



AGRO-INVEST
JAMAICA'S AGRIBUSINESS AGENCY

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**INVESTMENT OPPORTUNITIES FOR THE
SOUTHERN PLAINS AGRICULTURAL
DEVELOPMENT PROJECT**

ACKEE

Dear Investors,

The Southern Plain Agro Park is a unique investment opportunity designed to empower and support you on your journey to success in raw production.

Imagine having all the essential ingredients for a thriving agribusiness venture conveniently under one roof. Our Agro Parks are meticulously planned and equipped with infrastructure development, including drainage, irrigation, and roadways, ensuring your farm operates smoothly and efficiently.

But that's just the beginning! When you lease one of our Agro Parks, you'll also gain access to the Park Manager, strategically assigned to the project site. The Park Manager is an experienced agricultural professional ready to provide expert guidance and develop personalized production plans tailored to your goals.

The advantages don't stop there. Our Agro Parks come complete with a Technology Transfer Officer, who will equip you with cutting-edge knowledge and recommend the latest technologies to boost your business operations and stay ahead of the curve.

But wait, there's more! As part of our commitment to your success, we offer access to a network of Cluster Coordinators, connecting you directly to markets and opening doors to lucrative opportunities.

We understand that running an agribusiness can be complex, so we've got you covered with a team of specialists, including Business Development Experts, to provide additional expertise whenever needed.

The Southern Plain Agro Parks are your all-in-one solution to make a difference in the world of agriculture while reaping remarkable returns.

Don't miss this chance to sow the seeds of success. Secure your spot in the Southern Plain Agro Parks today by submitting an application.

Note applications are opening soon.

OVERVIEW OF THE SOUTHERN PLAIN AGRICULTURAL DEVELOPMENT OPPORTUNITY

The Southern Plain Agricultural Development Project, a government initiative, focuses on the development of agricultural land in two key areas: Amity Hall / Bridge Pen in St. Catherine and Parnassus in Clarendon. Covering 795 hectares, the project encompasses six major components, including infrastructure works, engineering, construction-related services, and project management. Funding for the project comes from the Caribbean Infrastructure Development Fund (CDB)/ United Kingdom Caribbean Infrastructure Development Fund (UKCIF), with additional support from the Government of Jamaica.

The Southern Plains Agricultural Development (SPAD) project holds great promise for Clarendon and St. Catherine parishes. The 795 hectares, formerly sugarcane lands, will be repurposed and made available for cultivating diverse crops such as Mango, Avocado, Tomatoes, Sweet Potato, Irish, and more, upon project completion.

Recognizing the crucial role of proper land and soil preparation in successful crop and livestock production, the SPAD project addresses the challenges faced by agri-business investors involved in the raw production phase of the value chain. Many investors lack the necessary infrastructure, machinery, and equipment. To tackle this, the initiative facilitates affordable access to these resources in and around the SPAD area. The primary objective is to bolster agricultural productivity, stimulate economic activity, and uplift the local farming community.

By embracing the Southern Plain Agricultural Development Project, investors have the opportunity to capitalize on the untapped potential of repurposed land and contribute to the growth of sustainable agriculture in the region. The project's strategic planning and government backing ensure a conducive environment for agricultural ventures to thrive, making it an attractive prospect for prospective investors seeking long-term returns and positive community impact.

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PRODUCT PROFILE



Botanical Name and Origin: Ackee, also known as Akee, Ankhe or Achee (*Blighia Sapida*) are just some of the names that this world renowned fruit can be identified, is a tropical fruit belonging to the Sapindaceae family. The tree is evergreen with leathery leaves and fragrant white flowers when in bloom.

The tree was brought to Jamaica in 1793 by Captain Bligh and is now a staple throughout the country. Ackee is the national fruit of Jamaica and Ackee and saltfish being the national dish.

Species: Two types of Ackee exist in Jamaica, they are "cheese" and "butter" Ackee.

- **Cheese Ackee:** has a hard aril and is has a cream colour. The fruit also maintains its shape during the cooking process.
- **Butter Ackee:** has a bright yellow colour and it quickly loses its shape during cooking.

Health Benefits: Ackee is an excellent source of calcium, iron, potassium, vitamins, and ascorbic acid. The oil of the Ackee is rich in fatty acids such as oleic, palmitic, and stearic acids. It is believed that they can help reduce the risk of coronary heart disease when consumed in a balanced way. (Brown, 2019)

Value-Added Products:

- Canned Ackee
- Ackee Oil
- Facial products (Murphy, 2020)
- Ackee wine (Wray, 2020)
- Ackee patty (Wray, 2020)
- Frozen/vacuum-packed Ackee

AGRONOMICS

Suitable Locations: Even though Ackee trees can be found in every parish in Jamaica, the main growing areas are St. Elizabeth and Clarendon.

Drainage: The Jamaican Ackee tree is a tropical to subtropical plant that does not do well in flood-prone areas and may decline under flooded soil conditions.

Soil type: Ackee can tolerate slightly alkaline soils with pH 5.5 - 7.5, it thrives in well-drained, deep fertile soil and non-fertile soils like sands and limestone. The tree blooms during warm months and therefore should be planted where it can receive direct sunlight. The tree should be elevated at sea level to 1,000m at 210C - 270C.

Reaping: The tree will start to produce fruit two to three years after planting and will come into full bearing at seven years. Researchers have indicated that a tree may produce year-round or have two and a half (2 ½) crop cycle per year, with a mature tree pr 100 producing 100 -150 lb. (45-68 kg) per year.

