



# MINISTRY OF AGRO-INDUSTRY & FOOD SECURITY

Annual Report for  
the Financial Year  
2020/2021

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## **PART I – ABOUT THE MINISTRY/DEPARTMENT**

### **VISION AND MISSION**

#### **OVERALL POLICY**

Strengthening food security and sustainable agricultural development through:

- improvements in productivity;
- provision of safe food;
- increased contribution of agriculture in the economy;
- creating more awareness and interest for agriculture to enhance business and employment opportunities; and
- sustainable use of natural and genetic resources.

#### **VISION**

To build a vibrant sugar and non-sugar agriculture and agri-business sectors that:

- utilise natural resources sustainably while enhancing national food security and safety;
- empower producers to become more productive; and
- enhance the welfare of the farming community.

#### **MISSION**

To enable and facilitate the development of agriculture, agro-forestry, agroprocessing for sustained food security and safety in the face of climate change.

## Message from the Minister

The world is adjusting to a new normal and the landscape is changing drastically due to the Covid-19 pandemic. The importance of agriculture in national development has further emphasized the important role it plays in the context of social harmony and food security. We are living through times of immense change, internally and worldwide. The future of our food security is being fashioned decisively by the economic and social changes currently taking place.

Under this challenging situation I am presenting the Annual Report for the Ministry of Agro-Industry & Food Security. During the pandemic, my Ministry took all necessary measures to increase its buffer stock ensuring an adequate supply of potatoes, onions and garlic to the population. Confinement during COVID-19 had temporarily disrupted activities in agriculture and supply chains.

As Minister for Agro-Industry & Food Security, I am confident that, with a common vision and partnership with all stakeholders, we can bring about positive and consequential change in the food system. Our role is crucial as the world food hunger is continuously on the rise.

I avail myself of the opportunity to thank the personnel of my Ministry, the agro-industry partners, and all the stakeholders of the sector, for their great support and collaboration throughout this exceptionally challenging year.



Honourable Maneesh GOBIN  
Minister

## Message from the Senior Chief Executive

On behalf of all the staff of the Ministry, I am delighted to be given this opportunity to provide the foreword to the annual report of the Ministry of Agro-Industry & Food Security for the period 1st July 2020 to 30th June 2021.

The Ministry of Agro-Industry & Food Security has a long, prosperous, successful, and proud history of working with others institutions, NGOs and other stakeholders to ensure food security and safety for our population. This report highlights the achievements of the strategic objectives of this Ministry through the hard work, endeavour, and commitment by a great number of people working together.

Our farmers need all the support in order to ensure their effective main streaming to drive socio-economic change and national development. In order to empower the farming community, stakeholders and the public at large are continuously being informed of the services offered by the Ministry. In so doing, we have to make proper use of human and financial resources available.

Covid19 has brought lots of challenges to the agricultural sector and food security. Our role is more crucial especially in times of crisis, where we had to ensure availability of a constant supply of food crops and vegetables. The Ministry is working hard to stand-up to all the challenges. Our institutions and departments have reacted promptly during the confinement period to ensure that the agricultural community is least affected while the population doesn't suffer from any disruption of food supplies.

I attribute the good work accomplished during the year to the strong team spirit, determination and dedication of the staff of the Ministry.



Mr. Meqha GUNPUTH

Senior Chief Executive

1 Dec 2021

## **Roles and Functions of the Ministry / Department**

### **Role**

The role of the Ministry is to devise and implement policies for the sustainable development of the agricultural sector in Mauritius and to support the farming community and regulate the supply of food through different measures and schemes to enhance production.

### **Functions**

The Ministry maintains and enhances agricultural production and food safety by exercising control, regulating, advising, and disseminating information through various acts, policies, and programmes. The Ministry also supports the preservation of our forestry resources and native terrestrial and freshwater biodiversity.

# Ministry of Agro-Industry and Food Security



## Agricultural Services

Technical arm of the MAIFS  
Regulatory and policy functions  
Supply inputs to the farming community



## Forestry Services

Management of the State Forest Lands including 'native' forests and Nature Reserves  
Protection as well as raising awareness about forest conservation and protection  
Promotion of ecotourism



## National Parks and Conservation Service

Management of National Parks and special Reserves  
Management of the Core Zone and Buffer Zone of the Black River Gorges Bel Ombre Biosphere Reserve  
Sustainable management, restoration and conservation of native forests through in situ and ex situ conservation of threatened native species of flora and fauna  
Management Authority for CITES Conventions  
Administrative Authority for Ramsar Convention, AEW, CMS, CBD  
Promoting sustainable ecotourism, public awareness and sensitization



## 12 Parastatal bodies

## List of Parastatal Bodies

### Agricultural Marketing Board (AMB)

- Expand the local production of strategic crops like onions, potatoes and garlic.
- Operate or provide for the operation of such storage, handling, transport processing facilities.
- Import potatoes, onions and garlic to ensure uninterrupted supply of these commodities on the local market.

### Food and Agricultural Research Extension Institute (FAREI)

- Conduct research and development in non-sugar crops (food crop, ornamentals, fruits and cash crops), post-harvest, agro processing, livestock and agro forestry.
- Provide extension service, training, support and assistance to planters, breeders agro-entrepreneurs.
- Implement schemes for planters, breeders and agro-entrepreneurs.

### Irrigation Authority

- Ensures that planters in irrigation zones are adequately supplied with water.
- Implement and manage irrigation projects.
- Maintain irrigation networks in good conditions.

### Mauritius Cane Industry Authority (MCIA)

- Promote the development of the cane sector and its clusters.
- Create an enabling environment with innovative and efficient services, research and development in the sugar sector.

