



Haitian agriculture has a lot of potentials. L'ester Artibonite, Copyright © Ruth Climat

ENDING HUNGER NOW

AN ANALYSIS OF THE CHALLENGES FACING THE FOOD SYSTEM IN HAITI

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TABLE OF CONTENTS

INTRODUCTION	4
1.- A FAILING AGRICULTURAL SYSTEM FACING INCREASING CHALLENGES	5
1.1.- HUNGER IN HAITI	5
1.2.- A POPULATION EXPLOSION AND CHANGES IN DIET LEADING TO INCREASED RISK OF MALNUTRITION	5
1.3.- INCREASES IN UNPREDICTABLE WEATHER CONDITIONS ARE PLACING THE AGRICULTURAL SECTOR AND POPULATIONS AT RISK	6
1.4.- A STRATEGY OF RADICALLY DEREGULATING TRADE AND IMPORTING LOW COST FOODSTUFFS, WHILE FOCUSING THE ECONOMY ON A FEW EXPORT SECTORS	7
1.5.- CONTROL OVER IMPORTS CONCENTRATED IN A FEW HANDS	8
1.6.- WEAK PUBLIC INVESTMENT IN AGRICULTURE	8
1.7.- AGRICULTURAL POLICY FAVOURING GROWTH POLES AT THE EXPENSE OF FAMILY FARMING	9
1.7.1- PUBLIC FUNDING PRIMARILY DELIVERED THROUGH A VARIETY OF DISPARATE PROJECTS	10
2.- OPPORTUNITIES TO DEVELOP THE FUTURE OF FOOD IN HAITI	12
2.1.- SUPPORT LOCAL AGRICULTURE, WHICH CONTINUES TO PROVIDE FOOD FOR THE MAJORITY OF HAITIANS	12
2.2.- REINFORCE THE LINK BETWEEN LOCAL AGRICULTURE AND FOOD PROCESSING	13
2.3.- EXPLORE THE OPPORTUNITIES PROVIDED BY THE IMPLEMENTATION OF A CARICOM COMMON EXTERNAL TARIFF	14
2.4.- USE HUMANITARIAN AID TO THE BENEFIT OF AGRICULTURAL DEVELOPMENT	15
2.5.- THE NATIONAL SCHOOL CANTEEN PROGRAMME, AN OPPORTUNITY FOR HAITIAN AGRICULTURE	16
3.- RECOMMENDATIONS	18

LISTS OF FIGURES

TABLE 1: AMERICAN RICE GROWERS: THE MAIN BENEFICIARIES OF HAITI'S RICE TRADE POLICY

TABLE 2: HAITI'S MAJOR IMPORT MARKETS

TABLE 3: PROPORTION OF THE AGRICULTURAL BUDGET IN THE STATE BUDGET BETWEEN 2005 AND 2014

TABLE 4: POLICY FRAMEWORKS ON THE AGRICULTURAL SECTOR DEVELOPED SINCE 2010, OR UNDER DEVELOPMENT

TABLE 5: PARTNER DEVELOPMENT FUNDING IN THE MARNDR PUBLIC INVESTMENT PROGRAMME (PIP) FOR THE 2016/17 FINANCIAL YEAR

TABLE 6: COMPARISON OF THE BOUND RATES PROMISED TO THE WTO AND THE RATES ACTUALLY APPLIED

TABLE 7: COMPARISON OF THE MAIN APPROACHES ON THE GROUND

INTRODUCTION

Haiti faces extensive structural food and nutritional insecurity, in part due to the high levels of extreme poverty affecting a quarter of its population. According to an evaluation by the National Food Security Coordination Unit (CNSA)¹, 3.3 million people in rural areas (56% of the total rural population) are struggling to maintain their livelihoods and being forced to sell assets, pushing them into a vicious cycle of poverty.

According to the World Bank, in 2012, 59% of Haitians were living under the poverty line (with less than \$2.42 per day²). Haiti's food insecurity results chiefly from the political decisions of the last forty years, which have not only radically altered food production and supply, but also the eating habits of the population. While Haitian agriculture provided the bulk of the country's food in the 1980s, Haitians now import more than half of their total foodstuffs, making them extremely vulnerable to upheavals and crashes in the global market.

In 2017, Action Against Hunger conducted independent research into the state of the country's food system. This study, jointly published by the Papaye Peasant Movement (MPP) and Action Against Hunger, is designed to shed further light on the agricultural system in Haiti by asking the following question: who feeds the Haitians? Its aim is to provide a basic analysis of Haitian food market supply sources and the principle stakeholders and frameworks (political, regulatory and budgetary) underpinning Haitian agriculture. This analysis gives rise to a series of recommendations, aimed restoring national agricultural production to its central place in the Haitian food system. Haitian agriculture is capable of providing food for the population and significantly improving the country's food security. The report also sheds light on recent political decisions relating to food production and supply and their severe impact on the poorest sections of the population.

Detailed evaluation of the impact of the hurricane on food security using the Households Economic Approach in the country's eight (8) livelihood zones, CNSA, May 2017
According to the latest household survey (ECVMAS 2012) cited in the 2012 World Bank report more than 6 million (59%) Haitians live below the national poverty line of \$2.42 per day. More than 2.5 million (24%) Haitians live below the national extreme poverty line of \$1.23\$ per day.

