

Tourism- Agriculture Linkages

- **A Working Model of Hotel - Farmer Cooperation – Nevis**
 - **[St. Kitts and Nevis]**

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The Nevis Model

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Nevis Lovely Nevis

Background

- Prior to 1990, there was a production-led approach to crop production in Nevis. Farmers harvested their crops hoping to get them sold and not producing them for a specific market.
- This approach to production changed in 1990 when the completion of the Four Seasons Resort (FSR), a 5 star hotel, provided an opportunity to revise the Marketing Approach in Nevis. This revision eventually led to a multi-faceted marketing strategy for agricultural products.

- The Four Seasons Resort which offers 400 beds and employed in 1990 about 575 persons, created a large single market for agricultural produce.

- The multi-faceted approach involved joint activities of producers, research and extension in a closely monitored production and marketing system which developed into the 'Nevis Model'.
- This model encourages producers to become more oriented towards commercializing agriculture.

Functioning of The Model

- In 1990, the Department of Agriculture along with Allied Agencies discussed with the management of the Four Seasons Resort about supplying local produce to the hotel.
- The hotel management agreed to become involved in an organized marketing programme and provided information pertaining to vegetable requirements, quantities needed and the price they were prepared to pay for each product. They welcomed the opportunity to do business with the farmers as a single entity.

- Following the initial discussions between research, extension and the producers, the Nevis Growers Association (NGA) was formed with 12 members.
- For the producers, this was an opportunity to focus on supplying produce for a specific market in a Market-Led system and to establish an Agro-Tourism Linkage.

- Staff from the Department of Agriculture, CARDATS and the Four Seasons Hotel met with crop farmers and indicated to them the marketing opportunities that were emerging. The information from the hotel about its crop requirements was presented and discussed.

- Further meetings were held with farmers and six commodities were selected to be produced for the FSR based on the capability of farmers to produce these crops.
- The commodities selected were Tomato, Sweet Pepper, Cucumber, Lettuce, Watermelon and Cantaloupe.

- A planting schedule was developed with the producers to guide the production of these six crops.
- Target quantities of the products per farmer were established after FSR informed of the quantities required.
- Farmers with preferences for target crops were chosen.
- Dates were assigned for planting of crops and the acreage to be established was agreed on.

- The NGA met once per month to review the production targets and to fine-tune the cropping schedule. Other matters relating to marketing of produce and the functioning of the group were also discussed.

- To facilitate the marketing of agricultural products, a Marketing Division was established within the Department of Agriculture.
- This Division coordinates the marketing of produce of all farmers and also function as a clearing-house for the NGA.

- To facilitate this new production and marketing opportunity, the Department of Agriculture provided seedlings to farmers when needed, so that continuous production was achieved to ensure that targets were met.
- The Extension Officers also worked with the farmers to address any production problems which arose and which would affect the targets to be achieved.

- Orders for produce were sent from the FSR to the Marketing Division every Monday and Thursday. This information was faxed by the hotel to the Marketing Division.
- The information was given to the Extension Division, who are responsible for coordinating crop production island wide, to source the required commodities.
- The technical staff at the Extension Division met every Thursday to collate and discuss crop forecasting information.

- The Department of Agriculture assigned two (2) Extension Officers to collect the produce and transport them to the Marketing Division where they were washed, graded and labeled. Storage of produce was done in the chill room at the Marketing Division.
- This support was provided by the Department of Agriculture to the producers.

- The FSR order was filled and delivered every Tuesday and Friday by the Marketing Division.
- At the FSR, the staff at the Purchasing Department would inspect and weigh the produce on arrival.
- The weight was recorded in duplicate – one copy was sent back to the Marketing Division while the other copy was retained by the Purchasing Department.

- The hotel paid for the produce every fortnight and to facilitate the transactions, a chequing account was opened at Barclays Bank in the name of Nevis Growers Association with three signatories.
- Initially the signatories were the Chief Extension Officer, the CARDATS Officer and a Farmer Representative. Later these signatories were changed to the President and Treasurer of the NGA and the Director of Agriculture. Any two (2) of the three (3) signatures were required on the cheque.
- The Marketing Division made a 5% deduction from the monies received from the sale of the farmer's produce as an administrative fee.

- The payment to farmers by the Marketing Division every fortnight was a departure of the traditional custom of cash on delivery. This posed a problem for several farmers.
- To overcome this, the Ministry of Agriculture provided EC\$10,000.00 to the Department of Agriculture, to address this problem. A further EC\$25,000.00 was provided to consolidate and diversify the activities at the Marketing Division.
- Farmers are now paid by cheque every Wednesday.

