AGRO-INVEST

JAMAICA'S AGRIBUSINESS AGENCY



INVESTMENT OPPORTUNITIES FOR THE SOTHERN PLAINS AGRICULTURAL DEVELOPMENT PROJECT

BREADFRUIT

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 conveniently having all the essential ingredients for a thriving agribusiness venture 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. The project covers 795 hectares and 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.

TABLE OF CONTENTS

OVERVIEW OF THE SOUTHERN PLAIN AGRICULTURAL DEVELOPMENT OPPORTUNITY 3

EXECUTIVE SUMMARY ..... **Error! Bookmark not defined.**

PRODUCT PROFILE 5

AGRONOMICS 6

SWOT ANALYSIS FOR THE ESTABLISHMENT OF 20 ACRE BREADFRUIT ORCHARD 7

MARKET ANALYSIS 8

BUSINESS MODEL AND FINANCIAL ANALYSIS FOR INVESTMENT IN BREADFRUIT ORCHARD 14

AGRICULTURAL SUPPORT SERVICES AND INCENTIVES SPECIFIC TO THE AGRICULTURAL SECTOR 15

SUPPORT SERVICES 15

AGRICULTURE INCENTIVES 16

HOW TO APPLY FOR AVAILABLE LAND 23

LIST OF INPUT SUPPLIERS 24

PRODUCT PROFILE



Botanical Name and Origin: Breadfruit (Artocarpus altilisas) a close relative to the breadnut (A. camansi), belongs to the botanical family, Moraceae.

The breadfruit is said to be a native of Polynesia. The acquisition and subsequent introduction of breadfruit to Jamaica between 1782 and 1793 by captain William Bligh was intended to serve as a staple crop for slaves. It is said that the breadfruit germplasm from Bligh's second voyage was kept and cultivated in the Bath Botanical Gardens in eastern St. Thomas from which propagules were distributed to other parishes.



Species: The three main types of breadfruit found in the Caribbean are the yellow heart, the white heart, and the prickly breadfruit, more commonly known as chataigne. However, the white and yellow heart breadfruit is most known in Jamaica.

Health Benefits: Breadfruit is an excellent source of carbohydrates and protein. The leaves are sometimes boiled to make a drink which is regarded as useful for relieving symptoms of heart diseases and high blood pressure.



Value Added Products:

- Flour,
- Chips,
- Fries
- Baked products
- Beer/ distilled liqueur
- Flavored dips
- Flavored drinks and preserves

AGRONOMICS

Suitable Locations: The crop can be found in most parishes however the prominent parishes for Breadfruit production are Hanover, Portland, St. Mary, St. Thomas, Westmoreland, St. Catherine, and St. James.

Drainage: Breadfruit trees need good drainage, it prefers deep, fertile, well-drained soils.
It can only tolerate waterlogged soils for brief periods thereafter the tree will die.

Soil type: Breadfruit flourishes on a wide range of soil types with pH from 5.5 to 8.5 and at altitudes ranging from sea level to 3500 feet. The plant performs best within a temperature range of 60oF to 100oF, relative humidity of 70% to 80% and a nominally distributed rainfall of 80" to 100" per year.

Reap: Breadfruit trees begin bearing in approximately 3 years after field establishment. The first crops begin to mature at the top of the tree where flowering and fruiting begin due to better light receipt. The fruits should be harvested at the stage of maturity that is required for the method of preparation for consumption. The fruit bruises easily when it is fully ripe, so it is generally picked when mature but not yet ripe. The skin will be green and yellow in colour with some brown cracking and a bit of dried sap or latex are the main indicators of the stage of fruit maturity for these species.
At full maturity, a tree may produce 100 – 250 fruits depending on the cultivar, age, and management. Early fruit falls, approximately 6 to 8 weeks after bearing begins.

Harvesting Methods: When the fruit is at its peak and ripe and flavorful, it will turn yellow, sometimes brownish, and often with lots of old sap on it.
If the fruit is higher up, use a ladder and sharp knife, a scythe, or a long pole with a sharp, curved knife taped to it. Either attach a basket or net to the end of the cutting tool or have someone ready to catch the fruit as it falls in a cushioned box or something to keep the fruit from getting bruised. Whatever mechanism is used, the fruit must not fall to the ground. This will cause bruising (battering), leading to spoilage. Thereafter, turn the fruit upside down to let the latex bleed from the cut stem.

