

PARLIAMENTARY QUESTION NO B/985

**B/985 The Honourable First Member for Beau Bassin and Petite Riviere
(Mr Bhagwan)**

To ask Dr the Honourable Minister of Agro-Industry & Fisheries:-

Whether, in regard to fertilizers, he will state the actions Government proposes to take in favour of the sugarcane and vegetable planters, in view of the increase in the price thereof, since 2006 todate?

**B/988 The Honourable Fifth Member for La Cavern and Phoenix
(Mr Soodhun)**

To ask Dr the Honourable Minister of Agro-Industry & Fisheries:-

Whether, in regard to fertilizers, he will state if Government will consider introducing a scheme to subsidize the small planters, following the increase in the price thereof?

REPLY

Mr Speaker, Sir,

With your permission I shall make a common reply to PQ/985 and PQ 988 as both relate to the same subject.

2. The agricultural sector is in a vulnerable situation particularly with the hike in prices of all agricultural inputs, namely agro chemicals and planting materials. The factors impacting on the rising trend of agro chemicals include increase in the prices of raw materials, oil and freight costs with the consequence of an increase in imports at the local level. Fluctuations in exchange rates and increase in local transport costs have made the situation more difficult.

3. The use of fertilizers has a prominent role in maintaining agricultural productivity. Mauritius imports a yearly average of 55,000 tons of fertilizers for an

average amount of Rs 500 M. The quantity imported in year 2005 was 61,600 tons and decreased in year 2007 to 45,300 tons.

4. I have been advised by AREU that from year 2006 to date, there has been a very significant increase in prices of fertilizers used by vegetables growers which range from 61% to 303%. The increase has been substantial for phosphate potassium fertilizers and complex fertilizer 13:13:20:2.

5. To meet the increase in costs of agro chemical and also increase in agricultural productivity, my Ministry is laying emphasis on various actions. These include precision agriculture with more analysis of soil belonging to farmers prior to planting, new technologies i.e protected culture where duty has been removed in the new budget on nutrients for hydroponics. Promotion is also being made for organic farming and increased use of composts and bio-fertilizers. A new Company, Aadicon Biotechnologies Ltd in collaboration with AREU has already started research and production activities for bio-fertilizers and bio-control agents.

6. In respect of the sugar sector, in view of the increase of price of fertilizers, the following measures have been undertaken by the Mauritius Sugar Industry Research Institute:

- A lower rate of application of fertilizers is being recommended so that sugar cane planters can continue to derive the maximum return from their investment on fertilizers.
- Encouraging the small sugar cane planters to have their soils analyzed at the time of planting so as to avoid wastage of fertilizers.
- Promoting the use of factory scums, at planting, to replace phosphate to sugar cane soils. The use of vinasse or concentrated molasses stillage (CMS) obtained as a by-product during the production of ethanol is also being recommended as a substitute for muriate of potash.
- Research for alternative sources to mineral fertilizers and recommendation that a leguminous crop (nitrogen fixing plant) is grown on land and incorporated in the soil prior to replanting of sugar cane to substitute for nitrogen.
- Research is also in progress to assess the value of other species of leguminous crops that can contribute to the Nitrogen requirements of sugar cane when grown as an interline crop in ratoon cane.

7. Furthermore, since year 2006, several services, are being offered to small planters under the Field Operation and Regrouping Project which include derocking, land preparation, application of fertilizers and other soil amendments. A first phase of the Regrouping Project comprising 299 planters and covering an area of 340 hectares on 10 sites spread over the island, was undertaken on a pilot basis during the period July 2006 to April 2007. The second phase comprising 591 planters and covering 836 hectares of land is nearing completion. Upon completion of this Phase, Phase three will be embarked upon and some 2000 planters will benefit on an area of 2000 hectares. These facilities have reduced the investment costs of small planters. Moreover, such pre land preparation will allow for a higher efficiency of fertilizer use and will help planters reduce the amounts of fertilizers to be used.

Mr Speaker, Sir,

8. Government, has in the budget 2008-2009 enunciated a five-pronged strategy to boost up agricultural production including optimum food production. In addition, various incentives have been provided to farmers in support to their production activities. Under the Food Security Fund, for which a provision of Rs 1 billion has been made, schemes would be devised for farmers to access to fertilizers and other agricultural inputs.

9. At the international level, various organisations have pledged to support farmers for the latter to access to agricultural inputs and agricultural services. An EU Facility to the tune of EURO 1 billion for years 2008 and 2009 is being established to finance supporting measures in developing countries to address soaring food prices. Taking into account the specific level conditions, the following measures for financing support will be available: (a) measures to improve access to agricultural inputs and services, including fertilizers and seeds, and (b) safety net measures aimed at monitoring or improving the agricultural productivity capacity and at addressing the basis focal needs of “most vulnerable populations.” The indicative list of criteria for target countries has been drawn and includes, *inter alia*, food price inflation and its potential socio-economic and political impact and also reliance on food import. The resources will be mostly channelled through international and regional organizations. On our initiative, the ACP is meeting the Commission to see how best the ACP

countries can benefit from this Facility. According to the criteria, Mauritius would be eligible to the resources under this Facility.

10. The Eastern and Southern Africa and Indian Ocean region have been requested to prepare a programme for grant funding from this EURO 1 billion Facility. This Facility is in addition to EURO six hundred and forty five million (645 M) allocated to COMESA, EAC (East African Community), IOC and IGAD (Intergovernmental Authority on Development) under the EDF 10 Programme. This was finalized at a High Level Meeting on “Accelerating Regional Integration in Eastern and Southern Africa and Indian Ocean” held on 17 and 18 July in Dar-es-Salaam, Tanzania. Furthermore, the FAO is providing urgent assistance to SIDS to the tune of US 250.000 for procurement of inputs like seeds, fertilizers and other inputs. My Ministry, along with the Ministry of Finance and Economic Development will endeavour towards tapping all those resources. A Mauritian delegation will proceed to Zambia this week for a COMESA Regional Meeting for the preparation of a regional programme to be submitted for financing by the EU. This matter will be pursued further during the visit of Mrs Mariann Fischer-Boël, EU Commissioner for Agriculture in Mauritius from 4 to 6 September 2008,

11. Conscious of the plight of planters and importers of agro chemicals on the increase of costs of fertilizers, I have decided, along with the Minister of Industry, SMEs, Commerce and Co-operatives and the Minister of Women’s Rights, Child Development, Family Welfare and Consumer Protection, to meet all stakeholders on this Thursday to thoroughly look into this important issue.