1.- A FAILING AGRICULTURAL SYSTEM FACING INCREASING CHALLENGES

1.1.- HUNGER IN HAITI

Haiti suffers from the highest income inequality of almost any country. Its GINI coefficient, a measure of income inequality, is 60.8¹, placing Haiti second last in the global ranking (just above South Africa). More than 15% of the Haitian population cannot obtain enough food to live an active, healthy life.² This figure reaches catastrophic highs during crisis periods, such as droughts, floods and cyclones (like the recent hurricane Mathew). Although levels of malnutrition are set to fall slightly over the long term, they are still a major cause for concern. In 2016, chronic malnutrition affected 23.5% of children, with 6.9% suffering from acute malnutrition. Furthermore, huge disparities exist within the population: chronic malnutrition is seven times higher among children in the poorest quintile³.

which is rapidly losing its labour force. The mass exodus towards urban centres also results from the increased difficulty maintaining livelihoods due to significant degradation of natural resources (soils in particular) and the impact of climate change, which is threatening the sustainability of Haiti's major crops in the lead up to 2050³.

Haitian agriculture is therefore facing both rising and changing food demand. Population growth and the changes in dietary habits linked to urbanisation and mass importation of processed foods, all influence food demand. At the same time, the loss of arable land due to uncontrolled urbanisation reduces the country's ability to increase agricultural output.

1.2.- A POPULATION EXPLOSION AND CHANGES IN DIET LEADING TO INCREASED RISK OF MALNUTRITION

The Haitian population has doubled since 1980, with the majority of people living in cities. Between 1970 and 2015, the urban population multiplied by 7, while the rural population grew 1.2 times¹. More than half of Haiti's 10.9 million strong population live in Port-au-Prince or one of the country's secondary cities². Coupled with increasing urbanisation, population growth places significant stress on the agricultural sector,

<https://donnees.banquemondiale.org/indicateur/SI.POV.GINI?locations=HT>

The Haitian Department for National Education and Vocational Training (MENFP), 2016, "National policy and strategy for nutrition in schools (PSNAS)"
The Haitian Department for Public Health and Population (MSPP), SMART 2016; MSPP: Mortality, morbidity and service use survey - EMMUS-IV, 2007" and MSPP, "EMMUS-V. 2012,2013", quoted in PSNAS 2016

CIRAD/IDB 2016, "An exhaustive strategic study of the rural/agricultural sector in Haiti and the public investment required for its development", "Introduction".
Haitian Institute for Statistics and Information Technology (IHSI) 2015: http://www.ihsi.ht/pdf/projection/Estimat_PopTotal_18ans_Menag2015.pdf. Accessed February, 2017.

Estimation the cost of the impact of climate change in Haiti. UNDP 2015

1.3.- INCREASES IN UNPREDICTABLE WEATHER CONDITIONS ARE PLACING THE AGRICULTURAL SECTOR AND POPULATIONS AT RISK



Soil degradation is limiting food production in Haiti. Trois rivières, Port-de-Paix, Copyright © Ruth Climat

Haiti is highly vulnerable to natural disasters (floods, droughts, cyclones and earthquakes), which have heavy consequences for the agricultural sector and livelihoods in rural areas. Since the 1950s, the country has experienced more than twenty deadly, devastating tropical storms, resulting in losses and damage now that form and enduring part of the agricultural sector's problems¹. For example, the soil erosion caused by intense rainfall results in an estimated annual productivity loss of 0.5 to 1.2%². In all probability, the agricultural sector will continue to suffer from climate change in the future. The projections for Haiti show a rise in temperature of 0.8°C to 1°C between now and 2030, combined with a loss in annual rainfall of between 6 and 20% and a shift in the timing of the rainy season³.

The frequency of violent weather events (earthquakes, floods, droughts, landslides and tropical storms) has tragic consequences for Haitian's food security, including displaced populations, damaged infrastructure, disrupted markets and loss of crops and livestock. Haiti's population has been suffering from widespread food insecurity in the wake of hurricane Mathew in 2016, which is set to continue beyond 2017 due to losses of food stocks, infrastructure and means of production. Food aid and support remain therefore essential and are especially crucial in the short-term in order to meet the needs of vulnerable populations affected by natural catastrophes. The massive influx of aid (more than 12 billion dollars over 5 years) contrasts with the lack of commitment from donors to reconstructing a more resilient and equitable agricultural system.

The Haitian Department for Agriculture, Natural Resources and Rural Development (MARNDR) 2016, "Report - summary evaluation of the agricultural losses and damage caused by the recent Hurricane Mathew from October 3 to 5, 2016"
National agricultural investment plan (PNIA) 2016-2021, November 2016 draft, citing figures in the Triennial agricultural recovery plan (PTR) 2013-2016 of the MARNDR.
Draft PNIA, Ibid.

1.4.- A STRATEGY OF RADICALLY DEREGULATING TRADE AND IMPORTING LOW COST FOODSTUFFS, WHILE FOCUSING THE ECONOMY ON A FEW EXPORT SECTORS

Over the last thirty years, Haiti has moved from a highly protected and strongly regulated economy, to a laissez-faire market economy. This is the result of the series of reforms implemented in 1986 and 1994 as part of the structural adjustment plans imposed by the Bretton Woods institutions. These reforms reinforced the economic model Haiti had been moving towards for decades, focusing on the export of agricultural products (coffee, cocoa, indigo, sugar, etc.) and the import of processed food and final products.

Food imports have skyrocketed, tripling between 1995 and today. Now, more than half of the available foodstuffs in Haiti are imported, versus 19% in 1981³. These imports represent more than a billion dollars annually⁴.