Harvesting Methods: The fruit of the Ackee is pear shaped and is normally bright red to yellow orange. When ripe, the fruit splits open revealing approximately three large, shiny black seeds, surrounded by soft, creamy, or spongy, white to yellow flesh. It is important to harvest the fruits after they have opened naturally, because the fruits are poisonous if picked prior to splitting.

Ackees must be harvested with the use of the appropriate tools so as to avoid the fruits from falling to the ground.

Post-harvest handling & Storage: Good Agricultural Practices (G.A.P) should be utilized from the time the fruit is picked from the tree to where it is stored for exportation or sale. When harvested, the fruit must be kept cool and out of direct sunlight. The containers being used to collect and transport the fruits should be clean, dry, and perforated to avoid spoilage and allow for good ventilation.

Upon reaching the storage facility the fruits should be kept temporarily in a cool dry place with adequate ventilation.

Intercropping: Intercropping may be practiced in the first 2 - 3 years of establishment. Ackee trees can be intercropped with short term crops.

SWOT ANALYSIS FOR THE ESTABLISHMENT OF 20 ACRE ACKEE ORCHARD

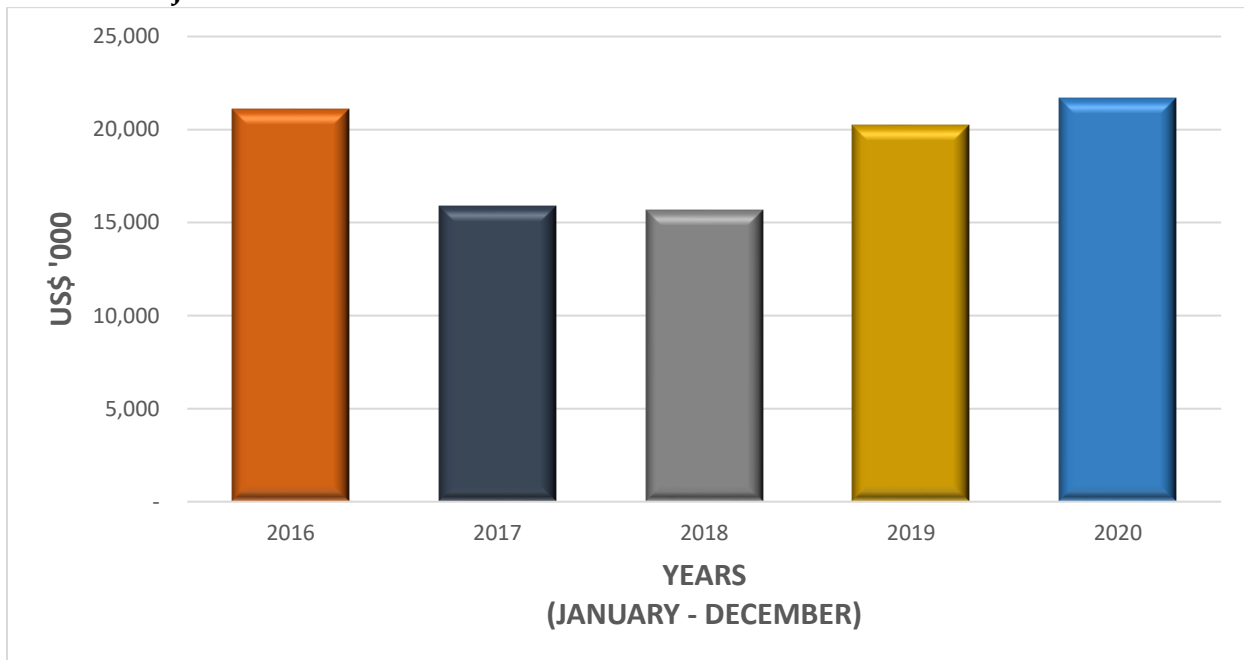
<p>Strengths</p> <ul style="list-style-type: none"> • Health benefits • Wide range of soils and elevations • Drought resistant • High yielding/Productive crop • Agro processing potential • Trees can produce fruit for many decades • Natural disaster and climate change resilient • Access to experts and good networks (RADA, AIC and JAMPRO). • Is easily propagated from seeds 	<p>Opportunities</p> <ul style="list-style-type: none"> • Good local and export potential • Seed multiplication as a business • Processing of Ackee into value added products for export to the regional market • Jamaica has a competitive advantage in the market • Accessing the services of the Praedial Larceny Unit at MICAF. • Prospects for climate change mitigation
<p>Weakness</p> <ul style="list-style-type: none"> • Initial layout of the crop orchard is expensive • Long production cycle • Poor post-harvest practices. • Limited financial resources to fund growth and development. • Lack of on-farm storage facilities 	<p>Threats</p> <ul style="list-style-type: none"> • Increase in land prices. • Natural disasters • Severe market changes and fluctuations in prices. • Shortage of reliable labour • Praedial larceny. • Regulation for export and registration • Exploitation of farmers by traders and brokers

MARKET ANALYSIS

Fruit trees are critical to Jamaica's food security system and climate change plan. It is reported that if Jamaica was strategic and intentional in cultivating tree crops, they would be able to explore stability and growth in income even amidst bad weather.