### Mauritius Meat Authority (MMA)

- Slaughter, dressing and transportation of cattle, goats, pigs, sheep and deer meat to markets.

### Mauritius Society for Animal Welfare

- Promotion of the welfare and good treatment of animals
- Conducting sterilisation campaigns.

Rose Belle Sugar Estate Board

- Manage the assets of the Rose Belle Sugar Estate Board efficiently and effectively for wealth generation, welfare and modernisation, thus benefiting employees, stakeholders and society at large.

Sir Seewoosagur Ramgoolam  
Botanical Garden Trust  
(SSRBG)

- Proper maintenance of biological garden.
- Conservation and research of biodiversity.
- Education Programmes.

Small Farmers Welfare Fund

- Promote the economic and social welfare of small farmers and their families.
- Register farmers and deliver farmers' cards.
- Implement schemes for the benefit of small farmers.

State Investment Trust

- Dealing in matters relating to agriculture in general.
- Acquire, hold and/or dispose of properties in general.
- Investment holding.

Sugar Insurance Fund Board

- To insure the sugar production of planters, metayers and millers, against losses due to the effects of inclement weather such as, cyclones, drought and excessive rainfall under its General Insurance policy. Fire occurrence in sugar cane field is another risk covered by the Fund under its Fire Insurance policy.

Vallee D'Osterlog Endemic  
Garden Foundation

- Manage, conserve, administer, maintain and develop the garden
- Care and conserve flore and flora of the garden.

The following divisions fall under the purview of Agricultural Services:

1. Agricultural Chemistry  
Division

- To provide reliable and timely analytical support to planters, breeders, research institutions and other stakeholders for the chemical analysis of agricultural materials for good agricultural practice, food production and safety.

2. Agricultural Information  
Division

- To update and manage agricultural databases with a view to provide timely and reliable statistics/information on food and agriculture.

3. Agronomy Division

- To produce viable vegetable seeds.
- To experiment, advise and share information in the field of Hydroponics and Organic Vegetable Production.

4. Animal Production Division

- To promote safe and quality livestock production throughout the value chain, to enhance self-sufficiency for food security to improve the revenue of small farmers.

5. Entomology

- To preserve the insect biodiversity of Mauritius and ensure food security.

6. Food Technology Laboratory  
– Dairy Chemistry Division,  
Food Hygiene Laboratory,  
Chemistry Laboratory

- To ensure the safety and quality of both locally produced, exported and imported food products through microbiological and chemical analysis of foods (pesticide residues, heavy metals, toxins), animal feeds and water for our export and import requirements.

7. Horticulture Division

- To contribute towards national agricultural production through the provision of quality vegetable seeds and fruit and ornamental plants.

8. Land Use Division

- Lease of agricultural state land.
- Preparation of lease agreements in respect of agricultural state land.
- Managing and monitoring the use of agricultural state land.

9. Livestock Feed Production Scheme/Agricultural Development Division

- To provide quality feed to breeders in order to improve livestock production and enhance food security.

10. National Agricultural Products Regulatory Office

- Control and regulate the import, export, production and sale of meat, tea, tobacco and derived products as well as their preparation, processing, manufacturing and packing.

11. National Plant Protection Office

- To ensure the protection of the country's agricultural economy against introduction of destructive pest.
- To help towards plant health improvement.
- To develop market access through bilateral agreement for export of agricultural product.

12. Veterinary Service Division

- To provide quality veterinary service to breeders in order to ensure healthy and disease-free livestock.

## **Gender Statement**

The Ministry of Agro Industry and Food Security complies with all legislations and policies of the government in the context of gender equality and empowerment. Women are crucial in the translation of the products of a vibrant agricultural sector into food and nutritional security for their households. They are often the farmers who cultivate food crops and produce commercial crops alongside the men in their households as a source of income. Moreover, women are generally responsible for food selection and preparation and for the care and feeding of children and therefore they are considered as key to food security for their households. The key activities involve in gender mainstreaming are:

- I. Sensitisation and training of management and technical staff
- II. Providing incentives and schemes
- III. Encouraging women agricultural entrepreneurs
- IV. Capacity building for women in agricultural production
- V. Promoting women in agriculture through setting up of Agricultural Clubs

## **About Our People**

People in an organization are the driving force behind any business. Officers of the Ministry of Agro-Industry and Food Security, through their strategic thinking, creativity, vision, innovation, strive to turn challenges into opportunities by devising strategies to strengthen sustainability, resilience, effectiveness and responsiveness of the Ministry's service delivery. The integrity of the Ministry and its effectiveness in achieving its purpose, depend entirely on its people.

## **Organizational Structure**

The Ministry's decisions and objectives must get relayed from top management to functional levels without dilution or delay.

The overall administration of the Ministry falls under the responsibility of the Senior Chief Executive, who is assisted by the Deputy Permanent Secretaries and Assistant Permanent Secretaries on the administrative side. On the technical side, support is provided by Heads of three main services:

- Agricultural Services;
- Forestry Services; and
- National Parks and Conservation Service.

### **Senior Management Team**

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	Ag. Deputy Director	Mr V. S. GOPAL Phone: 464 4053 Fax: 466 0453 <a href="mailto:svsgopal@gmail.com">svsgopal@gmail.com</a>
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### **Training and Development**

Training and development is a vital component of the Human Resource Development and part of an overall strategy for creating a pool of readily available employees and adequate replacements for personnel who may leave or move up in the Ministry. The Ministry of Agro-Industry and Food Security, had, during the financial years 2019/2020 and 2020/2021, disbursed Rs 2,571,895 and Rs 1,198,135 in training sponsorship to provide learning opportunities in terms of job-related courses, that would equip officers with the necessary skills, knowledge and mindset for providing quality services to the public.

