PARLIAMENTARY QUESTIONS NO B/1362 & B/1364

B/1362 The Honourable Fifth Member for La Caverne and Phoenix

(11.12.07) (Mr Soodhun)

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

Whether, in regard to the preparation of the Multi Annual Adaptation Strategy for the sugar sector, he will state if the Mauritius Sugar Authority has provided the adequate information and, if not, indicate the actions he proposes to take to review the functioning of the Authority?

B/1364 The Honourable Fifth Member for La Caverne and Phoenix

(11.12.07) (Mr Soodhun)

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

Whether, in regard to the Multi Annual Adaptation Strategy for the sugar sector, he will state if it is being reviewed and, if so, indicate if the review will include the improvement of the benefits accruing to the workers?

RFPI Y

Mr Speaker, Sir,

I shall, with your permission, reply to Parliamentary Questions B/1362 and B/1364 together as they relate to the Multi Annual Adaptation Strategy (MAAS) for the sugar sector.

The MAAS document was elaborated by a team comprising representatives of my Ministry, the Ministry of Finance & Economic Development, the Mauritius Sugar Authority and all the other stakeholders of the sugar cane industry. In fact all stakeholders of the sugar industry including representatives of associations grouping sugar cane planters and trade unions as well as the Delegation of the European Commission in Mauritius were consulted. Still, if the Honourable Member can indicate which information the Mauritius Sugar Authority has withheld, I would be glad to hear from him.

The MAAS document was approved by Government in April 2006 and subsequently endorsed by the European Commission. The MAAS was welcomed by all instances in the European Commission, Member States and the

European Parliament as a very bold and comprehensive document and a model one for all ACP countries.

Mr Speaker, Sir, I must point out that the MAAS document is meant for discussions and negotiations. The document provides for review and amendments, if necessary. In fact, there is an inbuilt mechanism in the MAAS at paragraph 252 which clearly specifies that, I quote,

"The Action Plan would be reviewed in 2009 to assess the implementation and its relevance to the market environment. Modifications, if necessary, would be effected" unquote.

The discussions between Government and the MSPA and the subsequent agreement concluded last week are in line with the provisions of the MAAS. As I said in my reply to the PNQ of the Leader of the Opposition last week, the Agreement is in response to the many challenges lying ahead of the sugar sector, in particular the drastic price cut arising from the EU Sugar Reform and the full implementation of the Everything But Arms (EBA) initiative as from 2009. Mauritius has chosen to engage into a profound restructuring of its sugar sector. This reform, which is a viable option for constructing a sustainable sugar cane cluster, is also a key component for the successful economic transition of the whole economy of Mauritius. Accordingly, the Multi Annual Adaptation Strategy Action Plan 2006-2015 (MAAS), which was prepared in consultation with all the stakeholders of the industry, defines the strategic orientations and key measures that need to be undertaken.