The country experienced a slight decline in the export of Ackee for the years 2016 and 2017 possibly due to a lack of adequate quantities of the produce to export. It is important to note however, that this decline was short lived when the exportation increased by approximately 23 per cent in 2019 (see figure 1).

FIGURE 1: JAMAICA'S EXPORT OF ACKEE OVER 5 YEARS



Statin, 2020

Export Potential: Ackee can be identified by the general International Harmonised System code 0810 Fresh strawberries, raspberries, blackberries, back, white, or red currants, gooseberries, and other edible fruits (excluding nuts, bananas, dates, figs, pineapples, avocados, guavas, mangoes, mangosteens, papaws "papayas", citrus fruit, grapes, melons, apples, pears, quinces, apricots, cherries, peaches, plums, and sloes). The markets with the greatest potential for Jamaica's exports of Ackee are Canada, Cayman, St. Maarten, the United Kingdom, and the United States.

The top export destinations for the Jamaican Ackee are North America & the United Kingdom. It is important to note that there has been a rapid increase and diversification of the Ackee market. This is possibly because Ackee has become increasingly popular across different ethnicities and is now considered a vital product to the overseas market.

Local Ackee Production: Ackee tree can be grown in all parishes in Jamaica, however, the main growing locations for organized orchard production are St. Elizabeth and Clarendon.

Currently there is a limited amount of organized orchard in Jamaica and as such, the Ministry of Agriculture and Fisheries is striving to develop approximately 1,000 acres of Ackee trees over the next three years by way of a public-private partnership.

Jamaica has a competitive advantage on the export market for Ackee that can be capitalized on. In the year 2020, Jamaica’s export of the crop was valued at approximately JM\$102 M (see table 1).

TABLE 1: VALUE OF JAMAICA’S EXPORT FOR 2020

COUNTRIES	JM\$	US\$
Canada	13,243,399	93,868
Cayman Islands	711,514	4,951
St. Maarten (Dutch part)	35,400	257
United Kingdom	55,532,575	384,513
United States of America	32,542,800	235,300
Total	102,065,688	718,889

Statin, 2020

There continues to be growth in the quantity of Ackee being exported to the international market. At the closing of 2020, preliminary data showed that there was an increase of 33,845kg in the amount of Ackee that was exported.

TABLE 2: JAMAICA’S EXPORT OF ACKEE IN 2019 VS. 2020 (PRELIMINARY)

COUNTRIES	KG - 2019	KG - 2020
Canada	27,130	19,530
Cayman Islands	1,567	1,039
St. Maarten (Dutch part)	281	77
United Kingdom	56,562	77,945
United States of America	19,831	40,625
Total	105,371	139,216

Statin, 2020

Market Prices: The prospects are high for an investor when they invest in Ackee production. The farmgate price for a box of Ackee is \$3,360, each box containing between 20-22 dozen (Ministry of Agriculture and Fisheries, 2021)

Jamaica Exports to the World: The Jamaican Ackee industry continues to be world leading and beneficial to numerous players in the industry. The Ackee business employs approximately 3000 direct and 6000 indirect employees. Between 2006 and 2009, Jamaica earned approximately \$35.4M in exported canned Ackee.

In 2016, the exportation of Ackee was estimated at US\$20M, this is an increase from US\$4.4M in 2000 when the country started exporting to the U.S.

Presently, Jamaica exported a total of 139,216kg of Ackee in 2020, with the top importer being the United Kingdom (see table 3).

TABLE 3: JAMAICA’S EXPORT OF ACKEE IN 2020 (PRELIMINARY)

Description	KG	JM\$	US\$	Countries	Year
Akee (Ackee) (Blighia sapida koenig) fresh.	19,530	13,243,399	93,868	Canada	2020
Akee (Ackee) (Blighia sapida koenig) fresh.	1,039	711,514	4,951	Cayman Islands	2020
Akee (Ackee) (Blighia sapida koenig) fresh.	77	35,400	257	St. Maarten (Dutch part)	2020
Akee (Ackee) (Blighia sapida koenig) fresh.	77,945	55,532,575	384,513	United Kingdom	2020
Akee (Ackee) (Blighia sapida koenig) fresh.	40,625	32,542,800	235,300	United States of America	2020