Post-harvest handling: Sorting and grading must be done in the field once the fruits are harvested. All bruised, damaged, scarred, and fruits without stems must be separated and removed from the batch. The stems must be cleaned and trimmed to 1.5 cm long.

Fruits can be dipped in water to wash off excess latex. All clinging insects e.g., mealy bugs must be removed.
The fruits should not be stored below 12^0 C as this results in chilling injury which may cause decolorization of the skin, increased water loss and susceptibility to decay and change in flavour.

Disease Control: There is a low incidence of Breadfruit trees being affected by pests and diseases.
Intercropping: Intercropping may be practised in the first 3 years of establishment. An investor can intercrop with annual vegetables, pineapple, pumpkin, and sweet potato.

SWOT ANALYSIS FOR THE ESTABLISHMENT OF 20 ACRE BREADFRUIT ORCHARD

Strengths	**Opportunities**
• Health benefits/ Gluten free • Wide range of soils and elevations • Low incidence of pests and diseases • 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).	• Good local and export potential • Can be used as an import substitute for rice, wheat etc. • Seed multiplication as a business • Investment in mobile processing units. • Processing of Breadfruit into value-added products (flour and dried chips) for to export to the regional market • Accessing the services of the Praedial Larceny Unit at MICAF. • Prospects for climate change mitigation
Weakness	**Threats**
• The 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	• Increase in land prices. • Natural disasters • Severe market changes and fluctuations in prices. • Shortage of reliable labour • Praedial larceny. • Stringent Government regulation for export and registration • Increase in GOJ taxes • Exploitation of farmers by traders and brokers

MARKET ANALYSIS

Researchers believe that breadfruit can assist in the fight against world hunger due to its effortless nature to grow and maintain. The breadfruit tree is one of the most productive and adaptable in the world. It can grow in a wide range of soil types and elevations. The tree is also high yielding, and an investor stands to benefit from the tree production for decades.

There are not enough organized breadfruit markets around the world to effectively determine the size of the global market.

Export Potential: Breadfruit is grouped under the International Harmonised System code 081090, Fresh tamarinds, cashew apples, jackfruit, lychees, sapodillo plums, passion fruit, carambola, pitahaya, and other edible fruit. The markets with the greatest potential for Jamaica's exports of Breadfruit are the United States, Canada, and the United Kingdom.

In the year 2020, Jamaica exported a total of 805,440kg of fresh breadfruit, with the United States contributing 617,487kg to the total and Canada following closely behind with 151,827kg (see table).

TABLE 1 : JAMAICA'S EXPORT OF BREADFRUIT IN 2020 (PRELIMINARY)

	KG	JM$	US$	COUNTRIES
BREADFRUIT FRESH	617,487	127,912,971	889,268	United States of America
	151,827	24,014,205	168,611	Canada
	32,364	9,008,803	62,009	United Kingdom
	3,060	601,454	4,061	Sudan
	280	36,807	270	Cayman Islands
	180	38,762	270	Cambodia (Democratic Kampuchea)
	146	35,144	245	Guadeloupe
	97	11,800	86	St. Maarten (Dutch Part)
	805,440	161,659,946	1,124,819	

Source: STATIN, 2020

Import Potential: The United States and Canada are potential markets for fresh and processed breadfruit products, specifically communities where there is a high concentration of Pacific and Caribbean individuals.

Data for the year 2020 shows that the imported value for products within the HS group 081090 was valued at approximately US$ 3.4M, with China being the largest importer and the United States second in line.

