

PARLIAMENTARY QUESTION B/88

B/88 The Honourable Fifth Member for La Caverne and
10.04.07 Phoenix (**Mr Soodhun**)

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

Whether he will state if small planters who are regrouping themselves are required to pay any contribution for the derocking and preparation of their land and, if so, will he indicate the amount of such contributions and the method of collection thereof?

REPLY

Mr Speaker, Sir,

I have to point out at the very outset that the regrouping and land preparation project is meant to mitigate the drastic price cut of 36% that the European Union has decided to apply. The Regrouping of Small Planters Project scheme is one of the key elements of our Multi-Annual Adaptation Strategy (MAAS) Action Plan 2006/2015. Under this scheme, the Project Implementation Committee is encouraging small planters to regroup themselves into production clusters. These production clusters will benefit from economies of scale by virtue of their size, and will be able to reduce their cost of

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production. The new clusters are expected to increase the cane and sugar yield through the adoption of better cultural practices and new higher yielding cane varieties.

Further, the following is being provided to small planters:

- a. Derocking to allow mechanical loading of cane if feasible on the respective sites. Some planters have requested to prepare their land for full mechanization, i.e. mechanical harvesting. To achieve full mechanization requires fine derocking, land levelling and field engineering.
- b. Land preparation (ripping, furrowing and harrowing).
- c. Planting material (treated cane setts, cement, scum and appropriate fertilizer).
- d. Labour for planting.
- e. Two post planting herbicide treatments.
- f. Labour for the applications of fertilizers, herbicides, cement and scum.

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- g. Field Engineering and Land Levelling to prepare for full mechanization if required.
- h. Free Management and Survey through the MSPA.

The landscape in the sugar cane industry has changed completely and it is absolutely necessary to reduce costs of production. The Regrouping Project will allow both partial or full mechanization of operations.

To date 340ha belonging to 245 small planters land has been prepared. We have thus already satisfied one of the performance indicators for the disbursement of funds from Accompanying Measures. The Project Implementation Committee and the Farmers Service Corporation are setting up a data base of all the planters names, addresses, holding extent, financial account information and the amounts each planter will have to pay.

As far as the issue of contribution is concerned, I wish to refer the Hon. Member to replies made to Parliamentary Questions 1295, 1451 and 1593 wherein it was indicated that planters who are

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regrouping are being called upon to make a contribution. As indicated specifically in reply to PQ B/1593, real costs will be site specific depending on the nature of the operations to be undertaken and also the topography of the land. As I have already informed the house, in Queen Victoria in the FUEL factory area, the planters will be charged Rs 500 per arpent each year during the contractual period of seven years. The works at the site at Queen Victoria are expected to cost Rs 50,000/arpent. At another site known as Etoile in the Deep River Beau Champ factory area, planters are contributing a maximum of Rs 4,500 per arpent each year because this site required extensive field engineering and land levelling. This site was very rocky and undulating. To achieve the level of mechanization the planters had requested for, the cost estimate is Rs 82,000 per arpent. The contribution by the planter is therefore site specific, and also depends on the level of mechanization the planters request for.

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The contribution of the planter will thus vary between 7% and 38% of the total project cost. If one were to take into account the

discounted value of money for the seven year period, this percentage is much less, let alone an increase of 2.3% in the total acreage per planter.

As for method of collection, the planter effects the first payment through its agency to the Mauritius Sugar Authority in December of the crop year in which he has harvested the first crop of the new plantation. In Queen Victoria, for Blocks 2 and 3, the planters who have regrouped will effect payment in December 2007 as their first harvest will be this year.