Source: STATIN, 2020

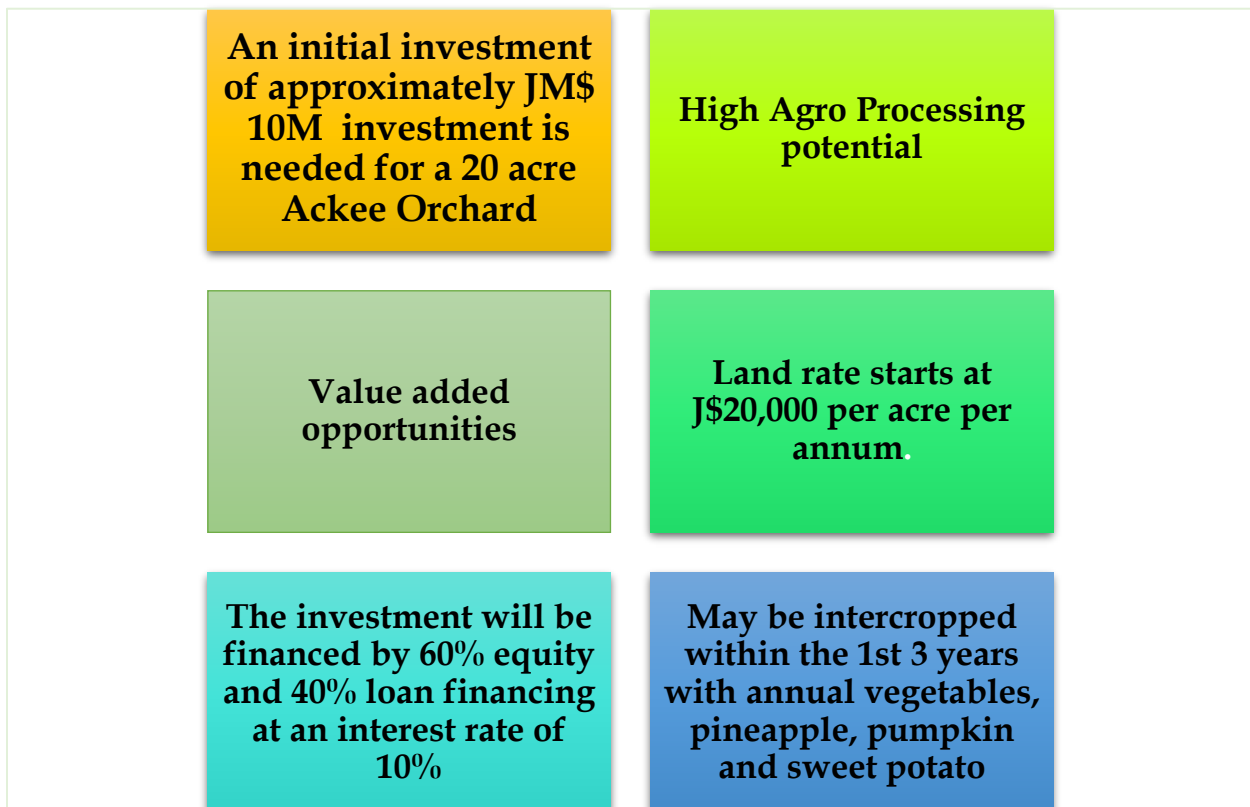
Value-added Opportunities: The Ackee is predominantly known to be paired with saltfish to create a very delicious meal. However, research has shown that the Ackee tree possesses a lot of untapped potential.

The trunk of the tree is known to be durable and resistant to pests and diseases. It is suggested that the Ackee heartwood can be used in construction and furniture making.

Another innovative idea that is being explored is to use the seeds of the Ackee to create an Ackee cleanser. The oil extracted from the Ackee seeds also has pesticidal properties (Khan and Gumbs 2003). In Cuba, an extract of the flowers is made into cologne (Bowen 2005).

With that being said, an investor can reap various returns from investing in the Ackee industry.

BUSINESS MODEL AND FINANCIAL ANALYSIS FOR INVESTMENT IN AN ACKEE ORCHARD



FINANCIALS

Investment Cost

The investment cost to establish a 20 acres (8.09 ha) Ackee orchard is approximately **JM\$ 10,558,508** (See Appendix 1)

Revenue

The average revenue for 10 years of operation is projected to be **JM\$ 42.7M**

Projected Net Cash Flow

The net cash flow projections for 20 acres (8.09 ha) of Ackee orchard are negative for the first two years and then positive for the remainder of the ten years.

Net Present Value (NPV) and Internal Rate of Return (IRR)

The NPV projection for a 20-acre (8.09 ha) Ackee orchard is **JM\$ 157M**. The internal rate of return (IRR) is projected to be 51%.

<p>KEY PARTNERS</p> <ul style="list-style-type: none"> • Agro-Invest - (Business Plan) • Financial Institutions • MoAF (R&D) • RADA • Input suppliers • Farmers/investors • Supermarkets • New and small Agro-processing investors 	<p>KEY ACTIVITIES</p> <ul style="list-style-type: none"> • R& D • Capacity Development /Training • Marketing & Sales 	<p>VALUE PROPOSITION</p> <ul style="list-style-type: none"> • High Quality and convenient products • Freshness of produce • Employment • Contribution to Gross Domestic Product • Import Substitution • Value chain development • Reduction in post-harvest losses 	<p>CUSTOMER RELATIONS</p> <ul style="list-style-type: none"> • Personal relations with customers • Building a reputation for reliability and quality 	<p>CUSTOMER SEGMENT</p> <ul style="list-style-type: none"> • Business to Business (B2B) • Hotels • Supermarkets • Exporters • Agro-Processors • Wholesalers
<p>COST STRUCTURE</p> <ul style="list-style-type: none"> • Wages • Operating costs • Infrastructure development and maintenance • Machinery & Equipment • Cost reduction via economy of scale • Land • Transportation 		<p>REVENUE STREAM</p> <ul style="list-style-type: none"> • Ackee Sales (individuals and Businesses) 		

AGRICULTURAL SUPPORT SERVICES AND INCENTIVES SPECIFIC TO THE AGRICULTURAL SECTOR

SUPPORT SERVICES

Agro-Investment Corporation (Agro-Invest)

The Agro-Investment Corporation (Agro-Invest) is an agricultural investment facilitation, advisory and management agency, which functions as the Ministry of Agriculture and Fisheries business facilitation department. The agency is responsible for agricultural investment promotion and facilitation, as well as project and market development. Agro-Invest provides investment support to entrepreneurs, covering the investment chain from the identification of opportunities through to feasibility studies, business planning, fundraising, operations management, long-term business performance monitoring and technical support.