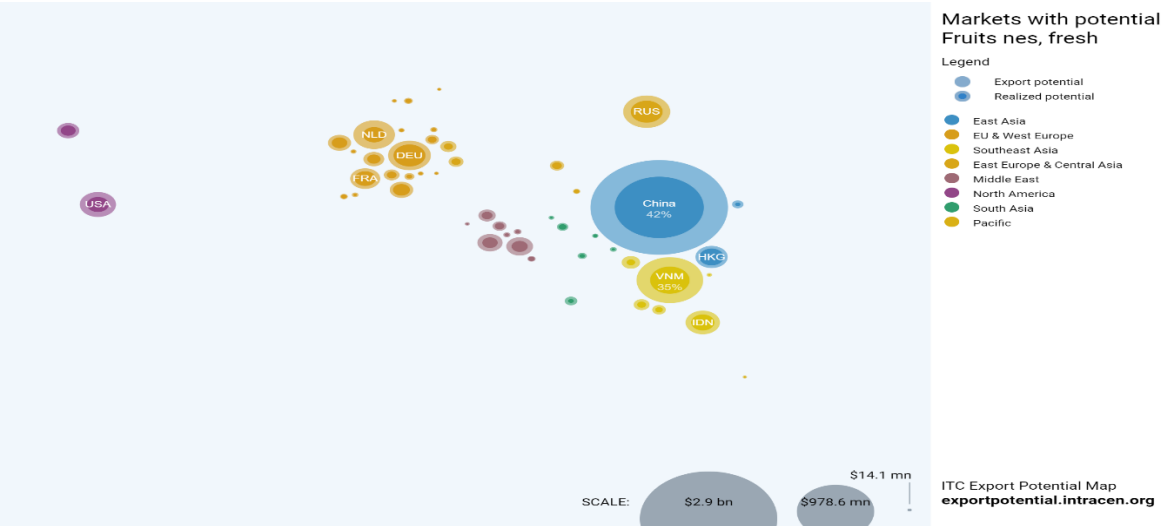
Local Breadfruit Production: Breadfruit is grown in every parish in Jamaica however, the most suited for the establishment of a breadfruit orchard are Portland, St. Mary, St. Thomas, Westmoreland, St. Catherine, Hanover, and St. James.

It was estimated that in 2017, Jamaica produced locally 24,198,040kg (24,198Mt) worth of breadfruit and exported 1,258,269kg (1,258Mt). While preliminary reports for 2020 indicate that 805,440kg of breadfruit was exported (see Table 1). This decline in numbers may be due to the fact that the local market has a 93.85% consumption of fresh and agro-processed breadfruit (Ministry of Agriculture and Fisheries).

Market Prices: The market prospects are favorable for breadfruit production and its value-added products. It is estimated that the farmgate price per kg for breadfruit is JM$ 88 (Ministry of Agriculture and Fisheries, 2020).

World Export Characteristics: Based on the wider group class that breadfruit falls under, the total untapped export potential stands at US$ 4.6bn, with China, Viet Nam and the Russian Federation showing the greatest potential for the World's exports. It is estimated that China has opportunities to realize additional exports worth $1.7 bn.

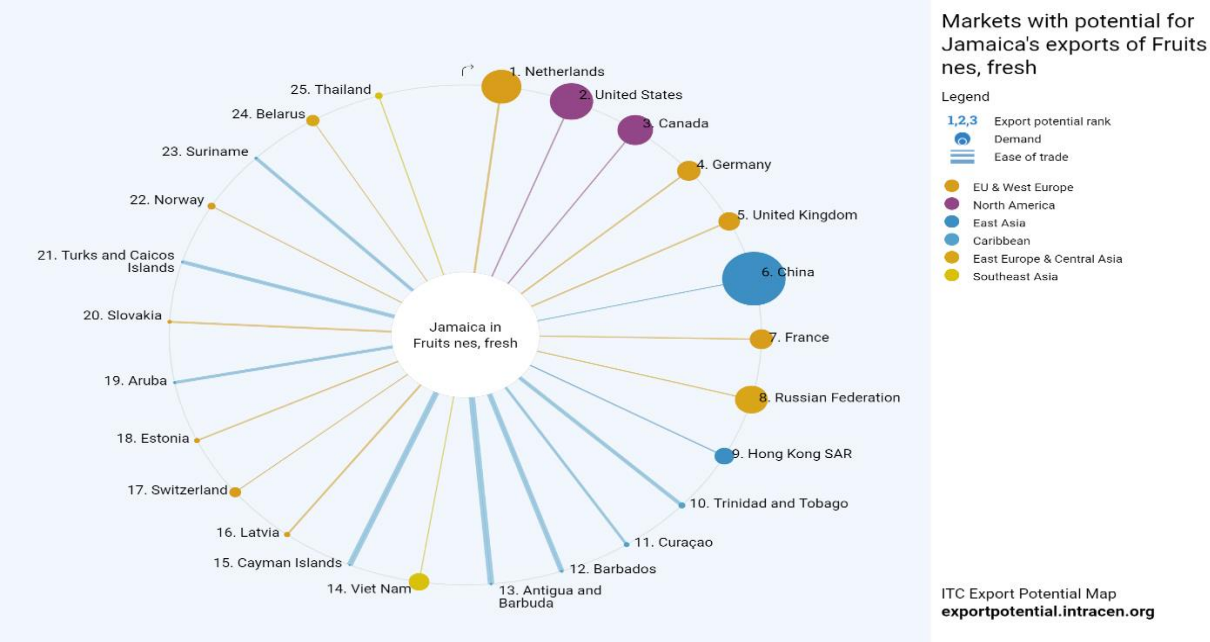
FIGURE 1: SHOWING THE MARKETS WITH THE GREATEST POTENTIAL FOR THE EXPORT OF FRUITS NES, FRESH