### **Managing and Developing Staff**

There is a growing emphasis in the Public Sector on the need to provide high quality services to citizens. One of the ways in which the Public Sector can improve its delivery of services is by improving the performance of its people. Performance Management System (PMS) is being used in the Public Sector to improve the quality of service being offered to citizens, reducing the waiting time and meeting the changing needs of the citizens. The Performance Management System is an efficient tool for managing and developing the performance of employees, planning work, identifying gaps in performance, identifying the relevant training required for employees and to achieve the goals and objectives of the Ministry.

## PART II – MINISTRY/DEPARTMENT ACHIEVEMENTS & CHALLENGES

### Major Achievements

- On an acreage of 43 711 hectares, 2620121 tonnes of sugarcane were harvested yielding a total of 272,340 tonne of sugar.
- Sugarcane planters and métayers producing up to 60 tons of sugar were exempted from the general insurance premium payable to the Sugar Insurance Fund Board (SIFB) for crop 2020.
- In view of a reduction in crop percentages (less than the prescribed 80%) in two of the Enlarge Factory Areas, Crop 2020 was declared as an Event Year.
- In view thereof, a total general compensation to the tune of Rs. 430,212,000 was paid to 8,310 growing units, 27 large planters and 2 millers in July 2021.
- Extension of Advance Fertiliser Scheme to 7,200 beneficiary planters for Crop 2021 with a view to motivate them to continue with their sugarcane production and replantation of fields.
- Payment of an enhanced Guaranteed Price of Rs 25,000/Ton Sugar to planters for Crop 2020 for the first 60 tons of sugar accrued to them.
- Opening of 2 Farmers Service Centres at Rivière du Rempart and Beau Champ.
- Release of two high yielding new sugarcane varieties, the M 64 and M 65, that would contribute in boosting our national production level as well as provide the country with enough bagasse for cogeneration.
- Facilities have been given to 863 planters to bring back their abandoned land under sugarcane plantation. Around 418 ha of such abandoned land out of a total of 570 ha has already been restored and planted to cane.
- Centralised Digital Land Bank of State and Private Agricultural Land is operational
- Road Mending Scheme under Planters Fund has been carried out on over 30 sites across the island so as to improve accessibility to cane fields.

- Since the outbreak of the Covid-19, the level of uncertainty has increased tremendously and the agricultural produce market has become even more volatile. The Ministry through the AMB has been able to diversify the sources of procurement of strategic crops in order to prevent shortage. The AMB successfully managed to ensure that the population was fully supplied with produces at all times.
- Three introduced potato varieties namely, *Everest*, *Panamera* and *Sababah* are excellent promising table varieties and are potential candidate varieties comparable to *Spunta*. The *Santana* is a promising variety for French fries production. Variety *Everest* is at pre-release stage.
- High yield potential of 3 hybrid onion varieties namely, *243*, *ON 2388* and *404* were confirmed. ON2388 was released for commercial cultivation under the name Askari. Open-pollinated varieties *Roxa*, *AVON 1067* and *AVON 1056* are promising high yielding varieties which will be further evaluated
- Taro variety *PNG13* was found promising and has been released for commercial cultivation in March 2021
- Tomato, *THN 988*, a very promising variety for production in hydroponics, tolerant to bacterial wilt and Tomato Yellow Leaf Curl Virus (TYLCV) and having good fruit set under high temperatures was recommended for commercial cultivation in 2021.
- One green pea, one edible-podded pea and one anthurium variety, locally developed, are at pre-release stage.
- Five avocado varieties namely, *Rincon*, *Pinkerton*, *Fuerte*, *Ettinger* and *Hass* have been found promising for commercial cultivation. Variety *Hass* is a late bearing variety which can help to extend the avocado harvest season up to July/ August. An increased interest was noted among local consumers for the variety.

- A novel water saving irrigation technology, the Exudative Tube Application System was introduced and was implemented in several regions as well as the 2,000 m<sup>2</sup> Gravity Fed Drip System. An integrated sheltered farming system comprising of double-span tunnels inclusive of a roof-top rainwater harvesting structure and the zero-energy gravity-fed drip irrigation system for vegetable crops production was developed and implemented on-farm in seven regions.
- Seventy-five kg bulbs of the promising garlic accession *Bondah* were produced and stored as planting material for promotion of the accession.
- Two newly released freckle tolerant banana varieties FHIA17 and FHIA25 were promoted and are also gradually being accepted as alternative dual purpose and cooking type varieties respectively since 2019. Banana variety *Novaria* is also being promoted as a Commercial Cavendish type.
- Two chilli varieties, *AVPP 9813* and *AVPP 0514* were found tolerant to anthracnose. Emphasis is being placed on Integrated Pest Management strategies.
- In addition to training of farmers (planters and breeders), ten training courses were dispensed to 150 potential entrepreneurs (128 women and 22 men) in agro-processing techniques. Twenty-seven agro-entrepreneurs used the Agro-Processing Resource Centre for testing and evaluation of their technical processes as well as end products. Twenty-six conducted tours were organized for 103 visitors to the Agro-Processing Resource Centre. Thirty-one agribusiness enterprises benefitted free advisory services on process and product improvement. 174 protocols were developed or upgraded for processed food products.
- New prices of green leaves of tea for crop year 2019/2020 to be paid to tea growers and métayers by tea manufacturers were determined in November

