

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE BANANA BOARD FOR THE YEAR 2017

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, 2017. The Report is being tabled in accordance with the provisions of Section 27 (2) of the Banana Board Act.

2. FUNCTIONS

The Banana Board was established on October 1, 1953. It is a statutory body which operates under aegis of the Ministry of Industry, Commerce, Agriculture and Fisheries and has the following functions:

- i. To promote the interest and efficiency of the Banana industry.
- ii. To assist in the development of the industry.
- iii. To control and eliminate any disease affecting bananas.
- iv. To develop bananas wholly and partially immune to disease.
- v. To administer the Banana Industry Insurance Fund.
- vi. To manage the Banana Industry Catastrophe Fund.
- vii. To implement the strategic plan for the Jamaican banana and plantain industry.
- viii. To facilitate the GLOBAL G.A.P (good agricultural practices) certification of the Quality Management System (QMS) of the Banana Board and farmers in the Option 2 register.
- ix. To facilitate the certification of banana and plantain related value-added businesses.

3. REVIEW OF OPERATIONS

For the 2017 review period, the Board was in the final phase of the four year Banana Board Grant Contract for Technical Services 2; a project of the Jamaica Banana Accompanying Measures Programme (JBAMs), funded jointly by the Government of Jamaica (GOJ) and the European Union (EU). The overall objective of this four-year programme was to combat poverty and improve revenues in banana dependent areas.

The programme targeted increases in banana production and productivity of 30% and 7.5 t/ha, respectively in 2017 as compared to 2011 data. It also aimed to contain the Sigatoka and Moko disease levels below economic thresholds. After four years of implementation, the programme achieved its purpose through the application of scientific protocols, knowledge and technology transfer, disease and disaster mitigation as well as other best practice measures. Other major achievements over the two-year period were:

- Increased distribution of new high yielding varieties from regional nurseries.
- Increased export volumes and markets.
- The execution of the Banana Export Expansion Programme (BEEP).

In addition, the Board performed the following activities:

- Provide technical services to farmers and value-added entrepreneurs.
- Surveillance of farms for Panama Disease Tropical Race 4 (PDTR4). Improved laboratory diagnostics for early detection of the Panama Disease Tropical Race 4(PDTR4).
- Management of the gene bank for banana and plantain varieties at the Bodles Banana Research Station.
- Update of spatial and production databases (domestic, export and byproducts) of banana and plantain farmers and agribusinesses.
- Granting of export licences on the basis of best practice standards.

4. BANANA & PLANTAIN PRODUCTION

Banana and Plantain Production for the Years 2015 to 2017 (Tonnes)

Product	Year			Total
	2015	2016	2017	
Banana	54,576	58,701.8	64,814.7	178,092.5
Plantain	38,421	43,436.3	46,092.2	127,949.5

For 2017, banana production totalled 64,814.7 tonnes, representing a 10% increase over the previous year (2016) and a 39% increase over the baseline year of 2011.

Production of plantain in 2017 totalled 46,092.2 tonnes. This represented an increase of 6% over 2016 and 30% over 2011.

5. BANANA EXPORTS

Banana Exports for the Period 2013 – 2017 (tonnes)

Destination	2014	2015	2016	2017	Total
Cayman	153.6	183.1	212.1	276.9	825.7
Canada	52.2	128.8	198.0	241.0	620
UK & USA	4.7	6.2	0	2.8	13.7
Trinidad & Tobago	0	0	0	16.7	16.7
Total	210.5	318.1	410.1	537.4	1,476.1

For the period under review, exports totalled 29,034 boxes (537.4 tonnes), an increase of 31% over the previous year. The quality of fruits exported, was reported to be of a high standard. The percentage units within specification (PUWS) for 2017 ranged from 92.4% to 99.7%, exceeding the target of 90%. It should be noted that all bananas exported prior to December 2017

were for food preparation, while in the green state. However, exports of bananas for ripening began in December 2017 with market penetration into Trinidad for the first time.

6. TECHNOLOGY TRANSFER SUPPORT TO AGRI-BUSINESSES

In addition to the transfer of new technology and innovations to banana and plantain growers, the Banana Board continued to provide technical support to entrepreneurs engaged in banana by-product manufacturing. For the 2017 review period, a total of 34 ripening enterprises and 12 chips factories were in operation. Approximately 10,617 tonnes of fresh fruit were supplied to these value added facilities and processed (4,394 tonnes for chips, 25 tonnes for peeled green fruit and 6,198 tonnes for ripe fruits).

