



Sector Overview

Jamaica's value proposition as the ideal location for agricultural and/or agribusiness-related investment is predicated on an expansive local market bolstered by over four million visiting tourists annually, the increasing demand for high quality Jamaican produce overseas and the country's proximity to key export markets.

The Jamaican agriculture industry has grown from producing mainly sugar, to include more than two dozen crops for domestic consumption and export. There is also thriving animal husbandry and fish farming activities across the island and these primary services contribute greatly to the country's diversified value-added food manufacturing industry. With roughly 41% of the total land area or 440,000 hectares of agricultural land, there are tremendous opportunities for investors in Jamaica's agriculture sector to serve domestic needs as well as export markets.¹ Investment

¹ World Bank

Key Indicators (2018)

Industry Size
Contribution to GDP

US\$1.7 billion

Exports

US\$329.9 million

Agriculture

is needed in climate resistant agricultural practices, which can allow the industry to produce at the potential of 1.4 million tonnes given climatic conditions vs 668,000 tonnes produced in 2016.²

The total contribution of agriculture to the Jamaican economy extends beyond raw materials and commodities and into the manufacturing of goods. Combined, agricultural products and processed foods contributed US\$229 million or 19% to export earnings in 2016. The demand for Jamaican food goods is continually growing in overseas markets, even as local consumers and businesses increase consumption. The local agricultural sector is further poised for growth through investment in import replacement projects, to reduce the island's US\$800 million import food bill, or in production for the export market where Jamaican yams, ginger and pepper among other vegetables and condiments are in high demand. The upstream value chain of agricultural investment opportunities exists in the development of infrastructure for irrigation, packaging, cold storage and treatment facilities.

To boost local production, the Government of Jamaica has implemented an extensive agro park project, which plans to convert 20,000 acres of under-utilized land into agricultural production. To date, the Agro-Investment Corporation manages over 4,000 acres across four agro parks. Among the crops being cultivated in these agro-parks are

onion, pepper, assorted fruits and vegetables, yam and ginger. The programme is targeted at “large investors with supply chain and logistics experience to use the agro-park as a base to buy, sort, grade and transport produce to the specification of individual buyers, including hotels.”²

Private investment in the industry is ongoing as businesses improve the linkages between producers and manufacturers, through contract farming arrangements which have improved the supply chain efficiency of beer manufacturer Red Stripe and poultry providers Caribbean Broilers (CB) and Jamaica Broilers. These arrangements spur significant investment and utilisation of land with over 200 acres in production of cassava.

Jamaica has strong farming traditions that are supported by an enabling environment and an abundance of well-trained personnel. The new millennium agricultural landscape for Jamaica is one of diversification, niche marketing and value-added products. Growth in the sector will require strong public-private partnership that is research-oriented, market-driven and export-led.

DEMAND DRIVERS

- **Internal Market:** A large domestic market and consistent tourist trade that require a steady supply of produce
- **External Market:** Global demand for high quality Jamaican produce, particularly in the diaspora and ethnic markets. Jamaica

² Sectoral Presentation 2017 Hon. Karl Samuda

Agriculture

also has an untapped market potential through its membership in CARICOM.

- **Strategic Location:** Proximity to key markets such as the United States, Canada, Central and South America
- **Unique Flavour Profiles:** Premium Jamaican crops such as the world famous Blue Mountain Coffee, fine/flavour cocoa, high-quality pimento and ginger are rated among the best in the world.

KEY TRENDS

Globally, the agriculture sector is seeking to adopt more efficient and sustainable production techniques and adapt to climate change. Jamaica has several projects in place to realise these efficiencies and mitigate the challenges.

The world population is expected to grow by over a third (2.3 billion) between 2009 and 2050. The outlook for the growth of the agriculture sector is positive as market demand for food will continue to increase.

Companies continue to seek investment destinations with fresh water resources and land availability, as scarcity and land exhaustion are threats to the viability of the sector in traditional jurisdictions. Jamaica has vast amounts of unexplored lands zoned for agriculture, which make the country ideally suited for agricultural investment.

Demand for niche products allow small islands like Jamaica to produce high quality and unique products, which are recognisable

and traceable to the island. Jamaican Jerk and Blue Mountain coffee are two protected geographic indicators placing them in a unique category among other products in the global market. Jamaican Black Castor Oil, though not protected is highly regarded for its effects in the personal care industry.

OPPORTUNITIES

Contract farming joint venture opportunities with manufacturers both local and overseas to produce crops all year round.

- Expansion of fruit tree production for agro-processing and fresh fruit market; specifically, ackee and citrus
- Value-added and niche market opportunities for an increasing range of products (functional foods, nutraceuticals, ingredients, seasonings, condiments, spices and other authentic Jamaican food and beverages)
- Aquaculture – expansion of shrimp and fresh water fish to meet the demand of the local market
- Cannabis – with the introduction of legislation to regulate the local cannabis industry, opportunities are available for medicinal products derived from cannabis
- Oilseeds – Castor beans can be processed for use in the biofuel, cosmetics and pharmaceutical industries



INVESTMENT OPPORTUNITIES
Agriculture

| Top Exported Goods (January - December, 2018) | |
|--|-----------------|
| Beverages incl. alcoholic beverages excluding rum | US\$ 66,232,000 |
| Rum | US\$ 45,671,000 |
| Sauces | US\$ 20,255,000 |
| Baked Products | US\$ 19,493,000 |
| Coffee | US\$ 14,624,000 |
| Fish, Crustaceans & Molluscs | US\$ 9,280,000 |
| Coffee products | US\$ 3,469,000 |

