

Ministry of Agriculture and Rural Development (MAR)

Agricultural Incentives Programme

Website: agriculture.gov.bb

Agricultural Incentive Scheme

1. Cotton Development

- i. The support price for harvesters (cotton pickers) would include a \$0.40 incremental increase per pound of cotton harvested as well as other incentives. (August 1999)
- ii. Price support for cotton production to the extent of \$4.80 per lb. for seed cotton. (August 2001)
- iii. A rebate to farmers of \$500 per hectare for idle land brought back into cotton production will apply to plot sizes from 0.2 hectares to 8 hectares. (August 2001)
- iv. A rebate to farmers of \$250 per hectare for idle land brought back into cotton production will apply to plot sizes over 8.0 hectares. (August 2001)
- v. A rebate of 50% of the cost of certification of organic cotton farms up to a maximum of \$2,000 per farm. (August 2001)
- vi. A ten-year tax holiday for investments in cotton production, processing and marketing to encourage the move from the current stage of production of lint to the value added stages of yarn, fabric and final consumer products. (August 2001)
- vii. A technical assistance fund of \$500,000 to assist producers, processors and investors in areas as feasibility studies, market research, project development, market development and engineering. (August 2001)
- viii. Establishment of a working capital fund of \$1.0 million, to be operated on a revolving basis, for persons involved in all aspect of the cotton industry, in an effort to militate against cash flow difficulties. (August 2001)

- ix. Duty free concession on plant, machinery and equipment for all aspects of the cotton industry. (August 2001)
- x. Legislation that would circumscribe the development of cotton as an integrated industry similar to that, which obtains for sugar. (August 2001)
- xi. A capital injection of \$1 million dollars into the Cotton Research and Development Fund. (November 2003)
- xii. Provision of \$400,000 to assist WISICA in its restructuring programme. (March 2007)
- xiii. Provision of \$1M to facilitate the cotton industry in pursuing investment opportunities as well as for payment for seed cotton. (July 2008).

2. Export Promotion

- i. A rebate of 30% up to a maximum of \$10,000 per exporter, per year, on the cost of international transport and freight for primary agricultural products. (August 2001)
- ii. A Technical Assistance fund of \$250,000 to assist producers and marketers in the conduct of feasibility studies, access new technology and implement quality assurance schemes related to the export of fresh agricultural produce. Producers and marketers seeking to benefit from these funds will be required to meet 25% of the cost of the respective activities. (August 2001)
- iii. An Agricultural Payment Guarantee Fund, formerly the Export Development Fund (October 2002) of \$500,000 to support agricultural exporters and farmers supplying agricultural commodities to the hospitality sector. This fund is managed by the ADF (March 2007)

3. Spraying and Weed Control Equipment

- i. A rebate of 50% to a maximum of \$800.00 on the purchase of spraying equipment for spraying of crops, weeds and

livestock.

- ii. A rebate of 50% for tractor mounted spraying equipment up to a maximum of \$2,000.
- iii. A rebate of 50% for flame weeders and other non-chemical weed retardants up to a maximum of \$800.00. (August 1999)

4. Irrigation Systems

- i. A rebate of 50% of cost of establishing an approved irrigation and mulching system to a maximum of \$60,000 for an individual holding. (August 1999)
- ii. A rebate of 60% of cost of establishing an approved irrigation system to a maximum of \$72,000 where two or more farmers are prepared to share common facilities, or for active members of a registered Farmers Organisation. (August 1999)
- iii. A rebate of 75% of cost of establishing an approved irrigation and mulching system is available to registered Agricultural Co-operatives and Farmer's Organisations.
- iv. Once a rebate has been approved the applicant(s) will be entitled to receive up to 50% of the sum approved towards the establishment of a reservoir for rainwater or the cost of sinking a well with certification from The Barbados Water Authority.