Faced with imported products sold at costs lower than those of local production, some Haitian agri-food businesses have gone bankrupt, such as HASCO in the sugar industry and the vegetable processing company FACOLEF.

Cheaply imported products quickly overran Haitian markets for two main reasons: Haiti's low customs duties and subsidies in exporting countries. This phenomenon has contributed to a radical change in the organisation of consumption and consumer habits in Haiti. Rice is the most striking example: imports have risen from 7000 tonnes in 1985 to 400,000 tonnes today. It replaces other cereals in the Haitian diet that were previously consumed in greater quantities⁵.

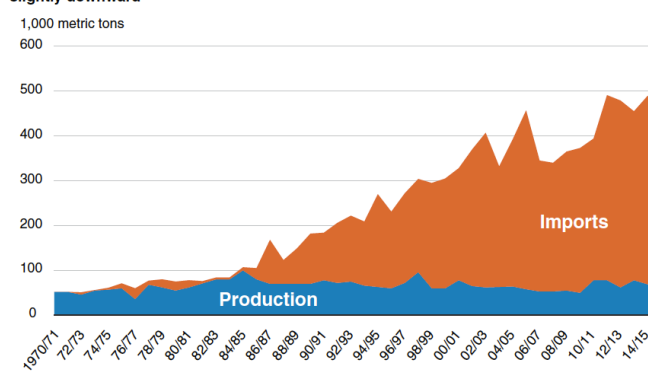
TABLE 1: AMERICAN RICE GROWERS: THE MAIN BENEFICIARIES OF HAITI'S RICE TRADE POLICY

Haiti removed quantity restrictions on rice imports in 1986. They were replaced with a special import tariff of \$70 per tonne with a value-added custom's duty of 50%. Imports then rose from 7000 tonnes in 1985 to 140,000 tonnes in 1994, representing an increase in rice imports of 1900% in less than 10 years.

In 1995, Haiti lowered its customs duties to 3%. Rice imports shot up to reach an average of 400,000 tonnes today (that is, an increase in imports of more than 5600% in 30 years). Local production stagnated during this period and Haitian officials estimate

that imports now make up 80 to 90% of local rice consumption. USA Rice, the chief lobbying body for the American rice industry, sees Haiti as their second largest export market, with around 350,000 tonnes of

Rice consumption has nearly quintupled since 1985, while production trended slightly downward



Note: Figures are on a marketing year basis. Since 2007/08, Haiti's marketing year has been July-June. Prior to 2007, it was January-December.
Source: USDA Economic Research Service using data from USDA's Foreign Agricultural Service.

FAO 2014, "Evaluation of the various possible customs duty reforms on the import of agricultural products in Haiti"
CIRAD, 2016
USDA 2016, "Haiti's U.S. Rice Imports - A Report from the Economic Research Service"

rice sold per year. In a recent press release, USA Rice congratulated itself on being the only body of its kind to actively market to Haiti. "USA Rice is continuing its successful promotions in 2015, including sponsoring a local soccer team which will place U.S. rice posters in their stadiums, strengthening the positive image of U.S. rice, encouraging continued consumption, and protecting U.S. market share."

Source: USDA 2016

Furthermore, the majority of foodstuffs in Haiti originate from other parts of the world. The agricultural sector in exporting countries is highly subsidised, allowing them to export surplus goods at low cost, undercutting local production. Haiti does not have the means to subsidise its agricultural sector to the same levels, it is subject to the rules of the global market and the World Trade Organisation (WTO), over which it had little or no power.

1.5.- CONTROL OVER IMPORTS CONCENTRATED IN A FEW HANDS

Haitian import markets are controlled by a small number of stakeholders, who gain significant profits and largely control price structuring. The 2016 World Bank study "Haiti – Let's Talk Competition" denounces high market concentration in Haiti, in particular with regard to the food market, which is almost entirely made up of imports. The report cites the oil, dairy, bakery product and soup industries as examples. These markets are controlled by just seven companies (see table below).

For example, two companies represent 93% of the palm oil market in Haiti.¹ The results of the report are corroborated by a recent Fintrac study analysing the major food markets. It states that a handful of oligopolistic companies control the supply of around 80% of the food available for sale in Haiti and that these companies are seeking to increase profits, rather than offer affordable prices to consumers².

The table below provides a summary of the World Bank's study on the country's import sectors

TABLE 2: HAITI'S MAJOR IMPORT MARKETS

Product	Number of companies ³ / percentage of market share (2012)	Value of the import market ⁴ (2010-2012 average)
Palm oil	2 groups share 93% of the market	More than 60 million dollars
Concentrated milk and cream	2 groups share 87% of the market, with one controlling 68%	53 million dollars for concentrated milk alone
Bread, pastry, cakes , biscuits and other baker's wares	One group controls 49% of the market share	Figure not available
Soups, broths and preparations	1 group controls 56% of the market share	More than 41 million dollars
Animal or vegetable fats	2 companies share 87% of the market	Figure not available

Source: The World Bank 2016

Ibid
<https://www.usarice.com/blogs/usa-rice-daily/2015/04/30/usa-rice-promotions-a-hit-in-haiti>
 World Bank 2016, "Haiti – Let's Talk Competition"

1.6.- WEAK PUBLIC INVESTMENT IN AGRICULTURE

The agricultural industry is Haiti's largest employer and the largest sector of its economy (although its proportion is gradually declining, from 38% of GDP in 1980 to a little over 20% today.) Despite its socio-economic significance, public investment in the agricultural sector remains low. The budget of the Department for Agriculture, Natural Resources and Rural Development (MARNDR) only rarely reaches 5% of the total national budget.