Jamaica Promotions Corporation (JAMPRO)

JAMPRO's continuous mission is to promote Brand Jamaica, attract and land jobs and wealth-creating investments to Jamaica and secure lucrative markets for quality Brand Jamaican products. As the Agency seeks to facilitate local investments, several support services are available, namely:

- Provision of business information and advisory services
- Trade and investment incentives
- Export-related training
- Creation of business linkages

Rural Agricultural Development Authority (RADA)

The Rural Agricultural Development Authority (RADA) promotes agricultural development in Jamaica through an extension service. Farmers can solicit information and technical assistance in areas such as agronomy, plant health, irrigation post-harvest techniques, production, and marketing.

VALUE-ADDED SUPPORT SERVICES

Jamaica Manufacturers and Exporters Association (JMEA)

The Jamaica Manufacturers & Exporters Association (JMEA) serves as the voice of exporters, manufacturers, and service providers micro, small and medium enterprises (MSMEs). The JMEA provides vital support to the industry through advocacy, strategic partnerships, export services, research, capacity building and access to finance.

Bureau of Standards Jamaica (BSJ)

The Bureau of Standards Jamaica is a statutory body established by The Standards Act of 1969 to promote and encourage standardization in relation to commodities, processes, and practices. However, over the years, its role has expanded to include the provision of services in relation to conformity assessment (certification, testing, and calibration) and metrology.

Scientific Research Council (SRC)

The SRC supports the growth and development of the agro-industrial sector in Jamaica through research, adaptation of available technologies, creation of new and appropriate technologies and the provision of training and technical assistance. It is the only institution that is mandated to “collect, collate, and review information concerning scientific research schemes or programmes relevant to the development of the resources of Jamaica. In addition, it also establishes and maintains a scientific information center for collection and dissemination of scientific and technical information”.

AGRICULTURE INCENTIVES

Under the Omnibus Incentives Regime, the Customs Tariff (Revision) Resolution is geared towards the productive sector, and provides for the duty-free importation of capital equipment, raw materials, and other industry-related consumer goods. The key benefit is the introduction of the Productive Inputs Relief (PIR) scheme. Special categories have been created for companies in the manufacturing, agriculture, tourism, and health sectors, along with companies within the creative industries.

While there is no application necessary for you to access the benefits under the Omnibus Incentives framework, an individual or entity seeking to benefit from the Productive Inputs Relief (PIR) system must first register with the respective regulating Ministry for status as a bona fide ‘Producer’. The Ministry of Agriculture and Fisheries (MOAF) is the regulating Ministry for the Agriculture sector. For more information about accessing this incentive continue to the next step of this business process guideline.

How To Access Agriculture Incentives

Step 1:

As a Farmer (individual or entity), in order to benefit from the Productive Inputs Relief (PIR) scheme, you must first register with the regulating Ministry, MOAF, for status as a bona fide ‘Farmer/Producer’. Only a business, that has been approved by MOAF and recommended to the Jamaica Customs Agency (JCA) may benefit under the PIR scheme. The designation of a company as a “Producer” is based on the provisions of the Customs Tariff (Revision) (Amendment) Resolution 2013, which outlines the material

considerations that are involved in the process of determining whether your company will be granted the “producer” designation in a specific sector/industry.

For the Agriculture Sector, this would be the “Production of Primary Products” for Agriculture Sector through operations in the following areas:

- Farming
- Apiculture
- Forestry
- Horticulture
- Aquaculture

The process of determining the farmer/producer status of your company is based on the assessment by the following government entities:

- The Ministry of Agriculture & Fisheries (MOAF) through
- The Rural Agricultural Development Authority (RADA)
- The Ministry’s Agriculture Division
- The Jamaica Customs Agency (JCA)

Once your “status” is determined, this is then communicated to the JCA for processing and input into the Jamaica Single Electronic Window for Trade (JSWIFT) platform.

Step 2- Application Requirements:

Complete the relevant form(s) and provide any supporting information/documents...

You may visit the Rural Agricultural Development Authority (RADA) parish office to complete the relevant form to register as a farmer/producer. The form is also available by email request. The submission process is easy once you follow the steps. See below for additional guidance on the requirements.

To ensure your application is processed expeditiously and within the relevant timeframe, please verify that all the information is completed fully, and the required supporting documents/ information are submitted along with your request.

For Farmer/Producer Status (New Company):

Application Form to be completed.

Other Supporting Information to be included in the submission.

- Name and address of the farmer
- Taxpayer Registration Number (TRN). Acquire your TRN.
- The location of the farm
- The land tenure/proof of ownership
- Number of acres (size)

Description of your production activity, that is, the agricultural activities being carried out.

Step 3- Submission Requirements:

Once your form and all supporting information/documents have been completed, signed, stamped, and certified where required, you may visit and submit your request through the RADA Office in your parish. All requests should be addressed to the Permanent Secretary of the Ministry.

The address and contact information for the Ministry is indicated below:

The Ministry of Agriculture, Fisheries & Mining

Agriculture Service Unit, Hope Gardens, Kingston 6, Jamaica, W.I.

Tel: 876-927-1731-50 | 876-619-1731 | Fax: 876-927-1904

Email: psecoffice@micaf.gov.jm

Monday – Thursday: 8:30 am – 5:00 pm | Friday: 8:30 am – 4:00 pm

Step 4- Pay the Relevant Processing Fees

Pay the relevant processing fees... There is no fee associated with submitting your request to access “Farmer/Producer Status”.