5. Pasture Development

- i. A rebate of \$500.00 per hectare (\$202.00 per acre) or 30% of cost whichever is less, for establishing improved pasture. (August 1999)
- ii. A rebate of \$1,200 per hectare (\$485.00 per acre) or 30% of cost, whichever is less, for fencing pastures.
- iii. A rebate of 30% of the cost of establishing forage preservation facilities such as a hay barn or forage silo up to a maximum of \$12,000.00. (August 2001)

- iv. A rebate for cutting, raking and baling pastures of improved forage as follows:

Services	Rebate per hectare (\$)	Rebate per acre (\$)
Cutting	153.00	62.00
Raking	49.00	20.00
Baling	109.00	44.00

N.B Pasture development rebates are available for a maximum of (100 acres or 40.5 hectares) per holding.

6. Orchard Development

A grant of \$3.00 per tree per annum for a maximum of 500 trees per holding producing at least 50 trees in or any commercial orchard of approved trees, which are maintained in a condition satisfactory to the Chief Agricultural Officer. Bananas, plantains and related species are not included.

See also (23) Scotland District

7. Assistance to Registered Agricultural Cooperatives/Organisations

A rebate of 25% of the cost of machinery and equipment to be used for land preparation and agricultural purposes.

8. Agricultural and Agro-processing Machinery

- i. A rebate of 18% of the purchase price on agricultural and agro-processing machinery excluding sugar cane harvesters. (August 1999)
- ii. A rebate of 10% of the purchase price on chopper cane harvesters and ancillary equipment purchased by individual estates (applicants).
- iii. A rebate of 15% of the purchase price on chopper cane harvesters and ancillary equipment purchased by a sugar cane harvesting company or co-operative.

- iv. A rebate of 18% of the purchase price on the Barbadian Developed Sugar Harvesting System/Carib Cane Harvesters.
- v. A 40% investment allowance on machinery purchased for the manufacture and refining of sugar.

The above rebates are accessed at the time of filing of Income Tax returns through the Government's Inland Revenue Department.

9. Land Cultivation

- i. A once-for-all rebate to \$500.00 per hectare of (\$202.00 per acre) is available to registered farmers to help cover expenses incurred in bringing woodland back into production. The land must be certified out of production for at least five (5) years. The land must be inspected before any improvement is started and after it is back in production. The rebate can be applied for, after production has started.
- ii. A rebate is available for the cultivation of land holdings up to 10 hectares (24.7 acres) for rental of land preparation machinery and equipment as follows:

Services	Rebate per hectare (\$)	Rebate per acre (\$)
Furrowing	80.00	33.00
Harrowing	120.00	55.00
Ploughing	100.00	40.00
Rotovating	100.00	40.00
Sub-soiling	100.00	40.00

- iii. Provision of \$2.7M to facilitate the purchase of 30 tractor units over a three-year period for use by tractor operators servicing small farmers under a lease-buy arrangement with Government. (January 2006)
- iv. Provision of \$1M to facilitate a rent-a-tool programme for tractor operators servicing small farmers. (January 2006)

See also (23) Scotland District

10. Livestock Development

- i. A rebate of 50% for the components of an approved Environmental Control System for poultry and livestock facilities to a maximum of \$25,000 per unit. (November 2003)
- ii. A rebate of 25% for the components of dairy housing up to a maximum of \$40,000. (January 2006)
- iii. A rebate of 40% of the cost of components for a milking parlour up to a maximum of \$60,000. (January 2006)
- iv. The provision of initial capital funding for the establishment of the Dairy Board in the amount of \$250,000 available through the Agricultural Development Fund. (January 2006)
- v. The provision of \$250,000 to facilitate the development of a comprehensive business plan for the industry as well as a detailed plan for the board itself. (January 2006)
- vi. The provision of \$300,000 over three years for market research and development of contemporary technology in the dairy industry. (January 2006)
- vii. A rebate of 50% of the cost of approved fresh or frozen semen of cattle, pigs, sheep and goats up to a maximum of \$5,000 per farmer and \$20,000 per farmer's organization per year. (August 2001)
- viii. A rebate of \$2.00 per head for sheep and goats and \$4.00 per head for cattle to an organisation which undertakes in an approved manner the registration of livestock under a National Livestock Registration Programme.
- ix. A rebate to an approved feedlot of \$8.00 per head for sheep and \$25.00 per head for cattle. The feedlot would be eligible to claim a rebate on sheep and cattle at the point of slaughter.