TABLE 3: PROPORTION OF THE AGRICULTURAL BUDGET IN THE STATE BUDGET BETWEEN 2005 AND 2014

2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
1.7%	3%	2.9%	2%	4.9%	3.4%	4.7%	4.2%	3.9%

Source: Treasury / CIRAD 2016

The agricultural sector also suffers from the lack of investment in the economic infrastructure necessary to sell agricultural output and develop the food processing industry. Furthermore, due to insufficient investment in improving the effectiveness of national supply chains and systems, some manufacturers process imported agricultural products instead of buying locally. One of many examples of this is the company Caribbean Food Manufacturing (CFM).

Founded in 2010, this company specialises in manufacturing corn-flakes (a corn-based food product). It began selling this product in Haiti and was quickly able to expand to markets in other Caribbean countries and the United States¹, priding itself on being one of the rare Haitian companies to export processed

foodstuffs. If the company used Haitian corn for its corn-flakes, it would be a perfect example to others in the agricultural and agri-food industries. In addition, Haitian farmers produce nearly 200,000 tonnes of corn per year and could boost production if there were enough outlets.

In fact, the CFM is a cluster of the largest cereal importers and benefits from customs duty exemptions on corn imports. It even received support from the Haitian Department of Trade to enter the CSME (CARICOM Single Market and Economy), which gives the company access to lowered customs duties on exports to CARICOM (Caribbean Community) countries².

1.7.- AGRICULTURAL POLICY FAVOURING GROWTH POLES AT THE EXPENSE OF FAMILY FARMING

The MARNDR's current policy combines investor support mechanisms with an agricultural growth pole development strategy. In this way, the Department is seeking to encourage a new generation of entrepreneurs capable of intensifying national agricultural production. If Haiti wishes to develop its agro-industrial sector, Haitian agricultural policy should also take into account and mitigate the difficulties encountered by small family farms. If not, the development of Haitian agriculture could come at the expense of reaching the goals set to combat poverty and improve food security. The vast majority of Haitian farmers are indeed smallholders, who are currently cut off from government support and sometimes suffer its unintended consequences.

<http://lenouvelliste.com/lenouvelliste/article/144282/Haiti-produit-et-exporte-du-corn-flakes>. Accessed February 2017.

Press release from the Department of Industry and Trade, 14 March 2014, published on the site Flash Haiti: <http://flashhaiti.com/business/detail/Caribbean-Food-Manufacturing-CFM>. Accessed February 2017.

1.7.1- PUBLIC FUNDING PRIMARILY DELIVERED THROUGH A VARIETY OF DISPARATE PROJECTS

Contrary to the discourse of successive governments, the agricultural sector receives very little public funding. However, since 2010, agriculture has been placed at the centre of at least eight major policy frameworks (policies, strategies, new bills and investment plans), some with overlapping implementation timelines. In addition to these frameworks, there are specific recovery plans for certain industries, for example, the peach, moringa tree, coffee and egg industries. Unfortunately, this proliferation of approaches does not facilitate the streamlining and optimisation of projects in the sector. Moreover, some plans are never implemented: either because they are never officially adopted by the Cabinet or Parliament or because they are never transformed into concrete action with the necessary financial backing.

TABLE 4: POLICY FRAMEWORKS RELATING TO THE AGRICULTURAL SECTOR DEVELOPED SINCE 2010, OR UNDER DEVELOPMENT

- *The Agricultural Development Policy (PDA 2010 - 2025): adopted in 2010, it includes a sector-wide diagnostic with 5 strategies to guide priority actions, but no specific implementation plan.*
- *The National Agricultural Investment Plan (PNIA 2010 - 2016): adopted in 2010 under the impetus of the sector's development partners, it is associated with the PDA and is designed to provide an umbrella framework to guide the agricultural investments of all stakeholders (the State, its partners and the private sector). A new PNIA is being developed for the period 2016-2021. In particular, the new PNIA is supposed to include short term investment priorities.*
- *The National Food and Nutritional Security Plan (PNSAN): adopted in 2010 after a 3-year consultation process (launched following the events of 2008), it is steered by the National Food Security Coordination Unit (CNSA). It includes a diagnostic and actions across multiple domains (agriculture, nutrition, employment and social security and crisis prevention and management).*
- *Strategic Development Plan for Haiti - Emerging country in 2030 (PSHD): drafted by the Department for Strategy and adopted in 2012, the PSDH is a comprehensive strategy for the country's development, it includes a detailed agricultural programme along with a triennial investment plan for 2012-2015, renewed each year and, in theory, achieved through annual public investment programmes.*
- *The Triennial Agricultural Recovery Programme (PTRA 2013 - 2016): developed through the initiative of the Department of Agriculture and adopted in 2013, it is a framework for the implementation of the PNIA over 3 years. It works partially in conjunction with the PNIA and prioritises investments over the implementation period.*
- *Draft bill on food and nutritional sovereignty: drafted by the Agricultural Commission of the Chamber of Deputies, it focuses on reforming food security governance. Adopted by the Chamber of Deputies, it will be submitted to the Senate for final approval.*

➤ *Draft National Policy on food and nutritional sovereignty: drafted by the Social and economic development council (CDES, Prime minister's office) following a consultation process launched in 2013, the document sets out 25 measures (mostly multi-sector) for the development of a policy. This document must be submitted to Cabinet for adoption and approval.*

➤ *The national policy and strategy for nutrition in schools: put forward by the Department of Education and adopted in 2016 on the basis of joint work by multiple stakeholders, this document proposes a reorganisation of backing from the Department of Agriculture and its partners in order to support a national policy for food in schools.*

Furthermore, an analysis of the public investment programme (PIP) of the agricultural sector shows that, for an overall sum of 5.9 billion gourdes (a little under 70 million euro), 79% of the resources allocated in the MARNDR budget is provided by development partners and only 21% by Haiti's public treasury.¹ This ratio is not unusual and globally reflects the extent of funding flowing in from donors over the last few years in various sectors, which is on average 8 times higher than the State's own resources between 2010 and 2014.

