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**JAMAICA: COMPLANT slams government for lack of support**

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The Jamaican government is being criticised for failing to establish systems to facilitate more diversification of the sugar industry, in response to its own criticism that four years post-privatisation, investors are not pushing hard enough to explore new markets, according to Jamaica's Observer newspaper.

Delroy Armstrong, senior assistant to CEO of Pan-Caribbean Sugar Company Limited, Hong Han, argues that, "The Government needs to put systems in place that will take the industry into (the direction of making) diversified outputs being more easily accessible in the market. There is no incentive, there is no clear policy in place driving the development of diversity."

Armstrong was speaking with the Jamaica Observer about job cuts being carried out by the Chinese-owned operation and plans to continue to diversify the Monymusk and Frome Sugar Estates.

Several months ago, permanent secretary in the agriculture ministry, Donovan Stanberry, said sugar producers need to "do something new" in the face of the pending 30-40% drop in the price of raw sugar on the European market this year.

"The industry is at a crossroads right now. Sugar cane is a most versatile crop that offers a number of streams of income, if properly exploited. Unfortunately, even though the writing has been on the wall since 2003 with the reform of the EU regime, the sector is basically oriented to send raw sugar in the belly of a ship to Europe," Stanberry told members at a sitting of the Public Administration and Appropriations Committee of Parliament.

Armstrong agreed that the industry is not diversified enough, but pointed out that this is the main reason why Pan-Caribbean had taken the decision to invest in new equipment that will allow it to produce electricity for the national grid. He said the process began in 2014, but that it had taken a "very long time" to finally get Cabinet's permission to get a licence and a power-purchase agreement with the Jamaica Public Service Company.

"That was one setback that prevented us from not reaping revenue from that energy stream already," he remarked. The deal will allow Pan-Caribbean to sell the excess power produced from bagasse, which is used as fuel for its factories' newer and more efficient boilers.

Stanberry, at the committee meeting, said he was "at a loss" as to why the entities were not exploring the possibilities, despite policies being in place to facilitate those efforts.

Last year the positions of more than 200 employees of the Bernard Lodge sugar estate in St Catherine were made redundant, and close to 400 at Monymusk and Frome were let go last week.

Pan-Caribbean has projected to produce 24,000 tonnes of sugar this crop season, which is 4,000 less than the 2014/15 crop. The Government in 2011 divested the Bernard Lodge, Frome and Monymusk factories, along with associated lands to the Complant Group of Companies (represented by Pan-Caribbean) for \$774 million (US\$6.42 million). This equates to roughly 70% of sugar factories in the island.

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