

PARLIAMENTARY QUESTION B/112

B/112 The Honourable Third Member for Montagne Blanche and
(10.04.07) Grand River South East (Mr. Gunness)

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

Whether, in regard to the resumption of possession of land from planters at Riche Terre and Terre Rouge, he will state (a) the reasons therefore (b) the acreage of land involved and (c) the alternative proposals that have been made to the planters?

REPLY

Mr. Speaker Sir,

At the very outset, I wish to remind the House of the circumstances in which we have been able to attract investment of such magnitude to Mauritius.

At the Beijing Summit of the Forum of China-Africa Cooperation in November 2006 attended by Dr. The Hon Prime Minister, the President of China announced eight measures to strengthen China-Africa cooperation, including the establishment of three to five trade and economic cooperation zones in Africa in the next three years, and the setting up of a China-Africa development fund amounting to \$5 billion.

Mauritius, which has been recognized by the Chinese Authorities as one of the best investment destinations in Africa, has been selected as one of the countries in Africa to implement such an economic zone. Thus, the Shanxi Tianli Enterprise Group will soon create an Economic and Trade

Cooperation Zone in Mauritius over an extent of approximately 211 hectares (500 arpents) of land situated at Riche Terre and Terre Rouge. These lands are state lands which have been found suitable due to their proximity to the port area. The project will bring foreign direct investment to the tune of Rs. 17 billion (USD 500 million) spread over a 5 year period and the economic zone is expected to generate some 5,000 local direct jobs.

Given our economic situation and the urgent need to create employment, we must do all we can to facilitate such investment.

(a) As regard part (a) specifically, in order to release the area for Trade and Economic Cooperation Zone (TECZ), Government has offered to the small planters who have been occupying leased land for agricultural products, to move to alternative sites.

(b) As regard part (b) this zone covers two land settlements:

- (i) 51 Hectares at Riche Terre leased to members of the Riche Terre Mixed Cooperative Society up to 13 July 2015. The lease has been drawn in the name of the 120 individual members of the Cooperative Society. Out the 120 planters, only 51 are active.
- (ii) 160 Hectares at Terre Rouge leased to 103 individual planters with all leases expiring on 30 June 2007.

(c) As regard part (c), in regard to planters of Riche Terre Land Settlement, it is relevant to mention that the Lease Agreement provides that Government may take back the land at any time during the lease period provided that a fair and reasonable compensation is paid to the planters. The quantum of compensation to be accordingly paid has been worked out by the Chief Government Valuer. After consultation with the State Law Office, a letter was issued to all leaseholders on 06 March 2007 requesting them to leave the land by 30 April 2007.

In addition to this compensation, the Government has also decided to relocate the active planters to prime land belonging to the Agricultural Services to enable them to continue to get their livelihood. In fact, Government has agreed to:

- (i) a total compensation of Rs. 12m to be shared pro-rata among the 120 planters based on the extent of land occupied; and
- (ii) relocate the 51 active planters to prime lands found within:
 - (1) Arsenal Agricultural Centre for production of seeds (30A);
 - (2) Bois Marchand Agricultural Centre for planting materials (25A);
 - (3) 5A of agricultural state land at Pte aux Piment for foodcrops;
- (iii) Irrigation and CEB dues amounting to approximately Rs. 1.5M will be written off; and
- (iv) consideration for payment due by planters to Development Bank of Mauritius to be rescheduled.

These sites are, Mr. Speaker Sir, secured areas and the land is immediately cultivable with the advantage that those 51 active planters can immediately

engage in production of seedlings and plant materials which have a ready market.

As for **Terre Rouge Land Settlement**, Mr. Speaker Sir, since their Lease Agreement expires on 30 June 2007, they are normally not eligible for any compensation in accordance with law.

The State Law Office was also consulted and a letter was issued on 07 March 2007 asking the planters to release the land by 30 June 2007.

However, Mr. Speaker Sir, Government understands that their cultivation of sugarcane on these lands have contributed to their livelihood. We have thus proposed:

- (a) their relocation at Cote D'Or where state lands under cane plantation can be made available immediately to them; and
- (b) payment of a compensation of Rs. 50,000 per hectare.

Mr. Speaker Sir, I would like to inform the House that I had two meetings with the representatives of the Riche Terre Mixed Cooperative Society and one meeting with the representatives of the Terre Rouge Land Settlement to explain to them the importance of the Tianli Project and the facilities which Government in return would give to them in terms of cash compensation, relocation to prime state lands and the writing-off of irrigation and CEB dues. As regard to Terre Rouge Land Settlement, the planters will be allowed to harvest their cane this year.

A Technical Committee has also been set up under the chair of the Ag. Permanent Secretary of my Ministry and three meetings have been held with representatives of planters of Riche Terre Mixed Cooperative Society where all the issues have been discussed. My Ministry is proceeding this

week with the finalization of the modalities concerning payment of compensation and relocation of the planters of Riche Terre Land Settlement. They would be convened by third week of April 2007 for payment and relocation exercise.

Concerning the planters for Terre Rouge Land Settlement, my Ministry is finalizing the compensation aspect (Rs 8M) with the Ministry of Finance and Economic Development and they will be convened at a later stage for payment of compensation and relocation exercise.

Mr. Speaker Sir, I am sure the House will agree that this is a very fair solution for all concerned, as it will not only ensure that the planters have been relocated to other alternative sites, it will also ensure that they have other job opportunities in the new Economic Zone.