In addition, part of the funding provided by donors is not accounted for in the PIP, either because the Department of Agriculture does not have information on the projects and programmes being implemented, or because the partner funding has been approved after the consolidation of the Haitian financial year and thus has not been recorded in time.

TABLE 5: PARTNER DEVELOPMENT FUNDING IN THE MARNDR PUBLIC INVESTMENT PROGRAMME (PIP) FOR THE 2016/17 FINANCIAL YEAR

	Amount	%	Number of projects within the PIP
PIP MARNDR total budget	5,874,027,278 HTG	100%	22
State (Public treasury)	1,220,454,545 HTG	20.8%	0
USAID	1,291,148,838 HTG	22.0%	2
IBD	1,105,007,264 HTG	18.8%	4
France	763,988,000 HTG	13.0%	4
WB	609,915,000 HTG	10.4%	2
Canada	392,500,000 HTG	6.7%	2
Taiwan	249,522,948 HTG	4.2%	2
The European Union	104,763,058 HTG	1.8%	1
Germany	74,400,000 HTG	1.3%	1
Spain	47,778,973 HTG	0.8%	3
IFAD	14,548,652 HTG	0.2%	1

Source: authors' calculations based on the 2016/17 PIP

The large extent of development partner funding poses the essential question of their influence over government decisions and priorities relating to the agricultural sector. Moreover, the proliferation of different projects and programmes makes the MARNDR's job of coordinating agricultural recovery difficult, since its resources are taken up by project monitoring and management (especially due to the numerous protocols relating to contractualization, disbursement and checking).

2.- OPPORTUNITIES TO DEVELOP THE FUTURE OF FOOD IN HAITI

2.1.- SUPPORT LOCAL AGRICULTURE, WHICH CONTINUES TO PROVIDE FOOD FOR THE MAJORITY OF HAITIANS



The results of the general agricultural survey published by the MARNDR in 2012 reveal three kinds of agriculture in Haiti¹:

- Very small-scale urban agriculture, principally for self-consumption;
- A major proportion of family farms, more or less integrated into the market;
- A few rare landowner or business farms, operating mainly with employed labour, principally farming cash crops, such as bananas.

Therefore, Haitian agriculture mainly consists of local, rural subsistence farming. It is chiefly oriented towards the internal market and mainly produces cereals, pulses and staple crops, which account for more than 85% of the country's cultivated land². Cultivated land in Haiti is divided up between a million farms, of which nearly 800,000 are under 1.3 hectares in size³.

These farms face great difficulties with production and marketing: low storage capacities and poor connection to roads and transport networks. They also face considerable problems with land security. Finally, Haitian farmers have practically no access to credit to improve their production conditions, since credit supply is essentially targeted to urban areas and marketing activities. The majority of these small-scale farmers live below the poverty line. Poverty affects 75% of Haitians living in rural (mostly agricultural) areas, as compared to the national average of 58.5%⁴. The land's low productivity levels can be explained by soil degradation and inappropriate agricultural practices.

Yet, these problems should not prevent us from seeing the great potential of Haiti's agricultural sector, the largest sector in the country's economy, and the dynamism of its farmers. In fact, the majority of farms currently operate under their actual production capacity. The low outputs of

CIRAD/IDB 2016, "An exhaustive strategic study of the rural/agricultural sector in Haiti and the public investment required for its development", "Chapter 6: The current situation and trends in Haitian agriculture"
CIRAD/IDB 2016, Chapter 6. Ibid.

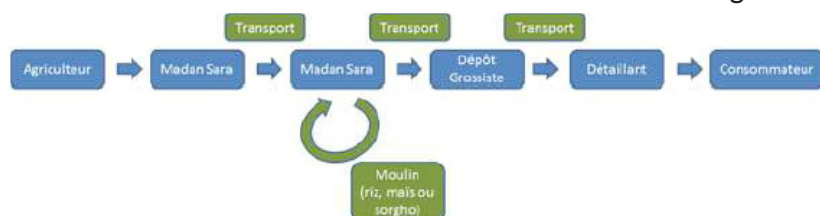
most cereal and staple crops represent an opportunity: significant productivity gains in terms of land and labour are possible. For example, a gradual propagation of the System of Rice Intensification (SRI) could allow farmers to double their rice production, while using fewer seeds and fertilisers and less water. Moreover, there are often sizeable harvest losses: more than 30% on average according to MARNDR statistics⁵. Reducing these would result in greater food availability and lower prices.

Irrigable land remains under exploited (80,000 ha out of a possible 154,000 ha). There is still a significant amount of land that can be developed with drainage systems, which is less costly than creating irrigated areas.⁶ The diversity of agro-ecosystems means a wide variety of crops could be grown year-round and fishing (with 1700 KM of coastline) and aquaculture (with Haiti's numerous lakes and reservoirs) have strong development potential. Finally, Haiti's internal market is expanding. If Haiti's resources are fully exploited, local agricultural and food production should be able to meet the needs of the growing urban population.