7. TISSUE CULTURE BIO-FACTORY

The Director of the Cuban Institute of Plant Bio-technology (IBP) designed the Board's bio-factory and also conducted training sessions in Jamaica, which facilitated the transfer of micro-propagation technology. The Banana Board is currently implementing these micro-propagation technologies in collaboration with IBP according to the second Framework Agreement.

Initiation of plantlets commenced in June 2017. Over the review period, a total of 137 meristems were established and sub-culturing of 584 meristems conducted.

The long-term operation of the Board's tissue culture bio-factory is expected to yield plantlets for the gradual replanting of low producing fields and expansion of production areas. This will be augmented with other 'climate-smart' interventions to maintain productivity. The Board will continue to import plantlets according to strict quarantine protocols, until capacity is achieved in the bio-factory. During 2017, fifty-thousand (50,000) FHIA seedlings were imported from IBP via The Specialized Importing, Exporting and Distributing Company for Science and Technique (EMIDICT) out of Cuba. These plantlets were distributed to farmers.

8. BANANA INDUSTRY CATASTROPHE FUND

The Banana Industry Catastrophe Fund was established with a grant of JA\$30M from the European Union Banana Support Programme (EUBSP) in 2007. The fund was created to provide assistance in the form of input materials to contributing banana and plantain farmers, who were impacted catastrophically by weather systems. The fund has grown gradually throughout the years, by way of registration fees from banana and plantain farmers and accumulated interest on investments. The annual outreach and registration activities sponsored by the Catastrophe Fund were conducted in 2017, with 78 farmers being registered.

9. FINANCIAL STATEMENTS

The Board recorded a surplus of \$4.2 million for the year ended December 31, 2017. This represented a decrease of approximately \$11.1 million (72.8%) from the \$15.3 million earned in the previous year. The Board achieved this surplus from total income of \$156.5 million. The main sources of income were subvention (\$89.9M), grants received (\$52.1M) and rental income (\$11.5M).

10. SALARY AND EMOLUMENTS

The salaries and emoluments of the Directors and Senior Executives are set out in appendices I and II respectively.

11. AUDITOR'S REPORT

The financial statements were audited by Calvert Gordon Associates, Chartered Accountants. They have stated that the financial statements gave a true and fair view of the financial position of the Board as at December 31, 2017. Also, the Board's financial performance and cash flows for the year then ended are in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

12. The Annual Report and Audited Financial Statements of the Banana Board for the year ended December 31, 2017 are hereby submitted to be tabled in the Houses of Parliament in accordance with Section 27 (2) of the Banana Board Act.



Audley Shaw C.D., M.P.

Minister of Industry, Commerce, Agriculture and Fisheries

July 26, 2019

BANANA BOARD

DIRECTORS' COMPENSATION 2017					
Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Roger Turner	57,000.00	14,100.00	-	-	71,100.00
Wayne Myrie	28,000.00	-	-	-	28,000.00
Sophia Ramlal	31,500.00	-	-	-	31,500.00
Alexander Powell	42,000.00	-	-	-	42,000.00
Webster Mcpherson	35,000.00	14,100.00	-	-	49,100.00
Egbert Miller	35,000.00	50,569.00	-	-	85,569.00
Total	228,500.00	78,769.00	-	-	307,269.00

BANANA BOARD
SENIOR EXECUTIVES' COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity (\$)	Traveling Allowance (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
General Manager	2017	5,290,458.96	1,322,614.75	-	-	203,479.19	-	6,816,552.90
Pathologist	2017	2,613,135.00	653,283.75	707,448.00	-	100,505.19	-	4,074,371.94
Chief Accountant	2017	2,608,598.04	652,149.50	707,448.00	-	100,330.69	-	4,068,526.23
Total		10,512,192.00	2,628,048.00	1,414,896.00	-	404,315.07	-	14,959,451.07

Note

The General Manager receives a fully maintained motor vehicle as a part of her compensation package. The 'Other Allowances' represent year end subsistence.