

ANNUAL REPORT OF THE BANANA BOARD FOR THE YEAR ENDED DECEMBER
31, 2015

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the Banana Board for the year ended December 31, 2015. This report is being tabled in Parliament in accordance with the provisions of Section 27 (2) of the Banana Board Act.

2. FUNCTIONS OF THE BANANA BOARD

The Banana Board was established on October 1, 1953, under the Banana Board Act, which is aligned with the Banana Insurance Act of 1946. It is a statutory body, which is governed by a Board of Directors, appointed by the Minister of Industry, Commerce, Agriculture & Fisheries. The statutory functions of the Board are primarily:

- To promote the interest and efficiency of the banana industry;
- To assist in the development of the industry;
- To control and eliminate any disease affecting bananas;
- To develop bananas wholly and partially resistant to disease;
- To administer the Banana Insurance Catastrophe Fund, and
- In collaboration with the Ministry of Industry, Commerce, Agriculture & Fisheries, to implement the strategic plan for the Jamaican banana and plantain industry and conduct market/demand studies of the Banana Industry.

3. PRODUCTION

For the crop year 2015, 54,576 tonnes of banana and 38,421 tonnes of plantains were produced. Despite persistent drought conditions in 2014 and 2015, banana production increased by 1,542 tonnes or 2.9% in 2015 over 2014 whilst plantain decreased by 1,773 tonnes or 4.4%. When compared to the base year 2011, both banana and plantain achieved increases of 7,916 tonnes or 17%, and 3,080 tonnes or 8.7% respectively. The year 2011 is used as the base year as Hurricane Sandy struck and affected the industry in 2012.

4. EXTENSION SERVICES TO FARMERS

During the initial period of the *Jamaica Banana Accompanying Measures Programme* (JBAMs) grant Contract (Nov. 2013 to Jan. 2014), a study was conducted to ascertain the extension service and risk management needs of banana and plantain farmers across the island. The study produced a number of key findings that were used to establish targets for extension services as well as assisted with the general streamlining of the Extension Programme. The results attained from the study were similar to those unearthed in a comparative analysis done by the Ministry of Agriculture and Fisheries (MOAF) and an extension service needs assessment by the Banana Board, thereby strengthening the commonality in an extension service programme response.

The Programme, with 2015 being its second year, had proven to be a success. The table below highlights the activities, targets and achievements of period 2015.

Activities	Targets	Year-to-date Achievement	% of Target
Farm visitation	*1750 annually (450/quarter)	1988	114
Group meetings	*48 annually (12/quarter)	62	129
Field days	*48 annually (12/quarter)	45	94
Growers trained in agronomic practices	*500 annually (125/quarter)	655	131
Youths trained in Musa science/production	*800 annually (200/quarter)	324	40.5

The target for youth training in musa production was unmet primarily due to the introduction of the Banana Export Expansion Programme (BEEP), which resulted in the postponement of scheduled student training exercises. The Board has proposed to review the ability to attain the established targets in light of the commencement of the new BEEP project along with other projects to begin in successive years.

5. JAMAICA BANANA ACCOMPANYING MEASURES (JBAMs) PROGRAMME

In 2015, the Board continued to implement *The Banana Board Grant Contract for Technical Services 2*, a project of the JBAMs that is funded jointly by the Government of Jamaica (GOJ) and the European Union (EU). The overall objective of the four-year programme, which commenced in November 2013, is to combat poverty and to improve revenues in banana dependent areas. The specific objective of the programme is to improve the productivity and resilience of small farmers, such that banana production and productivity show increases of 30% and 7.5 T/Ha respectively by 2017. The Board to date has received €818,008.70, and the six target areas are Clarendon, Portland, St. Catherine, St. James, St. Mary and St. Thomas along with agribusiness enterprises.

Over the two years since implementation, the programme has had relative success through the application of scientific protocols, knowledge and technology transfer, disease and disaster mitigation, as well as, the monitoring and auditing of farm operations and value-added enterprises (ripening rooms, chip factories, etc.). Other major achievements over the two-year period are:

- i. Increased distribution of new high yielding varieties from regional nurseries;
- ii. Increased export volumes and markets, and
- iii. The launch of the Banana Export Expansion Programme (BEEP)

6. THE BANANA INDUSTRY CATASTROPHE FUND

The Banana Industry Catastrophe Fund was established in 2007 with a grant of J\$30M from the European Union Banana Support Programme (EUBSP). It serves the purpose of assisting qualified banana farmers with vital inputs on a timely basis following a catastrophe.