2.2.- REINFORCE THE LINK BETWEEN LOCAL AGRICULTURE AND FOOD PROCESSING

As mentioned above, the Haitian agri-food sector remains underdeveloped and involves only a small number of stakeholders and methods of agricultural organisation and production. Yet the sector is highly heterogeneous, including a handful of agro-industrial businesses, numerous farmers groups and cooperatives and even households with small treatment and processing facilities. In order to develop the agricultural sector, the agri-food processing industry must reinforce its links with the national and above all local agricultural production sector. The goal is therefore twofold: increase national agricultural production and develop the Haitian agri-food industry.

The few Haitian food processing businesses that exist today tend to favour imports. This allows them to access large volumes at highly competitive prices due to subsidies in exporting countries and weak custom protections in Haiti, exacerbated by custom exemptions laid out in the national investment code. In addition, the length and complexity of local supply chains serve as a disincentive to agri-food businesses, even when local production is sufficient. The marketing chains for the main kinds of local produce are made up of numerous intermediaries, the "Madan Sara", who buy produce from farmers in small quantities and then collect and deliver agricultural products across the entire country¹. The lack of specialised, central purchasing bodies, able to enter into contracts with farmers, to collect, stock and even carry out the first stage of processing, is detrimental to the development of the country's agri-food industry.



Une chaîne d’approvisionnement inefficace

Transport
 Farmer – Madan Sara – Madan Sara – bulk depot – retailer – consumer
 Mill (rice, corn or sorghum)
 An inefficient supply chain

CIRAD/IDB 2016, "An exhaustive strategic study of the rural/agricultural sector in Haiti and the public investment required for its development" "Chapter 6: Haitian agricultural industries".

2.3.- EXPLORE THE OPPORTUNITIES PROVIDED BY THE IMPLEMENTATION OF A CARICOM COMMON EXTERNAL TARIF

The Haitian trade policy of the recent years has failed revitalise agricultural production. Furthermore, the study by Action Against Hunger demonstrates that improving links between local production and the agri-food industry and restricting imports by raising customs duties would boost Haitian agricultural productivity and lead to increased food availability. Thus Haiti's current customs policy appears to be disconnected from the realities of production and reflects a lack of strategic

vision for the development of Haitian industry. The extremely low customs duties applied to basic necessities can be partially explained by a desire to improve food security: it is important to have sufficient low-cost foodstuffs in a country where 59% of the population live below the poverty line.¹ However, Haiti's customs tariffs are in fact far lower than those previously promised to the WTO, even though Haiti had already committed to weak trade protections, including customs duties far below those accepted by other countries in the region.

TABLE 6: COMPARISON OF THE BOUND RATES PROMISED TO THE WTO AND THE RATES ACTUALLY APPLIED

	Rice	Oil	Sugar	Milk	Wheat	Chicken
<i>Bound customs duties promised to the WTO in 1996 (i)</i>	50%	20% (except on olive and linseed oil)	40%	10%	0%(durum wheat) 50% (flour)	20%
<i>Customs duties applied (ii)</i>	3%	0% - 5% (according to specifications)	3,5% (cane, beetroot) 15% (other)	3,5%	3,5%(durum wheat and common wheat flour)	25%

(i) Commitments to bound tariff concessions (WTO). These commitments were made by Haiti in 1996. Some tariff lines were modified in 2009, which explains the gaps observable in wheat and rice. https://www.wto.org/french/tratop_f/tariffs_f/tariff_data_f.htm

(ii) Source: DCE / MCI

A revaluation of customs duties could be possible if Haiti aligns itself with the CARICOM on a Common External Tariff (CET), establishing common customs protections in relation to countries outside the CARICOM. Haiti joined the CARICOM in 1973 without adopting the CET, the county is gradually bringing its customs duties in line with those of CARICOM. The application of very low customs tariffs on all agricultural and food products essentially condemns national industry and deprives it of the means to develop potentially profitable sectors, which

could at least partly replace imports. Higher customs protections on basic necessities (such as rice and milk) and products for which there is little or no local production (such as oil and sugar) are desirable in order to support the development of these industries. However, they must be implemented gradually and in stages so as to avoid soaring prices. Such caution is not for other products that require stronger tariff protections in order to maintain and develop national production (such as corn, peas, pulses and peanuts).

Ibid, Haiti Overview, World Bank Report, 2012

FAO 2014, "Evaluation of the various possible customs duty reforms on the import of agricultural products in Haiti"

Nevertheless, according to the FAO⁶, the adoption of the CET will not provide Haiti with significant increased protection, since only one third of the customs duties applied in Haiti on agricultural products are lower than those of the CARICOM. To have a real impact on agriculture, Haiti must revise the list of exemptions (a list of products considered sensitive, for which Haiti applies different customs duties than those set out in the TEC) and the customs relief mechanisms on certain agricultural products applied as part of a policy to encourage investment. An interdepartmental working group, including the Departments of Agriculture and Trade and Finance, is currently reviewing customs duties. The proposed changes must subsequently be approved by Parliament (as part of the vote on the national budget, since customs revenue represents a large proportion of the country's resources). Non-tariff barriers, such as quotas, could also be used to protect markets, especially against contraband goods from the Dominican

Republic. In 2015, the Department of Economy and Finance outlawed importation via land of a list of 23 products from this neighbouring country, the official goal being to ensure quality control and public safety. The degree was also designed to combat contraband imports, although its effectiveness is yet to be proven.⁷ Similarly, Haiti has implemented sanitary measures in an attempt to regulate trade between the two countries, for example in 2007, during the bird flu epidemic. However the lack of border checks and the difficulties controlling cross border activity – and the movement of thereby contraband goods – between the two nations makes the implementation of these measures problematic. Moreover, regulatory measures could be applied to allow an increase in the level of protection on specific strategic products in order to counteract the negative effects of the high levels of subsidies in many exporting countries. For example, Haiti could demand that foodstuffs be labelled in Creole, more strictly control the composition of certain processed products and ban certain toxic additives in industrial products.