- The Purchasing Manager and the Executive Chef from the FSR met with the producers at the start of the production season and discussed the expectations of the hotel for the new production season and provided reassurance of their obligation to the producers.
- Whenever there was a new Executive Chef at the FSR, he would be invited to meet and discuss with the producers the arrangement established with the hotel and any new strategies he would like to use.

- The crop forecasting system developed by the Extension Division informed of the availability of local produce and guided the decisions taken regarding import quotas.
- There is mutual understanding between the Department of Agriculture and the FSR regarding the availability of produce. A two (2) week lead time was provided to the hotel to make alternative arrangement for sourcing produce unavailable from the producers.

- This production and marketing arrangement with the farmers and the FSR generated much interest locally and within the sub-region.
- Other hotels on Nevis made requests to be involved in similar arrangements. By the second year of operation, the production and marketing arrangements involved both members of the NGA and non-members alike.
- If members of the NGA defaulted regarding their production targets, the product was sourced from other farmers.

- The rising demand for agricultural inputs necessitated the Marketing Division to purchase inputs for sale to farmers. A wide range of inputs is available to farmers.
- An arrangement for credit to all farmers was also established at the Marketing Division to assist them in obtaining needed agricultural inputs.

*Problems
Experienced*

- Problems surfaced as the process developed. Initially there was skepticism on the part of the purchasers about the ability to deliver at the agreed time, the agreed amounts and the agreed quality.
- There were doubts on the farmer's side as to the commitment of the hotel to purchase the produce. This situation was aggravated when some farmers refused to comply with the agreed planting and harvesting schedules.
- This led to importation of vegetables in containers by the hotel. The matter was quickly resolved through the intervention of the Minister of Agriculture.

- Personal conflicts arose between the major players involved in the arrangement.
- Periodically, the FSR resorted to purchasing from multiple local sources. This action resulted in reduced sales to the hotel, increased spoilage of the produce in storage and frustration on the part of producers and the staff at the Marketing Division.

*Marketing
Arrangements
of Livestock
Products*

- A similar arrangement has been established with the livestock producers.
- Discussions with the hotel verified demand, quality assurance standards and agreed price for meat.
- Meetings were held with the livestock producers to discuss these marketing arrangements and the opportunity to access the FSR market became a driving force for these producers to come together and form a group.