- 2020 based on new formula. Growers benefited from an increase of about 5.4 % in the price of green tea leaves as compared to the previous year.
- An increase of Rs 1 was brought to the minimum interim price for green leaves of tea to be paid to tea growers and métayers by tea manufacturers for crop year 2020/2021.
  - Under the Tea Nursery Project, 50,500 tea seedlings were produced from July 2020 to June 2021.
  - Out of 100 Arp which were earmarked for rehabilitation of abandoned state-owned land in Ex tea belt areas for tea production at Grande Chartreuse, 55 Arp of land have already been cleared and planted with tea plantlets. About 31 Arpents of land under tea have already been leased to 14 new tea growers at Grande Chartreuse.
  - Under the Accompanying measures to support Tea Growers, 1059 tea growers benefited from winter allowance to compensate them for the decrease in production and revenue during winter. About Rs 4.1 M were disbursed by the Small Farmers Welfare Fund for payment of winter allowance.
  - Approval of the Nomination Dossier by the UNESCO Man and Biosphere programme for the extension and Renomination of the Macchabée Bel Ombre Biosphere Reserve to Black River Gorges Bel Ombre Biosphere Reserve. The announcement was made on the 28th October 2020 during the UNESCO Man and Biosphere International Coordination Council.
  - Official signing ceremony of the 'Ridge to Reef Project' funded by the EU in collaboration with the Government of Mauritius for the restoration of native forests and coastal mangrove ecosystem in Mauritius.
  - Under the Technical Cooperation Programme with the FAO, the Forestry Service has worked on an Agro forestry project aimed at promoting agro-forestry

practices in the Republic. A National Action Plan for Agro Forestry has been worked out and is being validated.

- The Forestry Service has provided technical assistance and plants for the setup of several agro-forestry projects being implemented independently by stakeholders namely Rose Belle Sugar Estate Board; Cie Sucrière de St Antoine and others.
- Workshops outreaching around 250 persons has been conducted to build capacity in agro forestry practices and bee keeping.

### Status on implementation of budget measures

Budget [Para']	Budget Measure	Status
45&46	Inception of a comprehensive National Agri-Food Development Programme. This programme will promote the Farm to Fork concept, ensure food security and reduce our dependence on imports.	<p>The target implementation date for an agro-processing unit on pilot basis by the AMB has been revised due to confinement/covid 19. The implementation date should read first quarter of 2022 instead of December 2021. It is worth noting that the AMB has already implemented the following measures:</p> <ol style="list-style-type: none"> <li>1. Installation of cold room;</li> <li>2. Purchase of freezers;</li> <li>3. Purchase of vehicle with cold storage facility;</li> <li>4. Launching of tender for the processing of chips;</li> </ol> <p>In progress:</p>

		<p>5. Civil works on existing site to accommodate processing equipment is in the process of getting started.</p> <p>6. Training of staffs by FAREI- once implementation is done. Expected as from November 2021.</p>
53	'Food and Agricultural Research & Extension Institute (FAREI) to develop the necessary standards and norms for production, storage, transformation and commercialisation of superfoods	The ongoing programme will cater for norms for production, storage & commercialisation of superfoods
55	<p>The Agricultural Marketing Board Act will be amended to broaden the role and functions of the Agricultural Marketing Board (AMB)</p> <p>Prepare and implement a production plan for strategic food</p> <p>crops based on local demand;</p> <p>(b) Manage the National Wholesale Market for fruits and</p> <p>vegetables before end of 2020;</p> <p>(c) Establish a price guarantee mechanism for</p>	The target implementation date has been revised due to Covid 19 pandemic. The National Wholesale Market is expected to start operations before the end of the financial year 2021/22.

	<p>producers to</p> <p>earn a sustainable flow of income;</p> <p>(d) Invest in regional storage facilities to improve on-shelf life</p> <p>for seasonal crops such as tomatoes;</p> <p>(e) Engage with local firms for agro-processing; and</p> <p>(f) Ensure availability of quality seeds and develop new crop varieties</p>	<p>A consultancy study will be launched in respect of SAPZ following confirmation of funding for same from the African Development Bank.</p> <p>The legal framework for the seed sector is being worked out. Meanwhile, the Quality Development Seeds scheme is being implemented by Agronomy Division of the Ministry.</p>
57	<p>Increase the subsidy for the purchase of seeds from Rs 5,000 per ton to Rs 25,000</p>	<p>Effective through:</p> <p>i) a 50% rebate on the selling prices of Onion seeds and garlic seeds; and</p> <p>ii) a reduction on the selling prices of the seed potato from Rs 45,000 to Rs 25,000 per ton.</p> <p>A sum of Rs 17.2 M has been disbursed as subsidies.</p> <p>Number of beneficiaries: 146</p>
58	<p>Government will waive the payment of the annual premium in respect of the Crop Loss Compensation Scheme operated by the</p>	<p>As enunciated in the National Budget 2020/2021, provision was made to waive off the payment of the annual premium in respect of the Crop Loss Compensation Scheme operated by the SFWF. Being</p>