Over the years, with contributions by way of registration fees from banana and plantain farmers, and interest earned from investments, the Fund has grown slowly. During 2015, a total of 117 farmers registered with the Fund. Of that total, 106 farmers registered 911.15 acres of banana farmland and 11 farmers registered 33.48 acres of plantain farmland. Farmers paid a registration or re-registration fee of J\$2,000 per acre, or J\$1,500 per acre respectively. A total of J\$1,393,078.00 was collected for the year. The Fund now totals at J\$68.571M. A decline of 28% was observed in 2015 in comparison to 2014 in the number of farmers that registered. The decline was thought to be due to financial constraints relating to the impact of the drought.

7. SAMPLING AND TESTING FOR OPTIMUM FERTILIZATION OF FARMS

During the year, a total of 173 leaf tissue and soil samples were collected from 57 farms in the parishes of Portland, St. Mary, St. Catherine and St. James for nutrient analysis. The Board's Research Department carried out 1,162 chemical tests on the samples. Based on the results of the tests, 70 Advisory Reports were prepared and issued to farmers in agro-ecological zones. The reports advised the farmers of the status of their farms, along with the dosage, formulation, type and quality of fertilizer to be applied to their banana plants to grow at optimum. The target of 60 targets was surpassed by 16%.

8. TECHNOLOGY TRANSFER SUPPORT TO AGRI-BUSINESSES

The Board continued to provide technical support to entrepreneurs engaged in banana by-product manufacturing. For 2015, a total of 25 out of 27 ripening enterprises remained operational, whilst all 9 chips factories sustained business. Data showed an overall 27% increase in the local processed fruit trade, compared to the previous year.

Important to the development of by-products is the management of the inputs. The Banana Board has therefore transferred new technologies/innovations to banana and plantain growers, while monitoring farms' adherence to recognized standards. The Board continues to audit farms and their facilities, provide training and support in integrated pest and disease management, and implement measures to improve farm practices.

9. FINANCIAL PERFORMANCE

The Board recorded a surplus of \$22.1M for the year ended December 31, 2015. This represented an increase of \$5.9M (36.78%) over the figure recorded in the previous year. The Board achieved this surplus from total income of \$135.2M. The main sources of income were subvention \$83.1M (61.4%), grants \$25.3M (18.7%) and rental income \$15.5M (11.4%).

10. SALARY AND EMOLUMENTS

The emoluments of Directors and Senior Executives of the Banana Board for the year 2015 are included in Appendices I and II respectively.

11. AUDITOR'S REPORT

CalvertGordon Associates audited the financial statements of the Banana Board. For the review period, the auditors have stated that in their opinion, the financial statements give a true and fair view of the financial position of the Board as at December 31, 2015. They have also stated that the Board's financial performance and cash flows for the year ended are in accordance with international Financial Reporting Standards. It is their opinion that proper accounting records have been kept, and that the receipt and payment statements are a fair representation of the financial transactions of the Banana Board.

12. The Annual Report of the Banana Board for the year ended December 31, 2015 are hereby submitted to be tabled in the Houses of Parliament in accordance with the provisions of Section 27 (2) of the Banana Board Act.

A handwritten signature in black ink, appearing to read 'Karl Samuda', with a stylized flourish at the end.

Karl Samuda CD, MP

Minister of Industry, Commerce, Agriculture and Fisheries

June 19, 2017

DIRECTOR'S COMPENSATION - 2015

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Chairman No. 1	79,420.00				79,420.00
Chairman No. 2	12,500.00				12,500.00
Vice Chairman	54,420.00				54,420.00
Director	37,500.00	23,688.00			61,188.00
Director	37,500.00	95,296.00			132,796.00
Director	7,500.00	4,700.00			12,200.00
Director	30,000.00				30,000.00
Director	7,500.00				7,500.00
Total	266,340.00	123,684.00		0.00	390,024.00

SENIOR EXECUTIVE COMPENSATION - 2015

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Value of Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
General Manager	2015	5,153,390.00	1,277,650.00			25,000.00		6,456,040.00
Chief Accountant	2015	2,541,714.00	1,225,048.00	578,814.00		25,000.00		4,370,576.00
Pathologist	2015	2,526,124.00	620,833.00	578,814.00		25,000.00		3,750,771.00
Total		10,221,228.00	3,123,531.00	1,157,628.00		75,000.00		14,577,387.00

Notes

- "Gratuity" was paid for 2 years to the Chief Accountant