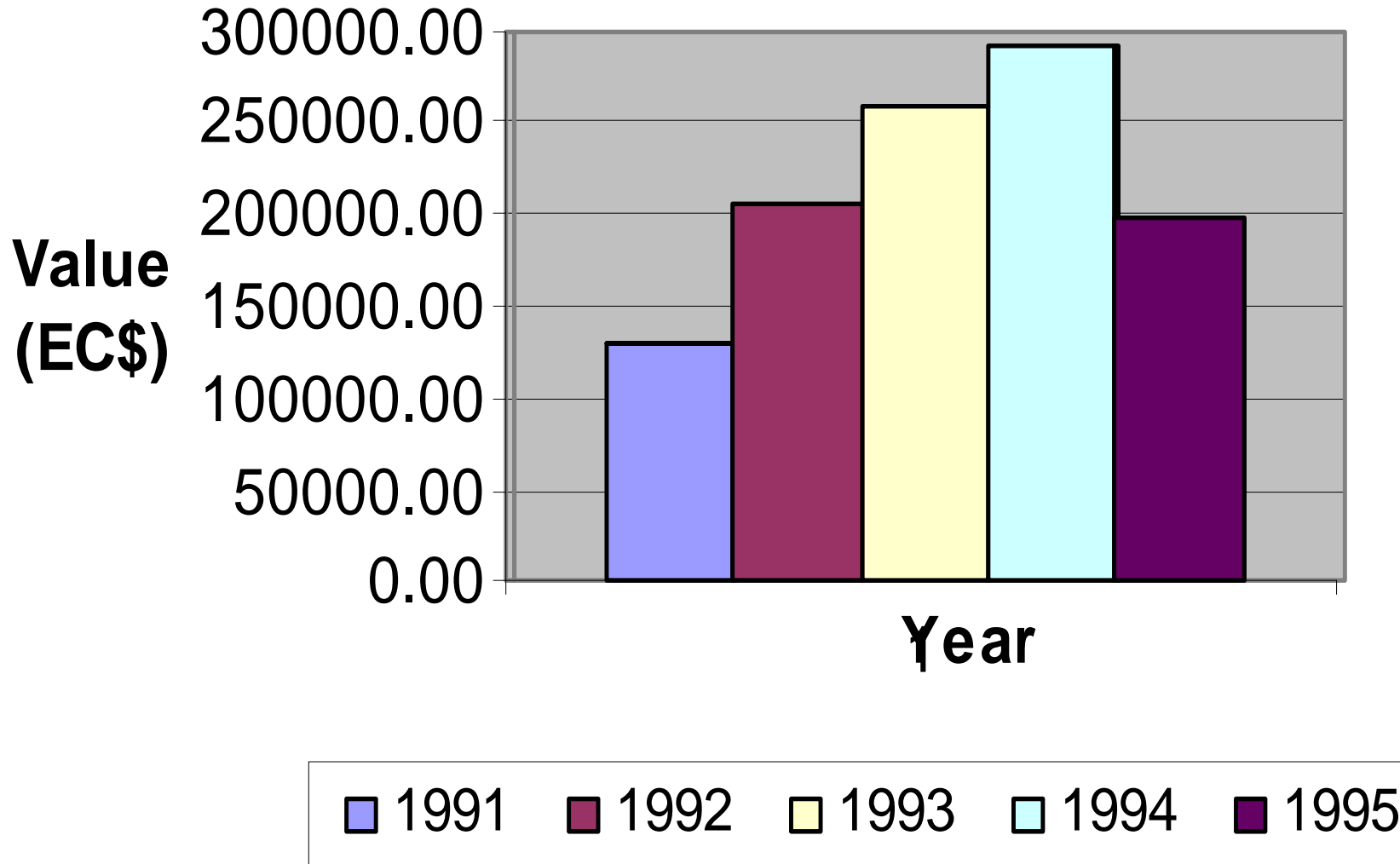
- Meat cutting and processing equipment were procured and installed at the Abattoir.
- Choice cuts were made available also the meat was presented in the manner required by the hotel.
- Animals are procured from farmers and are slaughtered at the Government's Abattoir.
- Meat and meat products are made available from the Abattoir to other hotels and supermarkets.

- A small fee is charged by the abattoir for cutting and packaging of meat. This money is used to maintain and replace the cutting equipment at the Abattoir.
- Payment to livestock producers are also done weekly by the Marketing Division.
- Records are kept at the Abattoir and at the Marketing Division.

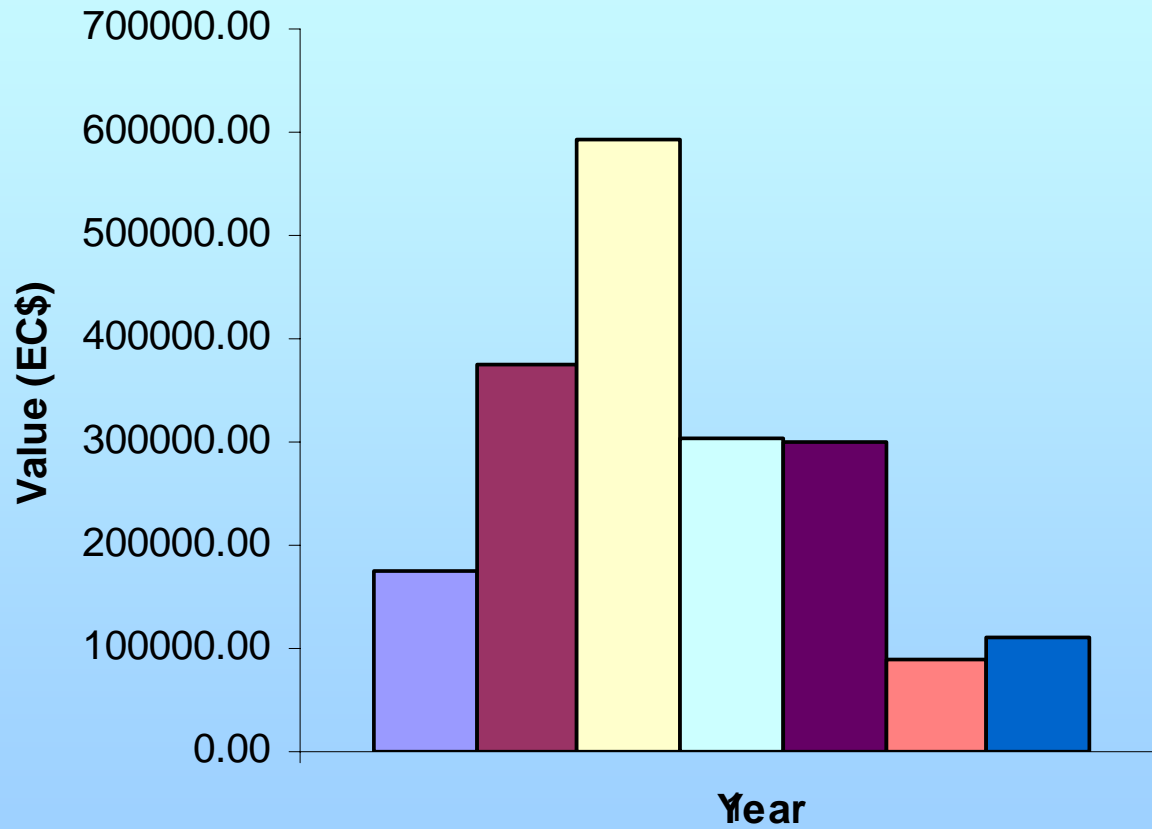
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Crop Sale to FSR