2.4.- USE HUMANITARIAN AID TO THE BENEFIT OF AGRICULTURAL DEVELOPMENT

Today, food aid provides a small proportion of the foodstuffs available in the country (less than around 5%). In specific times and places food aid can be a vital source of nutrition, in particular for vulnerable populations or those affected by disaster.

Some of the actions laid out in the humanitarian response plan, published in January of 2017, aim to improve agricultural and rural households' resilience in the medium to long term and reinforce local agriculture:

i) Improve access to food, especially through food for cash and food for work programmes, in order to create employment and revenue in affected areas;

- ii) Support the recovery of agricultural production by providing grains, access to inputs and water and rehabilitating agricultural infrastructure;
- iii) Improve nutrition for children under five and pregnant and breastfeeding women;
- iv) Improve resilience by 1/ providing access to livelihoods (subsidies for revenue generating activities, vocational training and rehabilitation of the local value chain), 2/ encouraging better use of water and better access to markets and inputs and 3/ improving productivity.

While the The Association of Haitian Customs Officers congratulated itself on an improvement in the sale of its products one month after the degree, a few months later it lamented the resurgence of contraband products from the Dominican Republic. IICA/SYFAAH report: Michel Châtelain, "Characterisation study of the aviculture sector in Haiti 2013: specific data on the egg and poultry industries."

It is vital that these activities be coordinated with those of the Department for Agriculture and the agricultural sector’s development partners, so that they are implemented in a complementary and coherent manner. Moreover, while it is necessary to quickly and cheaply deliver food to people affected by natural disasters, the unintended and negative effects of free food distribution are well-known.

At the 2016 World Humanitarian Summit⁸, international humanitarian organisations committed to increasing the use of different methods of intervention, such as cash assistance and the distribution of food stamps for local vendors. Evaluations of the local food market and the revenue of local households are also increasingly systematised in order to evaluate the appropriateness of responses.

2.5.- THE NATIONAL SCHOOL CANTEN PROGRAMME, AN OPPORTUNITY FOR HAITIAN AGRICULTURE

Today, Haiti’s number one food assistance programme is the national school canteen programme (PNCS), a social programme aimed at improving both food security and education, rather than humanitarian disaster relief. It provides meals for children in schools.

The programme was set up by several different partners and organisations, from government, civil society and the private sector. Coordinating these different approaches is still a major challenge. Food supply for the programme is a crucial issue and represents a significant opportunity for national agriculture and production. Unfortunately, to date, local purchases remain a secondary supply source.

TABLE 7: COMPARISON OF THE MAIN APPROACHES ON THE GROUND

Methods	Cost / 1000Kcal (USD)	Coverage (pupils)	Local Products
1. PNCS/WFP: one hot meal (600 kcal), centralised food purchasing and distribution, run by the school management committee, meals prepared by community members	0.45	592	20%
2. MENFP/EFA: snack + hot meal (1200 kcal), centralised food purchasing and distribution for the hot meal but decentralised for the snack, run by the school management committee, meals prepared by community members	0.48	140	23%
3. MAST/Kore Lavi : snack + hot meal (1500 kcal), prepared outside of schools, decentralised food purchasing, meals prepared and distributed by the private sector, oversight by school principals and the community	0.88	4	100%
4. WFP/Nippes: hot meal + milk (550-830 kcal), purchasing per region, food distributed by the school management committees and meals prepared by community members	1.75	3,500	100%

Sources: National policy and strategy for nutrition in schools (2016)

⁸“The Grand Bargain – a shared commitment to better serve people in need” 2016: http://reliefweb.int/sites/reliefweb.int/files/resources/Grand_Bargain_final_22_May_FINAL-2.pdf

The 2016 adoption of a national policy and strategy for nutrition in schools (PSNAS), run by the Department for National Education and Vocational Training (MENFP), should improve the coherence and coordination of these various approaches. Promoting the purchase of local products is a key part of this new policy. One of the major challenges set out in the PSNAS, is shifting emphasis towards staples other than rice, which is currently the main focus of efforts to buy locally. The policy has massive implications for national production. It means redirecting the resources of MARNDR and its development partners towards farmers who contribute to the supply of food for schools. Currently, the majority of farmer organisations do not have the capacity to respond to the requirements of the programme's tender process. They lack both the financial resources to acquire the inputs and materials necessary to ensure quality outputs and adequate storage facilities for the required quantities.

It is essential that the programme's partners buy supplies locally in order to provide stable demand for national food and agricultural production. It is also vital in order to limit the negative effects of continued increases in food imports. Both the competition between imports and local products and the dietary changes brought about by daily consumption of imported bulgur and Asian rice will have catastrophic consequences for Haitians in the long term.



