



IICA-COLEACP Caribbean Agrifood Business Series

Session n°4:

Ensuring food quality and safety in the Caribbean:
the key role of SMEs and businesses

9th December 2021 – 10:00-12:00 (EST)

Online ([registration link](#))

1. Background

The agrifood sector remains very important for the Caribbean region in terms of employment, food and nutrition security. Ensuring high levels of food quality and safety remains critical in a COVID-19 context, for export but also for local and regional markets. High Sanitary and Phytosanitary (SPS) measures and stringent standards are requested by high-value formal markets, as well as by consumers very concerned about health issues and aware about the consequences of food borne-related illnesses.

SPS measures protect human, animal, and plant life and health. They support national and regional food safety, food and nutrition security and agrifood trade.

Factors contributing to potential hazards in foods include improper agricultural practices, poor personnel hygiene and lack of preventive controls at the various critical points of the food chain. Other factors include chemical misuse, contaminated water supplies, contaminated raw material and waste material.

Toxic residues in agricultural products, as well as contamination that can occur during harvesting, packaging and storage processes, pose a real and potential danger to consumers' health.

All the actors of the food chain have a responsibility in delivering and promoting safe and quality food: farmers, food handlers and distributors, food manufacturers, food service operators, consumers, regulators, scientists, educators. Food safety outcomes can be strongly influenced by policies, investments and other interventions. Well-functioning markets can provide incentives for farmers and food business operators to supply products that match the safety characteristics consumers demand and investment in capabilities to manage risks.

Trade-related compliance with food safety regulations and standards has undoubtedly been the catalyst for the significant upgrading of food safety management capacity in many countries. Thus, efforts to meet some of the toughest regulations and standards in high-income countries have driven many early and sustained upgrades in laws, control systems and systems of private value chain governance for food safety. However, compliance costs with food safety regulations and standards can be a burden for smaller enterprises. Economies of scale in food safety management arise from high initial fixed investments in



This series of events is organised by IICA and COLEACP.

COLEACP operates within the framework of development cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union (European Development Fund – EDF), with the support of the French Development Agency (AFD).

upgraded facilities and when new procedures and systems for value chain coordination and governance are established.¹

Fragmented legislation, multiple jurisdictions, inadequate enforcement, limited human resources and chronic underfunding present challenges to the effectiveness of SPS systems in the Caribbean region. Health and safety are paramount in this new post-COVID-19 times.²

2. The key role of MSMEs in delivering safe food

MSMEs (Micro, Small and Medium Enterprises) play a key role in improving quality and availability of local food, and ensuring high safety and quality standards. MSMEs and businesses will have to ensure that such protocols are also applied by their suppliers, service providers and partners that it brings trust across the value chain. Traceability systems will also be more important for consumers, much more interested by healthy choices.

MSMEs can improve their revenue-earning potential by adopting suitable food safety systems and promoting consumer acceptance of their products. They can improve market access and participation of small agrifood companies by making use of a key element for food companies: develop and implement a Hazard Analysis Critical Control Point (HACCP) plan.

Small Agrifood business need to know and apply the principles of food safety, identification of types of hazards and their effects on food, as well as suitable control methods for common food hazards.

- Critical support to MSMEs and businesses in delivering safe and healthy food

Access to financial support, particularly for certification in HACCP and Good Manufacturing Practice (GMP) is critical for MSMEs to achieve compliance with market requirements for safe and healthy food. MSMEs in the region face obstacles accessing financing due to inadequate financial products available, as well as weak managerial and financial skills at the company level.

Access to technical services, including information on labelling, and laboratory testing support for issues such as nutrient profiles is equally important, particularly with the increase in consumer demand for foods with reduced salt, sugar, and unhealthy fats.

Skills gaps among the local labour market are among the most cited barriers to appropriate technology adoption. Assistance to **improve digital skills** to better serve new needs of the hospitality and agriculture sector, support to e-commerce and a more direct relation with the customer (i.e. social media communication) are needed. Awareness of the potential of these technologies is needed and specific support required for MSMEs which face technical, managerial and financial difficulties.

Capacity building and training packages targeting local MSMEs and entrepreneurs should be scaled up to access new markets and certifications, innovations in product development, pricing models.

Upgrading facilities/equipment to meet health and safety standards, as well as social distancing standards are required and imply costs for entrepreneurs.

Unsafe food undermines food and nutritional security, human development, the broader food economy, and local and international trade. More than ever, it is necessary to produce safe food to access local, regional and international markets and meet the quality that consumers expect. It is essential that MSMEs are working closely with the public sector and other partners to apply strict health and safety standards across industries and plan the costs associated to this.

In order to remain competitive in the global marketplace, improving regional SPS public-private partnerships is critical to reduce trade time and costs. Caribbean countries must become more agile if they are to respond quickly and effectively to new international SPS requirements and champion post-pandemic economic recovery.