1991 - 1995

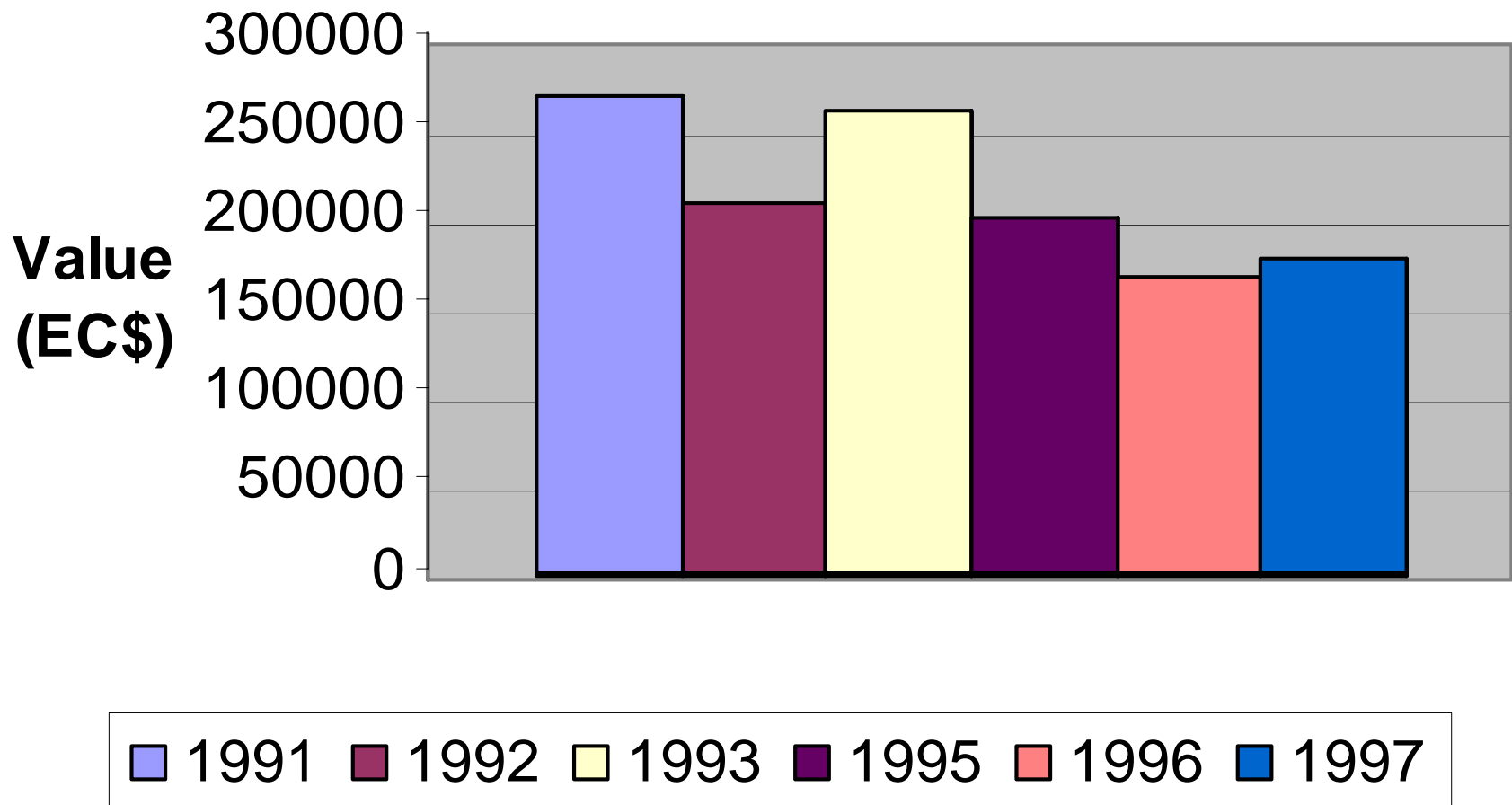


Sale of Produce to Four Seasons Resort 2000 - 2006

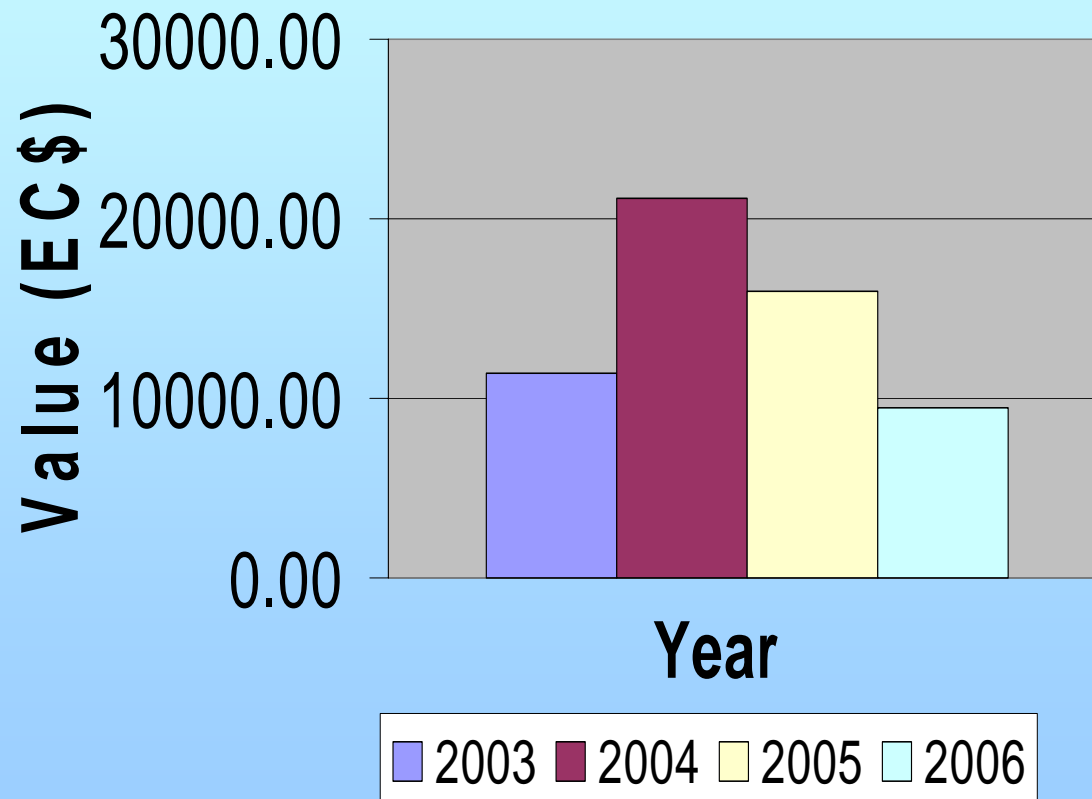


2000 2001 2002 2003 2004 2005 2006

Sale of Meat Products to FSR 1991 - 1997

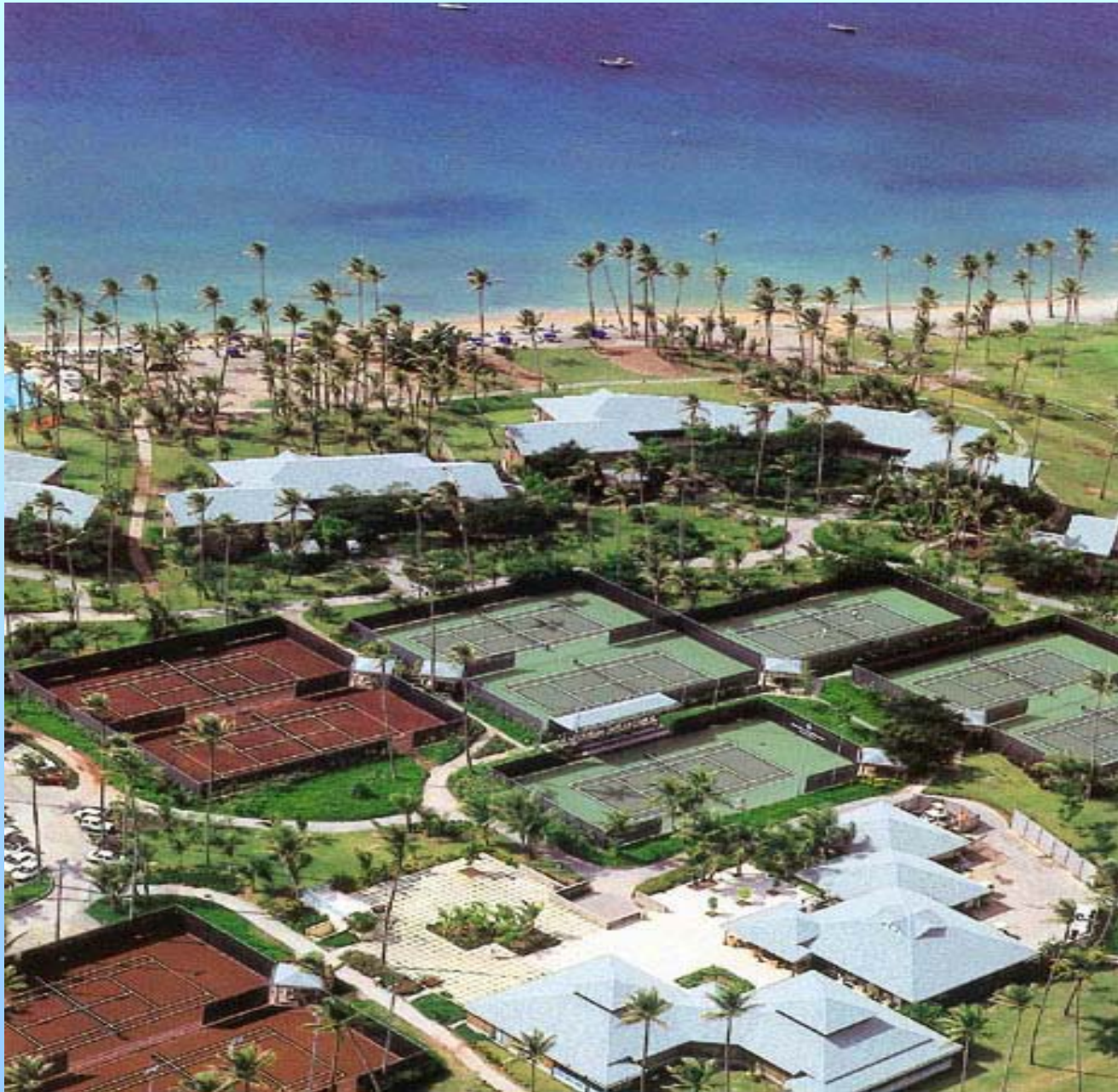


Sale of Meat to Four Seasons Resort 2003-2006



*Aspects
Of
The Nevís Model*

Aerial View of Four Seasons Resort Nevis



Marketing Division



Farmers at Meeting



Farmers Visiting Production Sites











Choice Cuts of Meat



Fresh Meat



Hamburgers Being Prepared



Ground Beef



Elements Critical to the Successful Functioning of the Model

- There must be open communication at all times by all persons involved.
- Persons involved in the process should meet regularly.
- Institutionalization of the process is critical to its success.
- There must be strong policy support for the plans made and actions taken.
- Coordination of the process must be done by a team comprising major stakeholders.
- Members of the team must have authority to make final decisions.
- Team members who are delinquent should be replaced from local resource pool.

- Tasks assigned to team members must be performed efficiently and timely.
- Meeting with farmers at specific times of the production phase is essential.
- The availability of inputs, teck-packs and training to farmers is necessary.
- The production system must be market-led. Unavailability of markets can frustrate the entire process.
- The system should be flexible to address problems and adjust to changes.
- Farmers should follow recommended production schedules to prevent bottlenecks from over production and attendant problems.
- An effective crop forecasting system contributes to the success of the programme.
- Persons involved should take ownership of the programme.

Thank

You

For

Your

Time

And

Attention

The End

