

**Signing of MOUs with Ministry of Tourism and Ministry of
Agriculture for Rural Economic Development Initiative
Badrul Haque, Special Representative
The World Bank, Jamaica
March 2, 2010**

Hon. Minister Dr. Tufton
Hon. Minister Bartlett
Mrs. Scarlett Gillings
Other Distinguished Guests
Colleagues

Good Morning!

1. It is a very happy occasion for me to participate at this MOU signing ceremony. First, I strongly believe that agriculture and its potential linkages provide tremendous growth potential in Jamaica. If agriculture development and linkages are fostered in an integrated and significant way, this would be an important channel for addressing abject poverty in the country and raising the standards of living in the rural areas. The collaboration between the Ministry of Agriculture and Fisheries and the Ministry of Tourism, in my view, is critical to expanding the volume of production and improving the linkage between the rural areas and tourism sector.
2. Second, the Bank supported Jamaica in the past with a community-driven development project with a focus on providing basic services and creating temporary employment opportunities for the poorest groups in rural and urban areas. As a follow-up, with growing crime, violence and safety issues, the government requested a more integrated project for twelve inner city areas. We funded this Project and is currently being implemented by JSIF.
3. Through our dialogue with the government, we agreed on the appropriate modality for the current needs in the rural areas. The rural economic development initiative, or REDI, is the culmination of this dialogue. I am particularly delighted that we have a well-tested implementing agency like the JSIF (Jamaica Social Investment Fund) involved in implementing this project.
4. The objective of REDI is to improve market access for micro and small-scale rural agricultural producers and tourism product and service providers. It will support creating new jobs and better livelihoods for rural residents.

5. The project is part of the Bank's broad strategic commitment to support Jamaica's efforts toward Vision 2030 goals. It supports both the prosperous rural economy and sustainable environmental development goals of the Vision. By promoting diversification along the value chain, it will also help to foster Micro, Small and Medium Enterprises.

6. REDI also supports the 2002 Sustainable Tourism Master Plan for Jamaica, which highlights the importance of moving to a more inclusive growth strategy that will support small locally-based market entrants and will draw on the country's natural, historic and cultural assets. Environmental sustainability is a core principle given the importance of natural assets and reinforcing linkages with local agricultural suppliers is also an important part of the more inclusive strategy for growth.

7. An innovative feature of REDI is that it will provide competitively based grants for micro- and small-scale entrepreneurs to improve linkages along the value chain:

- From farm gate to hotels, restaurants, supermarkets (i.e., cold storage, packing and sorting facilities)
- From rural tourism entrepreneurs to tourists (crafts, marketing assistance, attraction development such as nature trails, etc.)

8. In particular, REDI will finance two types of rural subprojects: revenue generating activities in agriculture and tourism, as well as, related provision of critical infrastructure, marketing and management. The project is expected to directly and indirectly benefit an estimated 22,000 rural residents, and it will encourage the inclusion of youth and women in particular.

9. I look forward to seeing the benefits of the collaboration this project promotes between the two Ministries in terms of better outcomes for the rural poor, for whom this project is designed. Thank you.