Jamaica Exports to the World: Data from the International Trade Centre (ITC), shows that Jamaica has an export potential of US$60.1MN and an untapped potential remaining of US$ 28.1MN.

The markets with the greatest potential for Jamaica's exports of 0810XX Fruits nes, fresh are the Netherlands, United States and Canada (see figure 2). The Netherlands has the capability of realizing additional exports worth US$454.8 k however, China has the greatest market with the highest demand potential.

FIGURE 2: MARKETS WITH POTENTIAL OF FRUITS NES, FRESH



ITC, 2021

Jamaica exported 805,440kg of fresh breadfruit in 2020 valuing US$1,124,819 with the United States being its largest market. It is important to highlight that there was an increase in the number of countries that Jamaica exported breadfruit to in 2020 as opposed to 2019 (see Table 2).

TABLE 2: JAMAICA'S EXPORT OF BREADFRUIT IN 2019 VS. 2020 (PRELIMINARY)

KG 2019	KG 2020	COUNTRIES
105	180	Bermuda
0	108	Cambodia (Democratic Kampuchea)
271,867	151,827	Canada
0	280	Cayman Islands
0	146	Guadeloupe
403	97	St. Maarten (Dutch part)
0	3,060	Sudan
48,862	32,364	United Kingdom
574,207	617,487	United States of America

Value-added Opportunities: There is a lot of potential to be realized from the organized production of breadfruit. According to the Agriculture and Consumer Protection Department at the FAO, breadfruit has excellent potential for contributing to food and nutrition security, viable livelihoods, sustainable environments, and adaptation to climate change. This potential can be realized through promoting entrepreneurial efforts and the development of the breadfruit industry.

With the gluten-free aspect of breadfruit, an investor can explore breadfruit flour or baked products made from breadfruit. An investor can also try frozen breadfruit, provided the relevant cold storage is in place.