Processing Time: Status Approval - maximum of twenty (20) working days.

Step 5

Once your request has been submitted, there are a few additional steps that the regulating Ministry (MOAF), RADA, the TAJ, MOFPS and the Incentives Unit of Jamaica Customs Agency (JCA) will need to undertake as a part of their own due diligence process. This includes the following:

- Review of submission by RADA: carried out on the farmer/producer’s written request and any supporting documents.
- RADA verification assessment: to ensure that it is an authentic operation, and that the farmer/producer is involved in a prescribed agricultural activity.
- Verification site visit conducted: appointment made with the farmer/producer to visit their farm operations.
- Formal report sent to Regulating Ministry - MOAF: reviewed by the Ministry for further processing.
- Referral from the MOAF: submitted to JCA’s Incentives Unit indicating the applicant’s approval along with the applicant’s dossier and supporting documents.

- JCA verification assessment: Upon receipt of MOAF's recommendation, the JCA undertakes its verification assessment including a site visit.
- Verification site visit conducted: An appointment with the farmer to visit their facility.
- Final determination made by JCA: The final determination regarding the designation of farmer/producer status to a company is made by the Commissioner of Customs.
- Farmer notified: JCA will advise the farmer of the final determination regarding their status.
- Farmer's information processed on JSWIFT: Once the final determination is made if approved, JCA enters your information into the JSWIFT platform.

Step 6 -Collect Your Approved Document(S)

Once the review of your documentation and the site visit assessment process is completed and all is in order then the JCA will notify you on whether your Farmer/Producer Status has been approved. At the end of the process, you will have received the following:

Written Notification of your Farmer/Producer Status

Access to incentive benefits related to the agriculture sector.

Step 7 - Benefits to Be Accessed Under the Pir

The JCA, in processing your imports on the JSWIFT platform, will verify that your "Status" approval has been granted by the regulating Ministry. However, the verification of approval is necessary only if the applicant is requesting access to the PIR benefits. Once you have been approved as a "bona fide" farmer/producer, varying levels of relief are available to you in respect of i) customs duties and additional stamp duties for production inputs and equipment (including parts); and ii) corporate income tax. Farmers/Producers, as companies or individuals, can benefit from the following incentives:

- Productive Input Relief (PIR):
- Duty-free importation of certain agriculture industry-related items, used in the following operations: farming, apiculture, forestry, horticulture, and aquaculture operations.

Additional Stamp Duty (ASD) exemption, under the Revised Stamp Duty Act, where companies can benefit from the following:

Relief from the additional stamp duty on raw materials and non-consumer goods when these are being purchased for productive use.

- Low Land Lease Rate

To facilitate production and economic development, the lease of government-owned agricultural lands is priced below market. This pricing strategy is geared at subsidizing agricultural activities and promoting agricultural productivity. Since the objective is geared toward cost recovery and not profit, low rates are established for land leases. Currently, the Agro-Invest land rate is \$ 15, 000 per acre per annum.

- Subsidized Land Preparation

The government has purchased agricultural machinery and equipment to lower the cost of capital for agricultural investors/agribusinesses. These machinery and equipment services are offered to agricultural investors/agribusiness at subsidized prices.

- Remission of Duties on Agricultural Vehicles

The Jamaican government is proposing a 20% tariff reduction for agricultural investors/agribusinesses who can prove to the Ministry of Agriculture that they are importing vehicles that complement their agricultural activities. Concession beneficiaries pay only twenty percent (20%) to import vehicles. Vehicles regarded as agricultural vehicles and eligible for the concessionary duty rate are:

1. Panel vans and pick-ups (not exceeding two (2) tons)
2. Trucks (exceeding two (2) tons)
3. Tractor heads and trailers

- Remission Of Duties on Agricultural Equipment, Machinery and Products

Agricultural businesses are exempt from paying General Consumption Tax (GCT) on certain items that are listed as exempt or zero valued under the General Consumption Act. There are also exemptions or significant reductions in import duties for certain items listed under the Interim Tax Act.

- Raw Material Duty Concession

Agro-related industries are exempt from paying Common External Tariff (CET) and additional stamp duty on raw material imports. The Commodity Schedule is set out in the General Excise Tax 1991 (Act 110). The terms governing this Incentive are set forth in Section 39, subsections (A) and (b). Manufacturers are beneficiaries of stamp duty exemption under the list of goods. A decision was also made when manufacturers would use traders to import sugar on their behalf. These manufacturers should also be eligible for exemption from additional stamp duty.

Procedure To Obtain Waiver of Duties on Machinery, Equipment and Other Farm Inputs

The applicant should visit the Rural Agricultural Development Authority (RADA) office or contact the Area Extension Officer and make a request.

The Parish Manager should submit a letter of recommendation to the Ministry of Agriculture after he has completed investigations, and he is satisfied that the items will be used for farming.

If the item is exempted under the General Consumption Tax Act (GCT) and the Provisional Collection of Tax Act, A letter will be prepared at the Ministry in the Marketing and Credit Division based on the recommendation of the Parish Manager. The letter is addressed to the Commissioner of Customs verifying that the item/items being imported will be used for agricultural purposes.

If the item is not exempted under the Act, a letter is prepared and sent to the Ministry of Finance and Planning for approval.