	Small Farmers Welfare Fund.	<p>given that funding to the tune of Rs 28 million was provided, the Fund proceeded with the implementation of the budgetary measure as follows:</p> <p>(i) Free coverage under the Existing CLCS Model to registered planters who had previously subscribed to the CLCS and</p> <p>(ii) Free Coverage under the Agricultural Calamities Solidarity Scheme (ACASS) model (which was being previously operated by the SFWF until the implementation of the CLCS) to the remaining registered planters who did not subscribe to the CLCS previously. The Ministry is waiting on the merging of ACAS and CLCS.</p>
59	Under the Fruit Protection Scheme, a grant of 50% of the cost of permanent netting structures will be provided to orchard owners.	<p>Scheme operational as from Sep 2020, providing 75% subsidy on cost of purchase of net. As regards the permanent net structure, a model has been worked out with orchard owners.</p> <p>For the year 2020/21 there have been beneficiaries.</p>
62	For crop 2020, Government will ensure that planters receive a guaranteed price of Rs 25,000 per ton for the first 60 tons of sugar.	<p>All necessary funds have been disbursed to MCIA for the payment of the guaranteed price. The final ex-MSS price was Rs 14,062.22/ton for crop 2020.</p>
63	The insurance premium payable to the Sugar Insurance Fund Board by planters producing up to 60 tons of sugar will be waived	<p>All necessary funds have been disbursed to SIFB for the waiver of the insurance premium for crop year 2020.</p>

	for Crop 2020.	
64	The Mauritius Cane Industry Authority (MCIA) will meet the shortfall arising from the suspension of CESS payments for Crop 2020.	Rs 330M was allocated for FY 2020/21 to meet the recurrent expenditure of the MCIA. Disbursement of funds was made on a monthly basis. The whole amount has already been disbursed to the MCIA.
65	The Cane Replantation Programme will be maintained to encourage planters to bring back land under sugarcane cultivation.	The actual extent under this project is 570 ha (863 planters), of which some 418 ha has been planted under cane. Land preparation works are ongoing on the remaining extent

## Status on Implementation of Key Actions

Key Action	Key Performance Indicator	Target 2020/2021	Achievement as at 30 Jun 2021	Remarks
Increase local agricultural production for greater self-sufficiency	Local production of food crops (tons)	115,000	109,339	Disruptions in food production is mainly due to the impact of Covid19 and also due to a slight decrease in demand as the hospitality sector was not operating.
	State land area allocated for crop production, bio-farming activities, livestock and honey production (ha)	900	1,235	There has been a substantial increase in this area around 37%.
Implementation of an aggressive marketing strategy geared towards increasing exports of value added sugar	Value added sugar exported (tons)	360,000	360,235	217,962 tons of White Refined Sugar and 142,273 tons of Special Sugar have been exported
Bring back abandoned cane lands under cultivation	Minimum Additional area of abandoned lands cultivated (ha)	315	417	Contracts have been signed for a total extent of 570 ha (863 planters). Land preparation has been completed on 436 ha out of which 417 ha have already been planted to cane.
Boost up the tea sector through the allocation of state land	State Land area allocated for tea plantation (cumulative ha)	300	224	30 ha not yet planted and 13 ha not yet yielding. At the same time, planters allocated parcels of planted tea land have abandoned same.
Increase local honey production	Volume of honey produced (tons)	27	27	Target has been met.

Control of invasive alien species	Land under conservation management (cumulative ha)	725	712.4	Impacted by the COVID 19 pandemic as staff could not carry out restoration works
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## **Risk Management, Citizen Oriented Initiatives & Good Governance**

### **The customers of the Ministry are:**

- All Ministries and Parastatal Organisations
- Planters (sugar cane, tea, crop, and flowers)
- Farmers/Breeders
- Sugar Companies
- Tea Companies
- Cooperative Federations and societies
- Trade Unions and Federations of planters and farmers
- Planters' Associations
- Importers and Exporters

### **The commitment of the Ministry to its customers**

- Proper service delivery to all stakeholders and capacity building of the farming community.
- Adheres to all the principles and commitment of the Strategic Plan and Customer Charter of the ministry.

## **Implementation Plan - Director of Audit Comments**

The Director of Audit has highlighted several shortcomings regarding projects for the financial year 2019/2020 for the Ministry of Agro Industry and Food Security. The main issues highlighted are as follows: -

### **1. Cattle Reproduction Farm at Melrose**

The operations were delayed due to lack of proper planning. It was also noted that amenities were omitted in the construction contract and feasibility study was not carried out before construction of the farm.

The project value of the Heifer Farm was Rs 26M. As the project value exceeded Rs 25M, the Ministry has had to obtain the assent of the Project Planning Committee (PPC).

In financial year 2020-2021, only Rs 5 M had been allocated to Vote Item Heifer Farm and this amount has been earmarked for the construction of vehicle dip, drains and track roads at Melrose Cattle Reproduction Farm.

## **2. Sheep Production Farm at Salazie**

According to the National Audit Report, the project objectives were not achieved. A review of the operational activities of the Sheep Reproduction Farm revealed several shortcomings such as fodder plantation not yet completed and Maternity pen still under construction.

The Ministry informed NAO that a price-fixing meeting for the sale of animals and products was held in December 2020. It was decided that once the price schedule is finalised, sales will be organised. Eventually sale was scheduled on 30.09.21.

## **3. New Slaughter House – Considerable delay in construction resulting in continuous resort to sub-standard ‘Central Abattoir’**

It was noted that one of the main reasons for the Construction of the Slaughter House according to the EU standards was mainly targeted for the production and export of venison to Reunion Island.

It was decided that the Ministry would go ahead with the renovation of the existing abattoir. It was therefore recommended that the Engineers and Health and Safety Officers of the MMA submit their report and estimates regarding the renovation works.

## **4. Construction of Wholesale Market – Delay in project completion**

The Contract was awarded on 04 October 2018 to Tianli Construction Ltd for the contractual amount of Rs 389 Million (inclusive of VAT).

Initial Completion date was on 27 December 2019. The project was delayed due to adverse climatic conditions as it was planned for April 2020. Subsequently, the project as awarded has already been completed.

However, the additional works are still underway.

### **Conclusion**

The Ministry has taken into consideration the recommendations made by the NAO regarding the above mentioned projects and has expedited matters where there were shortcomings.