- x. To provide \$250,000 for data surveys, commodity system analyses, business plans and other pre-investment activities for developing the black belly sheep industry. (November 2003)
- xi. A grant of 50% up to a maximum of \$250,000 to registered farmer's organization for the establishment of a beef feedlot. (November 2003)
- xii. A rebate of \$50,000 to a registered farmer's organization towards the cost of establishing an operation to manufacture and distribute molasses/urea blocks to aid dry season livestock feeding. Funds are to be accessed on the basis of an approved business plan. (August 2001)
- xiii. A rebate of 50% up to a maximum of \$500.00 for the refitting of a covered trailer designed to humanely transport livestock to reduce bruising and injury from the sun. The trailer must be insured and bear the number of the towing vehicle.
- xiv. A rebate of 50% up to a maximum of \$1000.00 for refitting of a cooled or insulated vehicle to transport carcasses from a slaughter plant.
- xv. A rebate of \$500.00 per approved pregnant gilt identified under the conditions of the gilt build-up programme. Gilts/Sows which have benefited from this programme must go through three breeding cycles and must not be culled during this period without a veterinary certificate. (October 2002)
- xvi. A rebate of 50% up to a maximum of \$30,000 on the employment of commercial scale farrowing crates/gestation cages, pig feeders, automatic watering systems and power washers to pig farmers with an annual turnover of 150 fatteners or at least eight breeding sows. (October 2002)
- xvii. A rebate of 50% of the cost of approved embryos, up to a maximum of \$5,000 per farmer and \$20,000 per farmers'

organization, per year, to be provided for beef and dairy farmers who undertake embryo transfers. (December 2004)

xviii A grant of \$200,000 to assist with the establishment of a Poultry Board. (March 2007)

xix. A grant of \$300,000 to assist with the development of a pig artificial insemination programme. (March 2007)

xx. A rebate of 50% of the cost of establishing a water harvesting facility to supply water to livestock. (March 2007)

11. Re-tooling Fishing, Poultry and Livestock Industries

i. A rebate of 50% of the cost of equipment and machinery up to a maximum of \$30,000 to retool fishing, poultry and livestock industries in order to enable them to be compatible with processors standards. (The rebate for the fishing industry would be applied to secondary fish processors as well as primary fish processors who are engaged in the export of fish and fish products). (August 2001)

ii. Technical assistance to train producers in the necessary due diligence practices in accordance with HACCP requirements will be facilitated by the application of a grant up to a maximum of \$3,000 per farmer and per processor. (August 2001)

12. Farm Security

A one-time rebate of 50% of the cost, up to a maximum of \$10,000, for an approved farm security system to protect against praedial larceny. This system may be physical, electric, electronic or any other kind which does not breach the laws of Barbados and meets the requirements of the Ministry of Agriculture. (August 2001, Revised July 2008)

13. Farm Management and Agribusiness

i. A rebate of 50% up to a maximum of \$1,000 for any approved computer program written specifically for the management of

livestock and crop enterprises, agro processing, cottage industries, fisheries and cooperatives. These programs must be installed and contain at least 6 months of farm data before a rebate is granted. (August 2001)

- ii. A rebate of 50% up to a maximum of \$5,000 of procurement of a multi-user license for farmers, or fisher folk organization or cooperative to procure an appropriate record management software for its members. The program must be installed and contain at least six months of farm data before the rebate is granted. (August 2001)
- iii. A rebate of 50% of the cost of product development up to a maximum of \$25,000 to agribusinesses engaged in the development of value-added agri-food and seafood products based predominantly on local agricultural produce and fish as raw material. (November 2003)
- iv. A rebate of 50% of the cost of developing waste treatment systems up to a maximum of \$15,000 to agribusinesses engaged in the treatment of agricultural produce and fish waste to produce useful by products. (November 2003)
- v. A venture capital window of \$10 million, within the existing Agricultural Fund (ADF), to assist with the development of new agriculture related enterprises. (December 2004)

14. Support for Farming Organisations

- i. Creation of a financial window of \$250,000 to facilitate empowerment of registered farmers' and fisher-folk organizations to become more self-reliant. These funds would be geared primarily towards the following:
 - (a) A buy local campaign;
 - (b) Training in due diligence practices and related issues to make farmers more competitive and WTO compliant;
 - (c) Market development, both export and domestic market;
 - (d) Export promotion;

- (e) A project development facility;
 - (f) Provision of management and accounting services to members; and
 - (g) Other areas to be determined by the Minister of Agriculture to assure the sustainability of the farmers' and fisher-folk organisations.
- ii. Organisations seeking to benefit from these funds will be required to meet 25% of the cost of the respective activities.