¹ Steven Jaffee, Spencer Henson, Laurian Unnevehr, Delia Grace, and Emilie Cassou. World Bank. [The Safe Food Imperative: Accelerating Progress in Low- and Middle-Income Countries](#) (2019)

² The age of Agricultural Health and Food Safety (AHFS) legislation in the region ranges between 3 to 35 years, and only some 46% of countries have bills and regulations that have been updated within the past 10 years. In terms of constraints relating to status of legislative framework, approximately 80% of the countries reported that they experienced constraints relating to the implementation of SPS controls and/or the trade of agri-food products. Source: IICA.

A study conducted by IICA under the **10th Economic Development Fund (EDF) SPS Measures Project**, which assessed the cost benefit of compliance and non-compliance of SPS measures by CARIFORUM countries, indicated that investments made to upgrade SPS conditions provide clear positive benefits. It is estimated that the trade benefits are three times that of the investments made. **Overall, for every 1 USD spent, 3.14 USD of economic benefits are derived.** If sustained over a period of 10 years, an annual expenditure of approximately 100 million USD/year is estimated to generate an additional value added of 314 million USD a year through improved trading conditions.

3. The way forward

It is key to formulate, improve and apply policies based on Agricultural Health and Food Safety (AHFS). Of critical importance are the harmonization of standards to increase regional trade and an increased implementation of standards.

An effective and efficient AHFS system is dependent on having well-trained technical personnel that is supported by strong infrastructural capacity. Seven areas have been identified by IICA under the 10th EDF SPS Measures Project as critical for implementing an effective SPS regime. They are: (i) surveillance and monitoring; (ii) diagnostic and testing capability; (iii) risk analysis; (iv) emergency response preparedness and capability; (v) inspection and certification; (vi) quarantine; and (vii) public awareness/public education.

Through the Fit For Market SPS programme, COLEACP³ provides support to:

- Improve export capacities of smallholders, farmers' organisations and horticultural MSMEs by complying with SPS measures and other market requirements (including environmental, social and ethical standards);
- Enhance business skills and facilitate access to tools for horticultural MSMEs, smallholders and farmers' organisations;
- Strengthen linkages between smallholders, farmers' organisations and horticultural MSMEs;
- Build capacities to public sector authorities to support the horticultural sector, ensuring management and enforcement of SPS standards;
- Facilitate technical innovation and research brokerage needed to supply safe and quality horticultural produce.

Governments will need to step in to increase financial support, laboratory access and technical assistance, and promote public-private partnerships and cluster collaboration.

Sharing widely best practices and increasing online presence will be particularly useful for businesses to regain confidence. In an increased online communication, it is critical to be visible and transparent in the offerings.

³ Since its creation, COLEACP has been managing development projects in the Africa, Caribbean and Pacific (ACP) agricultural and food sector, financed by international donors (mainly the European Union). The overall objective of the current EU-ACP programmes is to reduce poverty, improve food security and food safety, and ensure sustainable and inclusive growth by strengthening the ACP agrifood sector. The specific objective is to enable smallholders, farmer groups and organisations, and MSMEs to access domestic, regional and international markets by complying with SPS issues and market requirements, within a sustainable framework.

<https://www.coleacp.org/wp-content/uploads/2020/10/COLEACP-PRESENTATION-3-PAGERS.pdf>

AGENDA

9th December 2021 – 10:00-12:00 (EST)

10:00-10:05 **Introduction and Moderator:** *Ena Harvey, IICA Representative, Barbados*

10:05-10:15 **Opening remarks**

- *Jeremy Knops, General Delegate, COLEACP*
- *Escipión J. Oliveira Gómez, Assistant Secretary General, Structural Economic Transformation and Trade, OACPS*

10:15-11:00 **Panel: Experiences from businesses**

- *Tania Lieuw-A-Soe, CEO, SURIVIT N.V., Suriname*
- *Rita Hilton, Managing Director, Carita Jamaica Ltd, Jamaica*
- *Theophilia Stoute, Founder and Managing Director, O's Inc., Barbados*

Moderator: *Isolina Boto, Head of Networks and Alliances, COLEACP*

11:00-11:25 **Insights from partners and experts**

This session will include inputs from experts representing policy-makers, research and finance.

- *Gavin M.H. Peters, CEO, Caribbean Agricultural Health and Food Safety Agency (CAHFSA)*
- *Theodora Morille, Global Food Safety & Quality Executive & Board Director*
- *Cletus Joseph, Executive Director, National Development Foundation of Dominica (NDFD) Ltd*

11:25-11:45 **Q&A session**

11:45-12:00 **Way forward and support services**

- *Janet Lawrence, Agricultural Health, Food Safety and Quality Specialist – Caribbean/ 11th EDF SPS Project Manager, IICA*
- *Rachel Renee, Co-founder, D'Market Movers, Trinidad and Tobago*
- *Morag Webb, Head of Science and Policy, COLEACP*