## PART III – FINANCIAL PERFORMANCE

The 2020/2021 Budget Estimates amounted to Rs 2,880,000,000 and the Vote of the Ministry of Agro-Industry and Food Security is 15-4 and is made up of six Sub-Heads as follows:

- **15-401 General: Rs 162,300,000**
- **15-402 Competitiveness of the Sugar Cane Sector: Rs 1,237,500,000**
- **15-403 Development of Non-Sugar (Crop) Sector: Rs 908,100,000**
- **15-404 Livestock Production and Development: Rs 329,700,000**
- **15-405 Forests: Rs 173,200,000**
- **15-406 National Parks and Conservation Service: Rs 69,200,000**

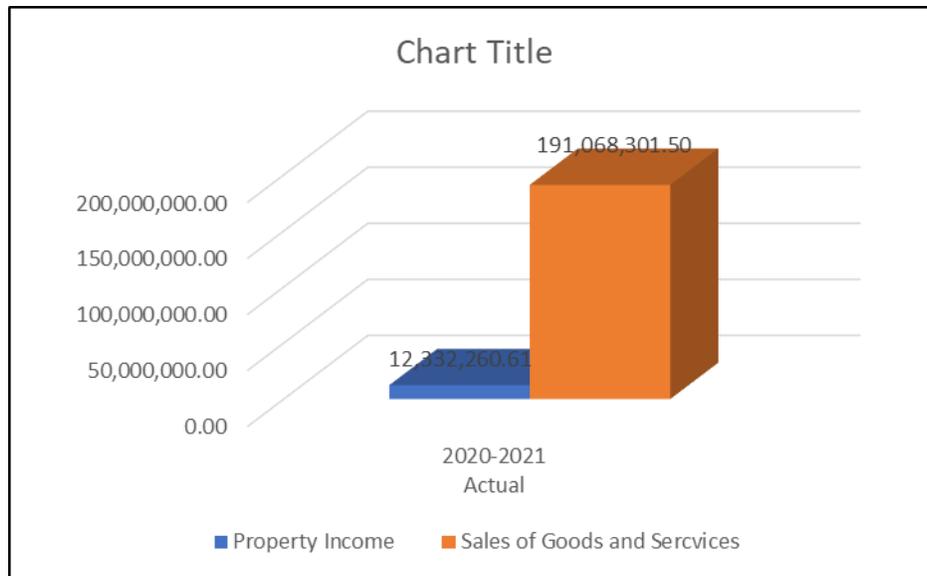
### Statement of Revenue and Expenditure

During the year under review, total revenue for the Ministry amounted to Rs 203,400,562.11 and falls under two broad categories:

- Property Income (other land lease, shooting and fishing rights)
- Sales of Goods and Services (Clearance fees for tea and tobacco, Sales of plants, seeds, fruits and agricultural produce etc.)

<b>Revenue</b>	<b>(Rs)</b>	<b>2020-2021 Actual</b>
Property Income		12,332,260.61
Sales of Goods and Services		191,068,301.50
Miscellaneous Revenues		
<b>Total Revenue from property Income, User Fees and other Sources</b>		<b>203,400,562.11</b>

Figure 1 below provides an illustration of revenue generated by Ministry of Agro-Industry and Food Security



**Statement of Revenue**

Revenue (Rs)	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual
Property Income	17,744,634.73	13,807,531.69	12,332,260.61
Sales of Goods and Services	92,310,191.08	92,364,240.21	191,068,301.50
Fines, Penalties and Forfeits			
Miscellaneous Revenues			
<b>Total Revenue from property Income, User Fees and other Sources</b>	<b>110,054,825.81</b>	<b>106,171,771.90</b>	<b>203,400,562.11</b>

<b>NOTE:</b>	<b>2020-2021 Actual</b>
<b>Property Income includes:</b>	<b><u>5,800,167.06</u></b>
Other Land Leases (RHOU)	
<b>Sales of Goods and Services includes:</b>	
Rental of Government Property (Building) (RPMO)	10,450,652.00
Overpayment Made In Previous Years (RGEN)	3,169,435.25
Commission on Salary Deductions (RGEN)	18,838.74
Miscellaneous (General) (RGEN)	
<b>Total</b>	<b><u>13,638,925.99</u></b>

