 tonnes) *(Trinidad and Tobago. CSO 1987, 118)*. The sector was successful mainly because there were well established marketing arrangements and world agricultural product prices were relatively high.

Agriculture Now

Over time however, with the rapid rise of the oil and gas, tourism and construction sectors, labour and other resources left the agricultural sector, so that the contribution of the agricultural sector fell from 2 per cent of total GDP in 1997 to just 0.4 per cent of total GDP in 2009 *(ECLAC 2011, 5)*. In 2008, the labour force in the agricultural sector accounted for only 3.8 per cent of all industries *(Trinidad and Tobago. CSO 2009, 7)*, and agricultural land availability fell by 44.3 per cent between 1962 and 2009 *(FAOSTAT 2012)*. By 2005 the main producer of sugar, Caroni (1975) Ltd (a state-owned company) ceased operations, so as export agriculture fell, domestic agriculture became more dominant *(see Table 1)*.

Bananas and Root Crops was the largest commodity group with 30.2 per cent of total domestic agriculture GDP, followed by Other Domestic Agriculture, made up mainly of green vegetables (25.2 per cent), Fishing (20.1 per cent) and Poultry and Eggs (20.0 per cent). Over the past 50 years, the agribusiness sector grew significantly, driven largely by food manufacturing. However, while it provides greatly to local and regional supplies, many inputs are imported, with accompanying considerable foreign exchange leakages. Further, as the population increases, shortfalls in local food production have been met by rising food and beverage imports *(Table 2)*, exceeding TT$4 bn since 2008.

The planners of the agricultural sector are also facing diverse issues, which must be addressed if the agricultural sector is to be sustainable. The sudden and remarkable increase in global food prices since 2007, accompanied by high global food price volatility led to more food and

Table 1: Contributions of Agriculture to GDP at Current Prices
Source: [1] Trinidad and Tobago. CSO 2002, 3; [2]CSO 2009, 3

	1997[1]	2008[2]
Agricultural GDP (mil TT$)	777.4	466.6
- Export	37.5	7.5
- Domestic	384.0	492.9
- Sugar Industry	355.9	(33.8)

nutrition insecurity in Trinidad and Tobago. Market inefficiencies (such as low numbers of importers) and high farm input prices also added more burdens to the sector.

Money in the Future

Preferential access to European markets has eroded, and the CARIFORUM-European Union Economic Partnership Agreement (EPA), which came into effect in 2008, aims to ensure a predictable trading arrangement for primary and processed export goods. Still, such agreements can only be beneficial if there is increased competitiveness *(Trinidad and Tobago. Ministry of Trade and Industry 2012, 11-14)*. These changes are also taking place within the context of climate change, with forecasts of increased temperature, and a possible drop in annual rainfall of 15.2 per cent by the 2040s *(ECLAC 2011, 30)*. Other issues, such as the implementation of wholistic land and water management need urgent attention, as competition for these natural resources intensifies.

Despite the challenges, the potential of the food and agricultural sector is great. The success lies mainly in creating a new paradigm for agriculture and in establishing better sectoral linkages in the future. Firstly, farming must be seen as an agribusiness, with strict management of all resources. Greater collaboration among farmers' groups to enhance the sharing of technical and market information, will further strengthen the sector. Secondly, agriculture value chains need to be developed. This means moving beyond raw products to new processed or value-added products which fetch a higher price, and which can displace increasing food imports. Potential also exists in supply chain gaps, especially in the provision of processing facilities. Such investment is supported by a stable economy and good air and sea shipping options.

The growth of the sector also requires productivity gains and reduced risk via insurance mechanisms. There is also need for better links between agriculture and tourism; between science, economics, agribusiness and technology; and more prioritised investment in the agricultural sector by the government to spur private sector investments. Despite the many changes in the agricultural sector over the past 50 years, there is great potential for sustained expansion for many more years into the future. All the key stakeholders have important parts to play in ensuring the sector's success, and this can be achieved with everyone working together with a common goal of food and nutrition security for all.

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Table 2: Food and Beverage Imports for Trinidad and Tobago, 1998-2008

Source: CARICOM Secretariat Statistical Unit, pers. comm.