Mangoes production in Plateau Central, Copyright © Ruth Climat

3.- RECOMMENDATIONS

The arrival in office of a new Haitian President is an opportunity to place agriculture and the interests of family and smallholder farms at the centre of the government's policy priorities and those of its development partners. To this end, strong measures must be adopted and implemented, coherently combining agricultural, trade and industrial policies. The Papaye Peasant Movement and Action Against Hunger call on all those involved (governments, development partners, the private sector and civil society) to commit to reinforcing the agricultural sector so that in the future Haiti once again feeds the Haitians and so that farmers can earn a decent and sustainable living from their labour.

The Papaye Peasant Movement and Action Against Hunger submit the following measures to the State, development partners and private-sector stakeholders:

1. Significantly and sustainably increase investment in the agricultural sector

The Haitian government:

- The government should commit to investing at least 10% of its total budget in the agricultural sector, as per good practice in other parts of the world. The commitments undertaken by African Union Heads of State and governments during the 2003 Maputo summit and reiterated in 2013 provide an example.

Development partners:

- Development partners should continue and increase

their efforts by committing to provide the resources to meet foreseeable needs and to help develop Haitian agriculture in the long term, while prioritising family and smallholder agriculture.

2. Develop strategies to change the eating habits of the Haitian population to encourage local consumption

The Haitian government:

- The Department of Public Health and the Department of Agriculture must commit to developing a joint strategy to raise awareness regarding the use and consumption of local products.

Technical partners and civil society organisations:

- Commit to including messages about the benefits of using local products in their projects around changing dietary behaviours.

3. Agree on agricultural policy strategies that would enable investment in food products and industries with economic, social and environmental potential

The government, development partners and private-sector stakeholders

- a.** Invest in promising food production based on:
 - i) An increase in consumption;
 - ii) The likelihood of internal demand for the product;
 - iii) The product's capacity to replace imports, either directly or indirectly in agro-industrial processes.
- b.** Invest in industry performance in order to improve supply to processing facilities and limit material harvest losses. This means:
 - i) Supporting the development of more effective, larger-scale intermediaries, enabling supply chains to be shortened;
 - ii) Developing services linked to production in order to facilitate product distribution: storage,

transport, processing and packaging.

c. Choose which kinds of producers to support in order to fight poverty and improve food security and not simply to improve economic growth. This means that policies must guarantee:

- i) That family farms are included in the investment incentive policies put in place;
- ii) That rights of small-scale producers and the specific difficulties and they face are taken into account : land security, credit, inputs and technical assistance;
- iii) That the policy of buying locally from small farms is actively developed (e.g. within the national policy and strategy for nutrition in schools but also for the supply of other public institutions.)

d. Privilege types of produce and methods of production with a positive impact on the environment in terms of preservation and/or regeneration: agroforestry, perennial crops providing sustainable vegetation cover, etc.

4. Use industrial and trade policy to promote local agricultural and food production

The government, in consultation with industry stakeholders

- a.** Establish strategic, graduated customs tariffs, differentiated according to product. It is vital to:
 - i) Identify a list of products for which there is existing local production capacity, or for which local production capacity could easily be boosted. These products should be subject to high tariffs (initially applied gradually or seasonally if need be).
 - ii) Enable the emergence of a food processing sector by applying higher tariffs to imported processed products, according to development opportunities in the agri-food industry.
 - iii) In the initial stages, utilise incentives and restrictions rather than customs protections in order to encourage investment in national industries when it comes to basic necessities with a high risk of inflation (rice, oil, sugar, wheat/flour and milk).
- b.** Develop non-tariff based measures to protect national production and ensure good

quality food. E.g.: phytosanitary requirements, quality checks, stricter product labelling requirements.

c. Encourage private investment in national production, by drawing up:

i) Along with the major agri-food businesses: a timeline and objectives for increasing the use of local products, with advantages laid out in the Investment Code in return;

ii) Along with the major food product importers: a timeline and detailed objectives for gradual investment in national production, in return for import licences.

- Reenergising existing coordination channels in order to promote joint programming and/or funding initiatives ;

- MARNDR Privilege the use of national systems and procedures, in particular, the inclusion of projects in the MARNDR budget;

- Continue efforts to reinforce the steering capacities of MARNDR entities.

5. Support the implementation of food assistance programmes that reinforce national agricultural production

The humanitarian community and development partners:

a. Set up food assistance programmes that favour the distribution of cash or food stamps, encouraging the purchase of local products in so far as possible, in accordance with the commitments made at the World Humanitarian Summit.

b. Support the National policy and strategy for nutrition in schools through establishing a system of systematic local purchasing.

6. Improve coordination and coherence between projects relating to national priorities

The government and development partners

a. The government must clarify and better coordinate the strategic reference documents in the agricultural sector in order to establish an overall vision and set shared priorities and better coordinate the work of the Departments in charge of the different sectors.

b. The development partners must improve the coherence and coordination of their development projects relating to national priorities and procedures. This means:

FOR FOOD.
AGAINST HUNGER
AND MALNUTRITION

FOR CLEAN WATER.
AGAINST KILLER DISEASES.

**FOR CHILDREN THAT GROW
UP AND STRONG.**
AGAINST LIVES CUT SHORT.

**FOR CROPS THIS YEAR
AND NEXT.**
AGAINST DROUGHT
AND DISASTER.

FOR CHANGING MINDS.
AGAINST IGNORANCE
AND DIFFERENCE.

**FOR FREEDOM FROM HUNGER
FOR EVERYON. FOR GOOD.**

FOR ACTION.
AGAINST HUNGER.