FINANCIALS SUMMARY

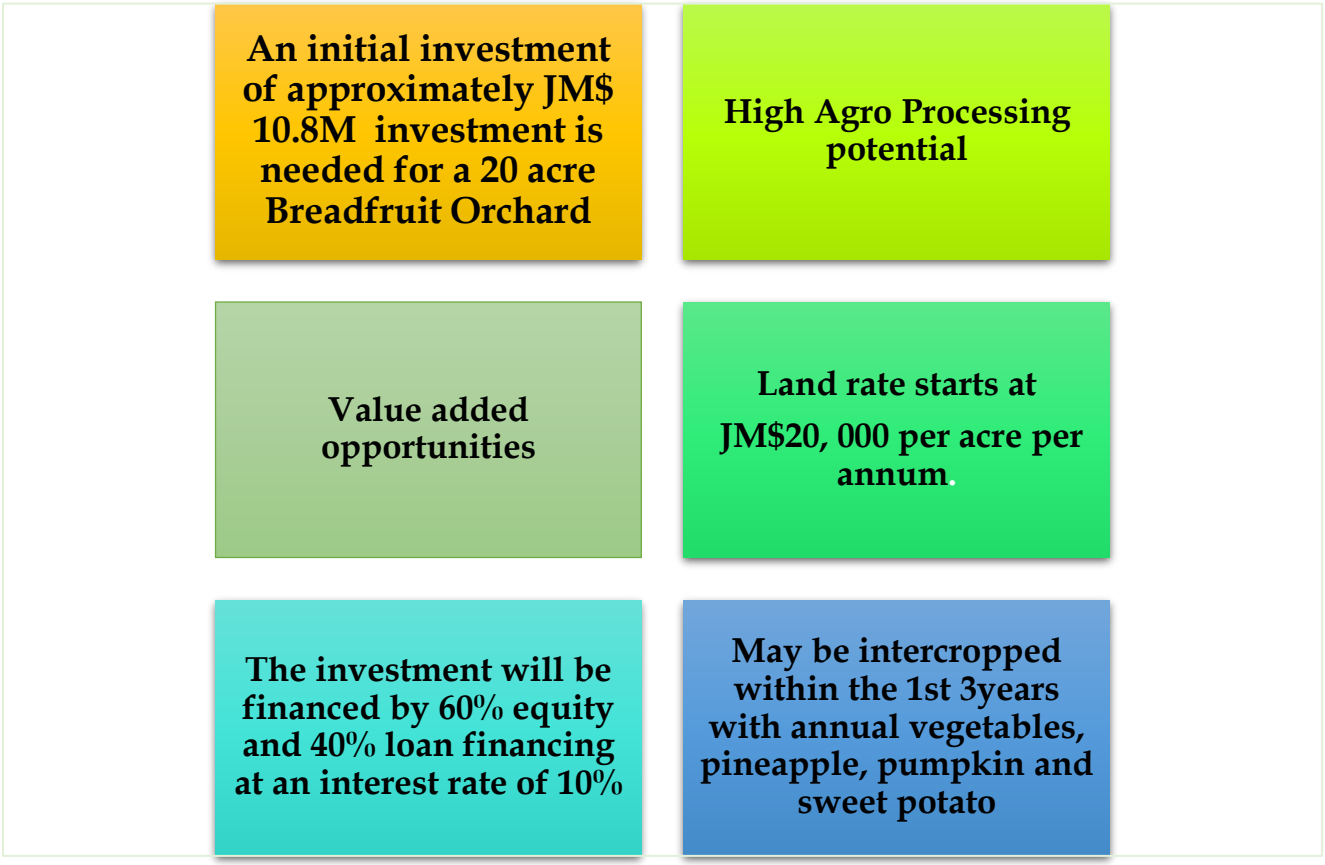
Investment Cost
The initial investment cost for the first phase of the 20-acre breadfruit orchard is estimated at **JM$ 10,809,644 per acre** (See Appendix 1 - Cost of Production).

Revenue
Average revenue for the ten years is expected to amount to JM$76.8M.

Return on Investment
The estimated financials of the project are promising and show an **Internal Rate of Return**
(IRR) of 83% and Net Present Value (NPV) of JM$355M when future cash flows were discounted utilizing a 10% per cent rate based on the going bank lending.

Projected Cash Flow
The cash flow projections for breadfruit production on a 20-acre breadfruit orchard are negative for the first two years and then become positive for the remainder of the ten years. The net cash flow after debt service is expected to average **JM$73.9M.**