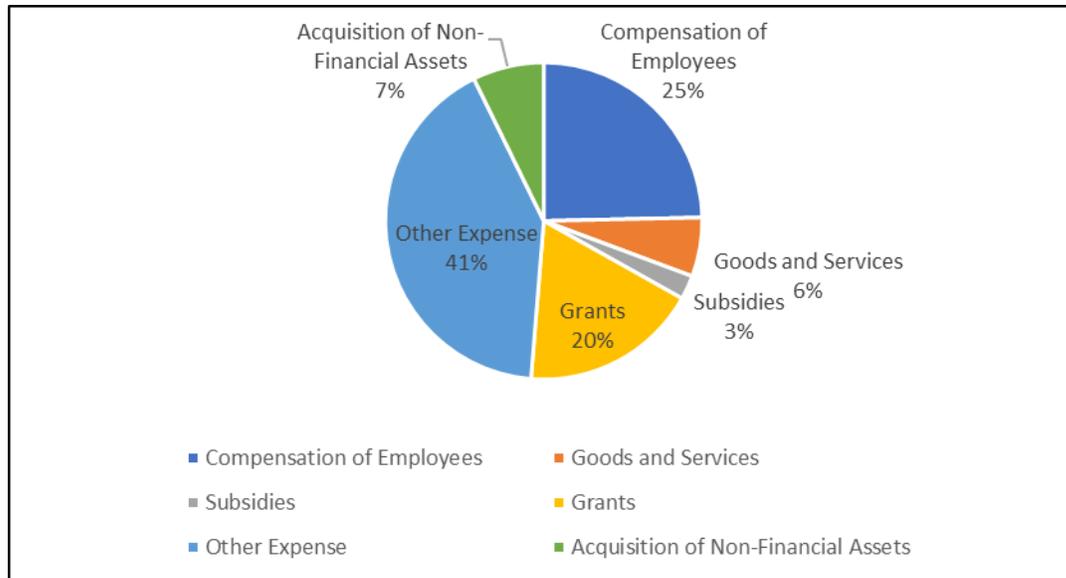
### ***Statement of Expenditure***

On the expenditure side, the original estimates were Rs. 2,880,000,000-

The total expenditure for 2020/2021 amounted to Rs 2,616,673,883-

<b>Economic Classification</b>	<b>Head/Sub-Head of Expenditure</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>% Spent on total Est. 20-21 Actual</b>
		<b>Estimates (Rs)</b>	<b>Estimates (Rs)</b>	<b>Actual (Rs)</b>	
21	Compensation of Employees	756,268,510	744,534,321	663,082,543	25%
22	Goods and Services	167,514,313	181,820,977	167,219,021	6%
25	Subsidies	69,534,624	73,916,787	84,541,515	3%
26	Grants	555,865,233	548,460,745	515,946,039	20%
28	Other Expense	586,685,137	1,251,113,640	1,050,674,516	41%
31	Acquisition of Non-Financial Assets	110,161,047	219,670,971	135,210,249	5%
<b>Total Expenditure -Recurrent &amp; Capital</b>		<b>2,246,028,864</b>	<b>3,019,517,441</b>	<b>2,616,673,883</b>	<b>100%</b>

**Figure 2 below provides an illustration of expenditure incurred by Ministry of Agro-Industry and Food Security under vote 15-4 in 2020/2021**



### **Special Fund**

“The National Parks and Conservation Fund” is the only Special Fund falling under the purview of the Ministry of Agro-Industry and Food Security. This Fund is established under Section 46 of the Native Terrestrial Biodiversity and National Parks Act 2015. Expenditure incurred during the year **2020/2021** has been to the tune of **Rs. 139,053,792.61.**

#### Strengths

- Many stakeholders of the industry, including Government, the producers and SPIs, strongly believe in the sustainability of the industry for supporting the development of the national and social fabric of the economy. The sugarcane cluster forms an integral part of the social, environmental and economic fabric of Mauritius.
- Proven expertise in production of sugar, especially for value added sugars, which are exported on more remunerative foreign niche markets.
- The Sugarcane Industry has taken extensive and appropriate measures over the past decade to adapt to the change in market conditions resulting from EU sugar reform policy. This has been achieved through diversification and adding value through the production of speciality and white refined sugars, electricity cogeneration from bagasse and ethanol production from molasses.
- “Made in Mauritius” is a label of quality for special sugars. As one of the leading world exporters, Mauritius currently supplies no less than 120,000 tons of unrefined cane sugars to some 40 destinations worldwide, comprising 20 countries in the European Union, the United States, and Canada, in the Middle East, Far East, Australasia and Eastern Europe, which have become a reference on these niche markets.
- Invaluable asset in terms of the production of renewable environment friendly green energy, which has the potential of being an efficient multiproduct bio-factory for the production of high value-added products.
- Some 15% of the energy requirement of the country is generated from bagasse thus avoiding the import of approximately 20,000 tonnes of coal or 80,000 tonnes of high sulphur heavy fuel oil. Bagasse and coal burnt at power plants located at sugarcane mills account for some 57% of the electricity on the national grid.
- The sugar cane plant is assisting in the preservation of the local environment and natural landscape as well as the most important carbon dioxide sequestrator of

our local ecosystem and the prevention of the erosion of top soil from the highlands from affecting out beautiful beaches and pristine lagoons.

- Cane fields provide a pleasant landscape. As such, it has important environmental benefits and its aesthetics plays an important role for the tourism industry.

### **Weaknesses**

- The extent under sugarcane cultivation has declined significantly during the past decades due to rapid urbanization and developments.
- The local consumption represents a small fraction of sugar production and the remaining are being exported to the rest of the world. The exportation is affected by external factors such as currency fluctuation and high degree of competition from other countries.
- At present, the cost of cane sugar production in Mauritius is among the highest due to a low milling capacity (3,700 tonnes cane crushed per day by the existing mills), a short milling season (an average of only 132 days per year), a high ratio of labour to total production costs with field labour making up to 80% of the total labour costs.
- Owing to the high production costs, coupled with the decreasing sugar proceeds, increasing labour cost, costs of agricultural inputs and transport costs, and problem of availability of labour, many vulnerable small individual sugarcane planters are abandoning their cultivations or are diversifying out of sugar.
- There are rigidities and uncertainties in the labour market for this sector compared with other emerging sectors of the economy.
- Mauritius is limited and constrained in the availability of land and other resources to expand its production in case there is a need.
- The continued decline in cane supply would result in a real threat to the viability of the industrial set-up, which has a large fixed cost asset that underpins the country's agro-energy base.