MAR will facilitate integration of the efforts of farmers' and fisher-folk organizations and cooperatives to pursue these initiatives.

15. Resource Protection and Management

- i. A rebate of 30% of the cost of establishment of approved soil conservation measures such as, but not confined to, grass barriers, diversion ditches, grassed waterway, windbreaks, storm-drains, and hedge rows, up to a maximum of \$5,000. (August 2001)
- ii. A 30% rebate of the cost of design and construction of biogas digesters up to a maximum of \$3,500 per holding in order to mitigate the effect of livestock production on Barbados ground water supply and to promote a mechanism for recycling wastewater, gas and organic slurry. (August 2001)
- iii. A rebate of 50% up to a maximum of \$5,000 per holding to farmers to implement adjustments in waste disposal systems, animal housing location as well as to establish trees, purchase dust nets and acquire any other inputs or introduce new procedures geared towards improving the quality of the environment and surroundings. (November 2003)
- iv. A Strip Tillage Incentive Scheme similar to the existing Cane Replanting Incentive Scheme wherein a rebate of 75% of the cost of strip tillage up to a maximum of \$240 per hectare

should be provided once the conditions of the scheme are met. (November 2003)

- v. A rebate of 50%, up to a maximum of \$ 7,500 per farm per annum, on a first come first serve basis, of the cost of cleaning, drainage and refurbishment of existing wells on farms, will be granted to registered farmers by the Government. (July 2008)

16. Post Harvest Technology

- i. A rebate of 30% of the cost of establishing a post harvest facility on the farm for sorting, grading and packaging agricultural produce up to a maximum of \$5,000 per holding. (August 2001)
- ii. A rebate of 40% per farmer of the cost for procurement of an approved post harvest equipment such as dipping tanks, grading tables, field crates and materials for packaging produce such as bags and boxes up to a maximum of \$1,000 per annum. (August 2001)
- iii. A rebate of 30% up to a maximum of \$5,000 of the cost of establishing appropriate chiller facilities, firstly for reducing the field heat of fresh agricultural produce and secondly to allow for storage of produce at an appropriate temperature to extend the shelf life. (August 2001)
- iv. A technical assistance fund of \$100,000 to facilitate farmers accessing training in post harvest technology and quality assurance systems to be administered by the Ministry of Agriculture. Farmers seeking to benefit from these funds will be required to meet 25% of the cost of the training programme. (August 2001)
- v. A technical assistance fund of \$500,000 to assist producers, processors, investors in areas such as feasibility studies, market research, project development, market development and engineering.

17. Organic Farming

- i. A rebate of 50% of the cost of certification of organic farms, up to a maximum of \$2,000 per farm. Where two or more farmers worked together to achieve international organic certification, a grant of 60% of the cost of certification up to a maximum of \$10,000 will be provided. (August 2001)
- ii. A rebate of 30% of the cost of approved organic inputs made from local materials, up to a maximum of \$500 per hectare. The range of products includes compost, pesticides, fertilizers and mulches. (August 2001)
- iii. A rebate of 50% up to a maximum of \$30,000 of the cost of establishing a facility to manufacture organic inputs such as pesticides, mulches, planting material, fertilizers, soil ameliorants and compost using local material would be made available to a registered farmer's organisation or agricultural cooperative predicated upon an acceptable business plan. (August 2001)
- iv. A technical assistance fund of \$100,000 to facilitate the development of organic production in Barbados through, inter alia, the definition of an internationally acceptable protocol for certification of organic farming in Barbados. (The fund will also support training in organic production techniques, the conduct of feasibility studies market development, quality assurance schemes, servicing technology and institutional strengthening). (August 2001)

18. New Crop Technology Greenhouses and Hydroponics Systems

- i. A rebate of 40% for the components of greenhouses and hydroponics systems for crop or horticultural production up to a maximum of \$30,000 in order to stimulate the investment in proven technology that can lead to increased productivity. Commercial plant nurseries are not included in this provision. (August 2001)