INVESTMENT OPPORTUNITY



BUSINESS MODEL

<table>
<tr>
<td rowspan="2">KEY PARTNERS
• Agro-Invest – (Business Plan)
• Financial Institutions
• MoAF (R&D)
• RADA
• Input suppliers
• Farmers/investors
• Supermarkets
• New and small Agro-processing investors</td>
<td>KEY ACTIVITIES
• R& D
• Capacity Development /Training
• Marketing & Sales</td>
<td rowspan="2">VALUE PROPOSITION
• High Quality and convenient products
• Freshness of produce
• Employment
• Contribution to Gross Domestic Product
• Import Substitution
• Value chain development
• Reduction in post-harvest losses</td>
<td>CUSTOMER RELATIONS
• Personal relations with customers
• Building a reputation for reliability and quality</td>
<td rowspan="2">CUSTOMER SEGMENT
• Business to Business (B2B)
• Hotels
• Supermarkets
• Exporters
• Agro-Processors
• Wholesalers</td>
</tr>
<tr>
<td>KEY RESOURCES
• Capital
• Land
• Infrastructure
• Human resources
• Partnerships
• Government</td>
<td>CHANNELS
• Direct sales
• Export
• Wholesaling</td>
</tr>
<tr>
<td colspan="3">COST STRUCTURE
• Wages
• Operating costs
• Infrastructure development and maintenance
• Machinery & Equipment
• Cost reduction via economy of scale
• Land
• Transportation</td>
<td colspan="2">REVENUE STREAMS
• Breadfruit Sales (individuals and Businesses)</td>
</tr>
</table>

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 own verification assessment including a site visit.
- Verification site visit conducted:
  appointment made 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 would 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 subsiding 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 outlined 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