Income Tax Relief for Approved Farmers

Section 36(d) of the Income Tax Act 21 of 1982 was enacted for the purpose of encouraging agricultural production by granting income tax relief to any person engaging or proposing to engage in a prescribed agricultural activity. A “prescribed” agricultural activity is an activity which the Minister of Finance prescribes by Order in the Jamaica Gazette. To date, the following agricultural activities have been prescribed:

The growing of food crops

Seed growing

The growing of trees for the purpose of producing timber

The growing of tobacco

Horticulture

Fishing and fish farming

The breeding of beef cattle, dairy cattle, sheep, goats, and pigs

The production of fertile eggs for hatching

The production of table eggs

Apiculture

The breeding of horses

The cattle farmer and horse breeder must assure the Revenue Board of their intent to increase their herd by at least ten percent (10%) over a five (5) year period before the relief can be granted.

Procedure For Obtaining Income Tax Relief/ Approved Farmer Status

An application form shall be obtained from the Rural Agricultural Development Authority (RADA) parish office which has jurisdiction over the parish in which the farming activity is located.

The application shall be completed in duplicate and submitted to the RADA office where it is processed. The accuracy of the information is verified by the Parish Manager and the Chairman.

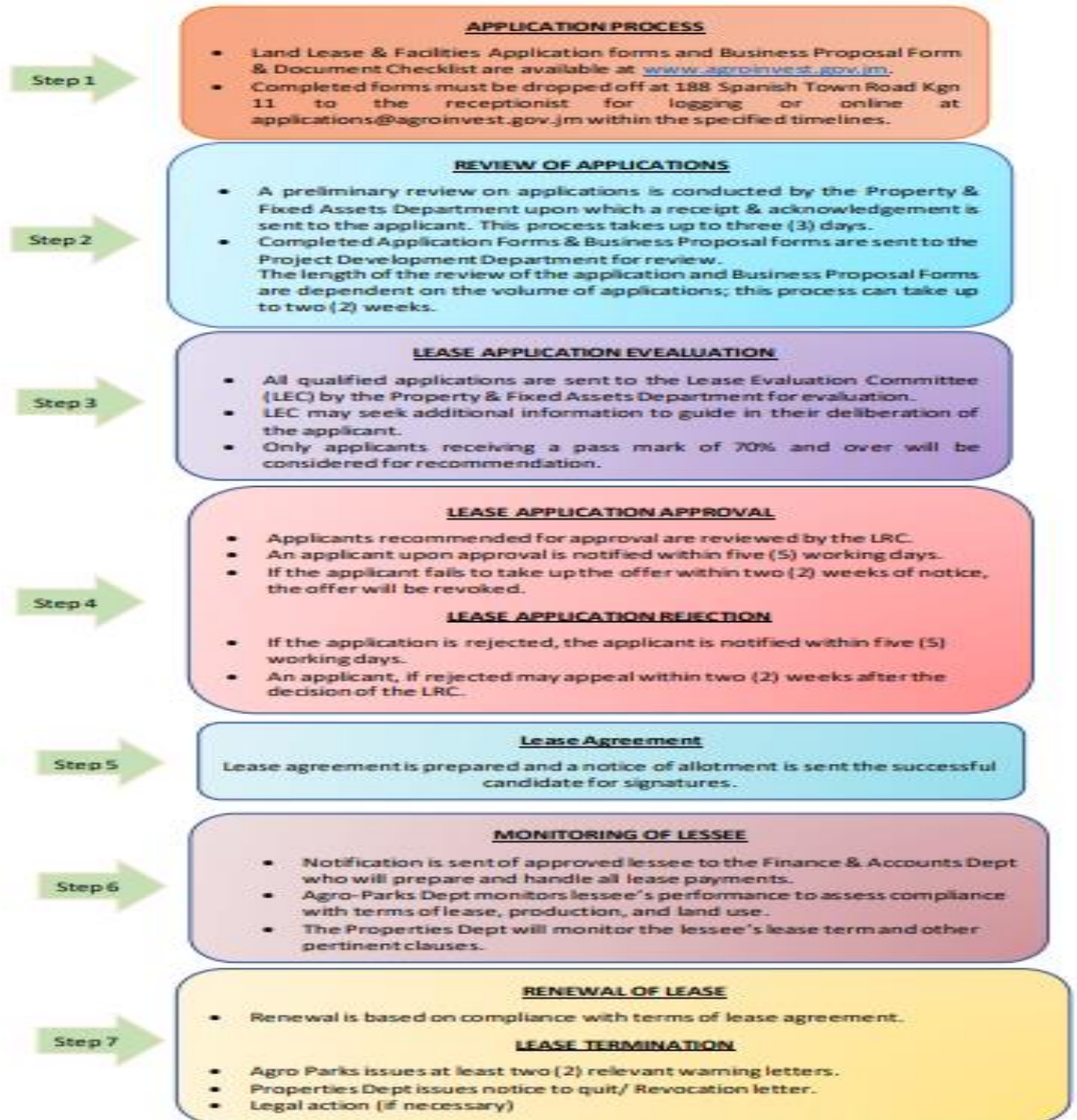
The form is subsequently sent to the Director, Marketing and Credit Division of the Ministry of Agriculture, Hope Gardens, Kingston 6 where further processing, verification and concurrence takes place.