- ii. A rebate of 30% of the cost of an extended life weed fabric or any other mulch system up to a maximum of \$2,000 per hectare whichever is less. (August 2001)
- iii. A rebate of 25% of the cost of the components of green houses and hydroponics systems for crops or horticultural production, up to a maximum of \$250,000 per cooperative/partnership. (December 2004)
- iv. Provision of \$2M through the Agricultural Development Fund to establish a pilot project at the Home Agricultural Station for research, production and training in agricultural practices such as greenhouses and hydroponics systems. (January 2006)

19. Rebate on Land Tax

- i. The threshold for access to the rebate on land tax to unimproved and improved land is lowered from \$100,000 and \$300,000 respectively to \$25,000 and \$75,000 respectively. (October 2002)
- ii. The property transfer tax for leases of arable agricultural land is reduced from 10% to 0%. (October 2002)
- iii. The above rebates are accessed at the time of paying Land Tax through the Government's Land Tax Department.

20. Support for Youth in Agriculture

- i. An annual allocation of \$250,000 to meet the costs of administering a Farm Attachment Mentorship Programme under which young people selected to participate will receive a weekly stipend and farmers will receive professional fees for serving as mentors. (November 2003)
- ii. Provision of \$2M to meet the costs of a Youth Agricultural Programme. (January 2006)
- iii. An initial capitalization of \$2M for the youth programme at Bath, St. John through the ADF. (March 2007)

21. Disaster Relief Revolving Fund

A revolving loan facility to assist the agricultural community in rebounding as quickly as possible after the occurrence of a disaster event. The Disaster Relief Revolving Fund will be administered under the Agricultural Development Fund and will be captitalised, in the first instance, at \$2,000,000. (December 2004)

22. Scotland District

- i. A grant of \$5.00 per approved fruit tree for a maximum of 1000 trees per holding located within the boundaries of the Scotland District. (January 2006)
- ii. A ten-year tax holiday for investments in fruit production, processing and marketing. (January 2006)
- iii. Provision of \$1M for a dedicated land cultivation scheme for the Scotland District. (January 2006)
- iv. A 50% discount for the purchase of a minimum of 300 trees of approved species from the MAR. (March 2007)
- v. A rebate of 50% on the costs of the management of trees purchased at discount price in accordance with the guidelines of the MAR. (March 2007)

23. Aquaculture

A fifteen year tax holiday for organizations investing in a commercial endeavour as a vertically integrated enterprise. (March 2007)

24. New Technologies

- i. A fifteen year tax holiday for organizations investing in high end technology. (March 2007)

- ii. The provision of \$400, 000 in support of the preparation of a feasibility study and the commercialisation of cassava production.

25. Cross Border Investment

An allocation of \$250,000 to support the conduct of feasibility studies for cross-border investments by local agricultural organizations. (March 2007)

26. Rodent Control

A rebate of 50% up to a maximum of \$3 000 per registered farm per year will be granted towards the purchase and application of rat bait or other approved rodent extermination and control devices. Each application must be of at least \$100 in order to qualify. (July 2008)

N.B. The Agricultural Incentive Scheme can be accessed by the completion of the appropriate form and the necessary invoices and receipts with a 10 cent Barbados stamp.

Please contact your extension officer or MAR Services Unit at 428-4150 Ext. 2263, 2264, 2239 and 2261 for further information.

Extension Officers are:

AREA/PARISH	ADDRESS	NAME	TELE. NO.
MAR	Graeme Hall	Lemuel Collymore	428-4150
<u>North District</u> St. Lucy St. Peter St. James	Greenland	Albert Farnum Alvin Romeo	422-9224
<u>Scotland District</u> St. Andrew St. John St. Joseph	Greenland	Lemuel Collymore John Vaughn	422-9224/9020

Central St. Thomas St. George St. Michael	Animal Nutrition Unit	John Weekes Dawn Johnson	429-4061/427-4591
South East St. Philip Christ Church	Home Agricultural Station	Hazel Roberts Roy Clarke	423-5223/0990

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Graeme Hall, Christ Church
2008