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

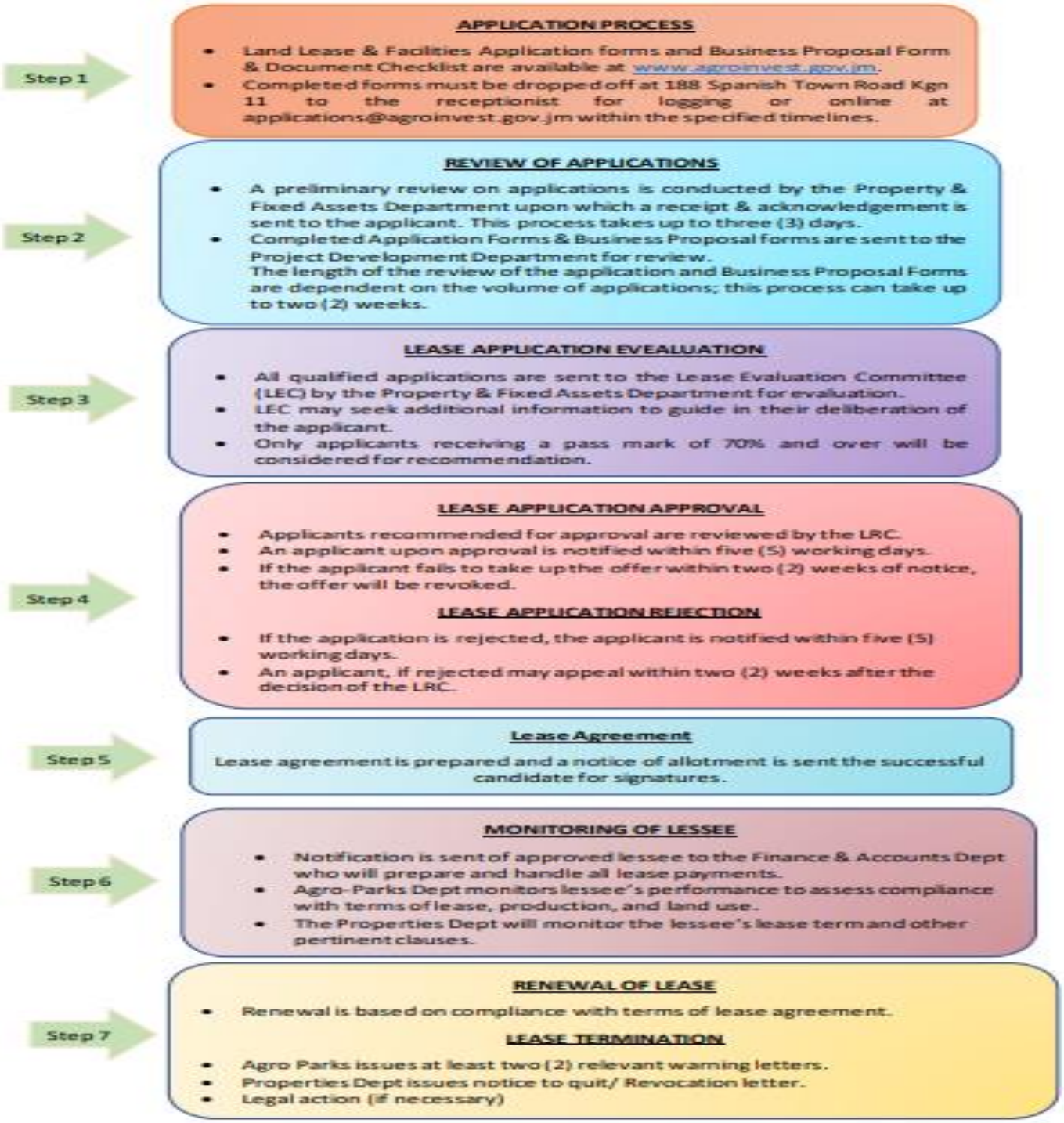
- Apiculture
- The breeding of horses

The cattle farmer and horse breeder have to 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

i. 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.
ii. 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.
iii. 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.
iv. 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.
v. The Minister of Finance designates a person to be an "Approved Farmer" subject to such terms and conditions as the Minister sees fit.
vi. 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 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 OF PRODUCTION FOR 8.09 HECTARE (20-ACRE) BREADFRUIT ORCHARD

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	800,000.00									
Head trenches/maint.	85,020.24	24,291.50	24,291.50	24,291.50	24,291.50	24,291.50	24,291.50	24,291.50	24,291.50	24,291.50
Line & peg	48,583.00									
Dig holes	48,583.00									
Apply manure	20,242.91	20,242.91								
Head & drop plants	14,574.90									
Plant & stake	13,967.61									
Apply fertilizer	29,149.80	43,724.70	43,724.70	43,724.70	43,724.70	43,724.70	43,724.70	43,724.70	43,724.70	43,724.70
Supply seedlings	14,574.90									
Apply herbicide	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80	29,149.80
Apply slugbait	14,574.90	14,574.90	14,574.90							
Apply pesticides	14,574.90	29,149.80	43,724.70	43,724.70	43,724.70	58,299.60	58,299.60	58,299.60	58,299.60	58,299.60
Prune plants	34,008.10	84,000.00	34,008.10	55,506.61	55,506.61	55,506.61	68,016.19	68,016.19	85,020.24	85,020.24
Harvest produce			22,950.00	32,130.00	68,850.00	114,750.00	114,750.00	137,700.00	137,700.00	137,700.00
Sub - total	***1,167,004.05***	***245,133.60***	***212,423.68***	***228,527.30***	***265,247.30***	***325,722.19***	***338,231.78***	***361,181.78***	***378,185.83***	***378,185.83***
Material Inputs:-										
Pegs	8,097									
Seedlings	330,364									
N.P.K fertilizer	39,838	79,676	119,514	159,352	199,190	239,028	278,866	318,704	358,543	358,543
Manure	16,194	16,194								
Slugbait	48,583	48,583	48,583	48,583	48,583					
Fungicide	69,960	69,960	69,960	69,960	139,919	139,919	139,919	139,919	139,919	139,919
Insecticide	77,733	77,733	77,733	77,733	77,733	77,733	77,733	77,733	77,733	77,733
Sub - total	***590,769.23***	***292,145.75***	***315,789.47***	***355,627.53***	***465,425.10***	***456,680.16***	***496,518.22***	***536,356.28***	***576,194.33***	***576,194.33***
Equipment:-										
Mist Blower & knap sack sprayer	95,000									
Irrigation Equipment	8,000,000									

Sub - total	***8,095,000.00***									
Other Costs:										
Contingencies	263,666	53,728	52,821	58,415	73,067	78,240	83,475	89,754	95,438	95,438
Tools	29,538	14,607	15,789	17,781	23,271	22,834	24,826	26,818	28,810	28,810
Land Charges	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Supervision	263,666	80,592	79,232	87,623	109,601	117,360	125,213	134,631	143,157	143,157
Sub - total	***956,870***	***548,927***	***547,843***	***563,820***	***605,939***	***618,435***	***633,513***	***651,202***	***667,405***	***667,405***
TOTAL	**10,809,644**	**1,086,206**	**1,076,056**	**1,147,975**	**1,336,612**	**1,400,837**	**1,468,263**	**1,548,740**	**1,621,785**	**1,621,785**

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

CONTACT DETAILS

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