Source: STATIN

INVESTMENT OPPORTUNITIES

Agro Parks



Overview

Jamaica's Agro Park initiative was implemented in 2012 out of the need to increase agricultural production and improve the quality of produce for the domestic and international markets. The Agro Park initiative promotes intensive and targeted agricultural production in specific defined spaces utilizing optimum and efficient practices to yield product outputs, integrating all facets of the agricultural value chain from pre-production to production, post-harvesting and marketing. The Agro-Investment Corporation (AIC), which manages four government run parks is seeking to stabilise prices and improve predictability of supply through scheduled production. The AIC is expected to bring more acreage into production over the next 3 years, up to 10,000 by 2020.

Available lands

Plantation Garden River (PGR) – The PGR agro park located in St. Thomas is a 253-acre parcel suitable to produce roots and tubers, herbs and spices. The soil types found here include golden grove sandy clay loam, bonny gate stoney loam and killancholy clay. Investors are being encouraged to produce pumpkins, hot peppers, irish potatoes and bananas to satisfy local demand in addition to the export market.

Amity Hall – This 2,340-acre park located in St. Catherine is promoted as a prime location for developing the agribusiness value chain from raw material production to processing and

INVESTMENT OPPORTUNITIES



Investment Modality

The Agro-Investment Corporation invites applications from investors to lease available lands for crop/livestock development and aquaculture in select locations.

INVESTMENT OPPORTUNITIES

Agro Parks



export. With enough space for producing to scale and Sydenham clay soil in abundance investors are encouraged to explore opportunities in cucurbits (watermelon, cantaloupe, zucchini, and squash), hot peppers and okra, in addition to tubers like sweet potato.

Spring Plain and Ebony Park – These two agro parks are adjoining properties in the parish of Clarendon, spanning 2,000 acres (1,197 at Ebony Park and 944 acres in Spring Plain). Clay and clay loams soil are abundant across the properties and contribute to conditions suitable for the production of tubers, cucurbits, orchard crop such as fruit trees (mangoes, otaheite apples, papaya, and breadfruit), condiments and vegetables.

Project Highlights

Investors in Agro Parks can access among other features:

- Irrigation and drainage infrastructure
- Quality management systems (GlobalGAP)
- Farm layout and road networks
- Technical on-site support
- Business facilitation and market linkages
- Knowledge discovery and demonstration on-site
- Sharing economy – farm equipment, minimal processing facilities, security & insurance

INVESTMENT OPPORTUNITIES

Agriculture & Marketing Corporation Complex



Investment Modality

The property is available for leasing of individual warehousing/processing and office spaces and for a single lease of the entire property with existing tenant contracts to be honoured.

Overview

The Agricultural Marketing Corporation Complex located at 188 Spanish Town Road in Kingston is the future agro-industry logistics hub in Jamaica to support fresh produce exporting and agro-processing. Since its construction in the 1960s the complex has expanded to four levels with varying operations ongoing in post-harvest and exports management of commodities. With space for packing houses, cold storage and office space the facility is designed to be a full-service logistics partner supporting the agricultural sector. Connectivity is pivotal to movement of agricultural commodities and the AMC Complex provides exporters and distributors access to the domestic and international market due to close proximity to the Port of Kingston, Tinson Pen aerodrome, the Caymanas Special Economic Zone and less than 30 minutes from the Norman Manley International Airport.

Project Highlights

- The Agro-Investment Corporation managed complex is 102,000 sq. ft. with 90,000 sq. ft. of dry and refrigerated/cold warehousing space and 12,000 sq. ft. of administrative space.
- The Complex currently houses some of Jamaica's most known food processors, exporters and service providers and is highly demanded by businesses in the distributive trade, agriculture and logistics.
- The Complex is incorporated into the Government of Jamaica's agricultural sector development plan as the centre to serve the over 16,000 hectares of land that are programmed for primary agricultural production over the short-term.

INVESTMENT OPPORTUNITIES

Aquaculture



Investment Modality

This property is available for long-term (25 years) lease for aquaculture or other operations that are suitable to general wetlands.

Overview

The Agro-Investment Corporation (AIC) has made available approximately 2,700 acres of property in Elim St. Elizabeth for the development of aquaculture production. The burgeoning opportunity in fish farming is supported by high domestic consumption of fish and crustaceans, over 30,000 tonnes annually and a regional and international market in the Americas which is growing. Jamaica imports approximately US\$60 million worth of fish, crustaceans and molluscs annually. Favourites among Jamaicans are tilapia, basa and shrimp.

The property which is part of the Government of Jamaica, Agro Parks initiative provides investors with the perfect opportunity to capitalize on the investment opportunities in the local aquaculture industry.

Project Highlights

- The property is near to major towns and markets for distribution of the product like Santa Cruz and Black River.
- The existing labour pool is trained and supported by research and scientific institutions including the neighbouring Sydney Pagon (STEM) Academy, The University of the West Indies Agricultural Research and Innovation Centre and the Northern Caribbean University campus which is in the neighbouring parish of Manchester.
- Surrounded by water sources provided by the Black River, this area is already home to an existing 300-acre fish farm and coconut plantations that can provide integration and diversification opportunities.