



## IICA-COLEACP CARIBBEAN AGRIFOOD BUSINESS SERIES

### Session n°6:

#### High-end market opportunities for Caribbean agrifood products

Thursday 25<sup>th</sup> August 2022 – 10:00-12:00 EST  
[Online \(Zoom\)](#)

#### 1. Context: moving up the value chain

The potential for agriculture to support sustainable economic growth in Caribbean countries and its strong capacity to develop links with other sectors is widely recognised. The agrifood sector significantly contributes to the local economic development and promotes local food richness and variety. Small and medium-sized enterprises (SMEs) generate about 60-70% of the Caribbean's Gross Domestic Product (GDP) and account for 50% of employment. In addition, women own 40% of businesses.<sup>1</sup>

Traditionally, the Caribbean region has exported a handful of primary products (i.e. banana, sugar) without any value-addition which have been subject to market volatility and competition from large producing countries which have lower producing costs and cheaper labour. Latin America and Caribbean (LAC) Small and Medium Enterprises (SMEs) that do export tend to sell only a few products to a very small number of markets. It is therefore difficult for Caribbean producers to reach economies of scale and cost efficiencies in producing large quantities for mass markets. Due to the smallness of the Caribbean market and the low volumes of agricultural food produce, especially in small island states, producers are constrained to keep small-scale production on a limited number of products. In addition to land constraints, the declining attractiveness of agricultural employment is an issue.

Diversification within the agricultural sector through increased processing (i.e. chocolate, coconut oil) has happened to some extent with significant investments on infrastructure, markets, and finance. Moving up the value chain and increasing incomes for value chain actors requires to be present in added-value sectors, processing goods and better finished products which can be found in the shelves of high-end markets.

Moreover, exporting increases firm productivity, boosts the sophistication of business capabilities, and loosens credit constraints, all of which are key factors for enabling SMEs to grow into large firms that drive trade and job creation. SMEs that export on a sustained basis are also critical for introducing new products to their countries' export baskets, and thus play a critical role in export diversification.<sup>2</sup>

<sup>1</sup> D. Mahaaj, [Supporting Micro, Small and Medium Enterprises, the Backbone of Caribbean Economies](#), CARICOM Today. Accessed: 09 March, 2022.

<sup>2</sup> IDB. [Going Global Promoting the Internationalization of Small and Mid-Size Enterprises in Latin America and the Caribbean](#). 2014.



It is necessary for local small and medium size companies to develop high value-added, quality and specialty niche products in demand in high-end markets to be able to compete globally. In this context, specialized and niche markets with higher margins are an attractive option for Caribbean producers.

## 2. Ensuring food quality: a priority for Caribbean companies

Food quality is represented by the characteristics that are acceptable to the consumer. This includes external factors like aspect (size, shape, brightness, color), texture and taste. Other factors are legal quality standards and internal factors (chemical, physical, microbiological).

Sensoric value, suitability value and health value are accepted categories of quality.

Companies need to differentiate products through quality and safety. Delivering high quality fruit and vegetables is of paramount importance for the consumers and determines the selling price of the produces. Quality control is key in food retailing as quality often prevails over price and reducing food waste is critical.

High-end markets such as the tourism industry, luxury goods retailers, artisanal and speciality food shops and gourmet stores locally or internationally require high-levels of quality, strong branding and linkages with know-how, territories, ways of growing food.

Customers with higher disposable incomes expect more sophisticated food preparations, which require constant product development and innovations. New relations with smallholders, investments in upgrading facilities such processing plants, as well as a well thought branding and labelling are needed to meet the changing consumers' demand.

New demands for healthy and nutritious food require research, investments and standards to improve how food is produced, distributed, stored and retailed.

The marketing strategy needs to meet the customers' expectations and branding plays a key role in the motivation for the consumers' choice of a particular food product. Caribbean iconic products have been used for generations of Caribbean people in the region or within the diaspora (i.e. Walkerswood Caribbean Foods).

Consumer's trust takes years to build but helps the company reputation grow and is a key asset for the company. Companies operating in quality markets to be sustainable need develop strong links between producers and customers, efforts to anticipate changes and get constant feedback to improve and consolidate the acceptability and consistency of the product. Stories of origin-linked products (including geographical indications- GIs<sup>3</sup>) need to be further developed and the characteristics of unique production areas and food better explained.

Transparency in the chain is critical. Today's consumer wants to know how their food is made, who makes it and where.

The promotion of Caribbean cuisine in the region and abroad is linked with the finest meal experiences and linked to quality products and favours, using a wide variety of fruit and vegetables, spices, sauces and condiments, coffee, tea, cocoa, coconut, exquisite chocolates to mention a few. The Caribbean region has successfully promoted local cuisine as part of the travel experience, combines tastings with visits to heritage places, rural tourism and other attractions, combining nature, culture and cuisine in a unique offer to the tourists. The hotel industry should work much closer with the local producers and processors and invest in upgrading their mode of production and safety and health systems as part of their sourcing from proximity markets.

Agricultural producers are becoming more ambitious in seeking premiums for their goods and increasingly adopting social and environmental certifications. Even if standards are stringent, their adoption and implementation can generate greater income for producers and satisfaction among consumers. This applies to niche markets, such as sustainability in production, organic or fair-trade food products.

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<sup>3</sup> For example, jerk seasoning (a spice mix native to Jamaica) is registered as an indigenous product, 'jerk', under the International Geographical Indication System.



### 3. Way forward

In exports, regional or tourism-related markets, quality of products is key and offers to Caribbean companies new opportunities. However, the high-end industry often indicates common problems of sourcing, inadequate quality, regularity of supply, reliability, standards or volumes, exacerbated by poor transport and logistics. The evolution of customer's tastes and expectations needs a constant attention and investment. Companies need budgets for marketing and advertising, often neglected. Selling to high-end local or foreign markets involves market research, developing marketing channels, adapting products and packaging, meeting quality standards and labelling requirement, dealing with new administrative procedures and regulatory requirements and having access to distribution to diversifying customers.

IICA and COLEACP through its FFM SPS and FFM plus programmes (funded by the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union) provides support to SMEs to strengthen their capacity and competitiveness. This work will contribute to the creation of an ecosystem of supply and export-ready SMEs.



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### PROGRAMME

**10:00-10:05 Introduction**

Allister Reynold Glean, Technical Specialist, International Trade and Regional Integration Programme / Representative in Barbados, IICA  
& Jeremy Knops, General Delegate, COLEACP

Moderator: Ainsworth Riley, Agri-business Specialist, IICA

**10:05-10:50 Panel: experiences from businesses**

- Umeeda Switlo, Co-Founder and CEO, Naledo, Belize
- Udo Karg, CEO, Suvveb NV, Suriname
- Polina Araujo, CEO, Cosmos 2000, Dominican Republic
- Elizabeth Montano, Director, Montano Chocolates, Trinidad and Tobago

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

**10:50-11:30 Insights from buyers and importers**

- Gorete Pinto Teixeira, Sourcing Manager, Lilot Fruits Capexo, France
- Derriann Charles, Legal Counsel, Kittitian Hill Hotel, Saint Kitts and Nevis
- Theresa Marryshow, Founder, Grenada Network of Rural Women Producers (GRENROP), Grenada

**11:30-11:50 Q&A session**

**11:50-12:00 Way forward**



*The IICA-COLEACP Caribbean Agrifood Business Series focuses on innovations and successes of Caribbean farmer-led businesses and SMEs. These activities are supported by the Fit For Market SPS programme, implemented by COLEACP within the Framework of Development Cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union.*