**Informal Meeting of Sugar Cane Producers Associations and BSI, 25 February 2015**

Following the Sugar Industry Strategic Development Plan Steering Group Meeting on 20 February, representatives of associations and other industry stakeholders attended a presentation on industry challenges at BSI.

Main points of discussion were:

1. **Industry vision**: should be long term and embrace a sustainable, competitive, diversified, modern industry.
2. **Industry focus**: needed to take into consideration possible/anticipated future sugar market perspectives. Meeting recognised that this was important, but uncertain. The SDP must however focus on achieving a cost of production which would make it globally competitive (US$ 15/16 Cents/lb).

***Action: BSI to present information on export market trends for SDP***

1. **Cane Productivity**:

* An important element of making the industry more competitive. Requirement to improve cane yields and quality and reduce production cost.
* Industry target should be: inputs: B$25 per ton cane; harvesting: reduction from current B$30 per ton cane. On anticipated pricing, industry should target production of cane at B$ 45.
* Specific areas to consider included credit for farmers, technical expertise to raise capacity, efficiencies, varieties, mechanisation, efficient use of mechanical equipment, services and efficiencies of scale (fertilizer, pesticide, herbicide etc), larger contiguous areas, re-planting, drainage, harvesting and delivery.
* Meeting agreed to establish four SDP **working groups** consisting of relevant industry participants, supported by SIMIS, with following terms of reference:

1. **Cane Productivity Working Group:**

* **Terms of Reference:**
* Establish target for re-planting;
* Establish re-planting, husbandry and land management programme;
* Consider larger contiguous farm units, co-operatives etc;
* Cane varieties development programme , early, mid, late maturing;
* Industry preparation for mechanised harvesting, including mechanised harvesting taskforce project;
* Establish road map/timeline for industry farm rejuvenation and management for presentation to steering committee.
* **Potential participation:**
* Min of Agriculture, associations, farmers, SIRDI, BSI, meteorology centre,

1. **Cane Services Working Group:**

* **Terms of Reference:**
* Audit existing mechanised equipment;
* Identify gaps;
* Design mechanised pool arrangements, including servicing and maintenance;
* Consider how to achieve greater efficiencies of scale for farm services: bulk purchase/supply of cane seed, agro-inputs, land preparation, cultivation services, co-ordination of supply;
* Identify cost models and overall costs of service provision;
* Establish road map/timeline for industry service provision, including cost, organisation and location of service provision and providers, for presentation to steering committee.
* **Potential participation:**
* Min of Agriculture/Lands, associations, farmers, SIRDI, BSI, agro-input service providers

1. **Cane Farmers Credit**

* **Terms of Reference:**
* Identify past and present credit facilities/schemes, management and methods, and examine their efficiency/suitability/sustainability;
* Identify optimal structure for credit provision, including credit tied to services, affordability, re-finance element, fund structures, risk management;
* Identify credit paths, through commercial and development banks, social security funds, government and farmers resources;
* Provide workable models for further discussion with financing institutions.
* **Potential participation:**
* Commercial Banks, Development Banks, DFC, Min of Economic Development, Min of Agriculture, SIRDI, credit unions, associations, BSI

1. **Harvesting and Delivery**

* **Terms of Reference:**
* Examine and identify options to improve harvesting and delivery model, in line with outcomes of other productivity working groups;
* Establish targets for improvement of quality and productivity through harvesting and delivery efficiencies;
* Improve mechanisms for quality control;
* Present suggestions/road map/timeline to SDP steering committee.
* **Potential participation:**
* SCPC, associations, BSI, SIRDI, harvest group leaders

***Action: Working Groups and timelines to be established at next SDP Steering Committee Meeting***

1. **Factory expansion**:

* Important element of plan to improve competitiveness, but investment climate not conducive due to market outlook and inadequate prospects for return on investment. Need to identify how to improve investment climate.
* While this will require further discussion between BSI and GoB, support from industry stakeholders will be important.

***Action: BSI to make a presentation to associations on expansion challenges.***

Agreed the SDP would be a fluid process, and we would need to respond accordingly, with informal follow up and discussion.