The Ministry of Agriculture recommends to the Ministry of Finance and Planning through the Revenue Board those applications which qualify for income tax relief from profits derived from the prescribed agricultural activity in which these enterprises are engaged.

The Minister of Finance designates a person to be an “Approved Farmer” subject to such terms and conditions as the Minister sees fit.

The name of the farming enterprise or farmer is then gazetted in the Jamaica Gazette and as such the farmer officially becomes an “approved farmer” to be relieved from income tax for a period of ten (10) years, effective from the year of assessment stipulated in the said Jamaica Gazette.

HOW TO APPLY FOR AVAILABLE LAND



Please note available land will be advertised once the application period commences.

LIST OF INPUT SUPPLIERS

COMPANY	DESCRIPTION	CONTACT
Isratech Waterworks	Manufactures and supplies water infrastructure products and systems. Waterworks solutions, water, and wastewater treatment.	2 Kendal, P.O. Box 37, Shooters Hill, Mandeville, (876) 603-3564 info@isratech.com
Nutramix	Livestock feed for local and regional farmers in dairy, poultry, pig, and horse.	Newport Mills Ltd. Myers Wharf, Newport East, Kingston 15, (876) 922-2606 sales@the-big-feed.com
Hi-Pro Jamaica	Hi-Pro family of brands serves and offers farming supplies, broilers, layer birds, feed, home gardeners, and hardware supplies.	White Marl, St. Catherine (876) 984-7919-20
Agro Grace Jamaica Limited	Offers retail sale of farm supplies and equipment, feedings, and fertilizers.	697 Spanish Town Road Kingston 11 876-308-0165, 888-429-5465
Newport Fersan Jamaica Limited	Local supplier of blended inorganic fertilizers.	2A/2B Wherry Wharf Complex, 15 Newport E, Kingston (876) 967-5815
Central Agricultural Supplies Company Limited (CASCO)	Distributes feeds, fertilizers, agricultural chemicals, and equipment.	6 Ward Avenue Mandeville, Manchester (876) 962-3084/9719
Ag-Chem Plants Limited Agricultural Chemicals Plant (AGCHEM)	Formulates and distributes a wide range of pesticides for the agri-industry and home use.	AG-Chem Plant Ltd 2 East Ashenheim Rd. Kingston 11 (876) 757-0022
St. Jago Farm Supplies	Farm supplies and equipment, feedings, and fertilizers	Wellington Street Spanish Town, St. Catherine (876) 612-7825
T. Geddes Grant	Agricultural and veterinary products, including fertilizers and pesticides, and vegetable seeds.	109 Marcus Garvey Drive Kingston (876) 923-7311
Evergrow Garden Centre	Horticultural and farm supplies, garden tools, etc.	12 South Ave Kingston 10 (876) 906-9916

APPENDIX 1: COST ESTIMATES FOR 8.09 HECTARE (20 ACRES) ACKEE (PURESTAND)

Item	Yr.1	Yr.2	Yr.3	Yr.4	Yr.5	Yr. 6	Yr.7	Yr.8	Yr. 9	Yr. 10
Labour Operations: -										
Land Preparation	800,000									
Transportation for Tractor	240,000									
Plowing	800,000									
Cut/maintain Head Trenches	56,680	12,146	12,146	12,146	12,146	12,146	12,146	12,146	12,146	12,146
Line & peg	48,583									
Dig Holes	29,400									
Erect fencing	202,429									
Maintain fencing		24,291	24,291	24,291	24,291	24,291	24,291	24,291	24,291	24,291
Head, drop & plant Ackee	28,340									
Manure/Fertilize	24,291	32,389	32,389	32,389	32,389	32,389	32,389	32,389	32,389	32,389
Supply Seedlings	12,146									
Weed Control	101,215	165,992	165,992	165,992	165,992	165,992	165,992	165,992	165,992	165,992
Apply Pesticides	32,389	20,243	20,243	20,243	20,243	20,243	20,243	20,243	20,243	20,243
Prune & Train Plants	21,255	21,255	21,255	21,255	21,255	21,255	21,255	21,255	21,255	21,255
Harvesting Ackee			370,654	741,309	1,482,618	1,853,272	3,706,544	4,818,507	7,413,088	7,413,088
Sub - Total Labour Cost	2,396,728	276,316	646,970	1,017,625	1,758,933	2,129,588	3,982,860	5,094,823	7,689,403	7,689,403
Material Inputs: -										
Fencing material	809,717									
Pegs	8,097									
Seedlings (ackee)	646,800									
N.P.K fertilizer	11,109	19,951	29,927	39,903	49,879	59,854	69,830	79,806	89,781	99,757
Manure	8,097	8,097								
Herbicides & Pesticides	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134	57,134

Harvesting Tools & Crates			202,429							
Water Charges	30,826	30,826	30,826	30,826	32,494	32,494	32,494	32,494	32,494	32,494
Sub - Total Material Cost	1,571,780	116,008	320,316	127,862	139,506	149,482	159,457	169,433	179,409	189,385
Equipment: -										
Mist Blower & knapsack sprayer	190,000									687,650
Irrigation Equipment	6,000,000									
Sub - Total Equipment Cost	6,190,000	0	0	0	0	0	0	0	0	687,650
Land Lease	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
TOTAL COST	10,558,508	792,324	1,367,286	1,545,487	2,298,439	2,679,069	4,542,317	5,664,256	8,268,812	8,966,438

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Contact our Investment Team today for more information on available investment opportunities!

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