## Opportunities

- There is the possibility to invest in R&D and innovate further in other value added co-products of the industry which can increase the revenue of producers and maintain the viability and sustainability of the sector.
- The industrial set-up that has been established could allow further value addition through a filière approach, which was not possible until recently, when the industry still exported mainly raw sugar.
- The ability for Mauritius to divert sugar from the EU to more remunerative regional markets is an important means of mitigating the loss of EU preference.
- The Fairtrade Initiative has helped certified small cooperative planters to continue growing cane and, by supporting cane supply to support mill. Possibilities should be explored to increase the volume of sugar exported under this label, which could also be extended to large growers. Market opportunities should be tapped on other sugar label including organic sugars and Bonsucro.
- Some small and medium enterprises (SMEs) have emerged to produce, for instance, value added sugar cubes and spice-scented sugars.
- The implementation of the ethanol framework for the blending of ethanol with mogas for the transport sector will contribute to green energy as well as the sustainability of the sector.
- The development of a Renewable Sugarcane Industry Based Biomass Framework will also foster the promotion of production of energy from biomass, including sugarcane, cane trash, high fibre cane, fuel canes, gramineae and other related biomass, generated by the sugarcane industry.
- The development of a Sugar Based Agro Industry Framework will assist in the promotion of agro industrial activities using locally produced value-added sugar or other sugar products through the use of other local raw materials such as fruits, etc.

## Threats

1. Further reduction of the extent under cane due to the declining revenue on the sugar proceeds post the abolition of production quota on the EU market.
2. The problem in the labour sector is characterised by three elements: an ageing labour force; a mechanism whereby yearly increases in labour remuneration exceed the inflation rate against a backdrop of lower sugar prices; and lengthy procedure to have recourse to foreign labour, in particular, for small planters.
3. During the past years, a decline in the sale of Mauritian special sugars has been recorded on the EU market. This has resulted from greater competition in this niche market, especially since the EU granted access to countries from Central and South America under recent Free Trade Areas (FTAs). Although the sugars are not of the same quality, they are close substitutes for special sugars and compete with Mauritian sugars, resulting in a loss of market share for ACP producers.
4. The Mauritian sugar industry has invested massively in the reforms of the EU sugar regime and is heavily indebted.

## Non-Sugar Sector (Food crop): Trends and Challenges

### Strengths

- Government initiatives to enable development through agri-business promotion and SME development; setting up of a national wholesale market; and a wide array of supporting institutions.
- A high level of self-sufficiency in fresh vegetable production based on an experienced farming community and interest of the private sector;
- An island-wide coverage for research and extension, manned by qualified professionals.
- With a strong leadership the major institutions operating under a single Ministry promotes the synergy and coordination required to undertake the phenomenal task of sustainably managing forests and its resources.

## **Weaknesses**

- Limited land availability; small size of land holdings debars from economies of scale for mechanisation; and the absence of Specialised Agricultural Production Areas dedicated to organic or agro-processing;
- Relatively low farm productivity associated with limited uptake of modern management techniques; an over-reliance on manual methods and agro-chemicals; low level of investment, and unwillingness to take risks; farmers' resistance to cluster to gain on economies of scale and productivity; no entrepreneurial aptitudes for vertical integration up the value chain;
- High cost of labour and agricultural inputs; weak supply chains in terms of lack of planting material, storage infrastructure and agri-service support; shortage of skilled and unskilled labour;
- Unstructured marketing; absence of norms and standards, and enforcement
- Weak co-ordination and linkage between institutions, farmers and other stakeholders;
- Inadequate investment in research, intensive technologies and capacity development;
- Unattractive to youth, and an ageing farming community.
- Institutional staffing has been a major source of concern and slow institutional learning capacity in a rapidly changing world remains a major weakness to tackle forestry matters on time.
- Absence of collaboration from various Ministries/departments

## **Opportunities**

- Useful option for diversification on abandoned sugarcane lands;
- Emergence of investors in the agro-industrial sector; and agri-business opportunities developing out of economic integration and free trade areas in the region e.g. SADC, IOC, AU and COMESA;
- Growing awareness for eco-friendly agriculture, Green Agriculture and Natural/Bio-Farming; possibilities under fair-trade label and other niche markets;
- Growing demand for variety in diets, nutritious food out of health concerns; innovative and convenience products to match modern lifestyle of the population; and a growing tourism industry;
- Potential for clustering to benefit from economies of scale.

## Threats

- Ageing farming community and the new generation unwilling to embark in agriculture;
- Inheritance issues and ever-decreasing size of land holdings; and conversion for urban development;
- Dominance of market intermediaries;
- Climate change;
- Competition from cheaper imports from large-scale producing countries;
- Adverse agro-climatic conditions, climate change risks and natural disasters; increasing threats from introduction of new pests and diseases; and lack of insurance;
- Competition for resources (human, land and water) from other economic sectors.
- Ever increasing cost of inputs, labour, fertilizer, insecticides and pesticides among others.
- Lack of labourers

## Non-Sugar Sector (Livestock): Trends and Challenges

### Strengths

- Government initiatives to boost up livestock production and supply of safe food to the population, plus a strong commitment to deploy resources, release land and implement special schemes.
- Existing institutions for provision of support services such as training, research, extension and veterinary care, with a pool of experienced staff, technical skills and essential infrastructure.
- Farmers' experience
- Emergence of some medium-sized and market-oriented producers.
- Easy trainability of the existing operators and most of the potential operators.
- No major notifiable animal diseases
- Increased vigilance in disease control and prevention (early warning system, rapid alert system and contingency plans)
- Responsiveness of the Ministry to monitor and contain outbreak of diseases related to livestock.

### **Weaknesses**

- High cost of production, inputs and technologies, hence adversely affecting competitiveness
- Limited access to land, labor, capital and agricultural machinery
- Low adoption of good animal husbandry practices
- Difficulties to import good quality breeding animals
- Lack of cooperation among farmers to cluster for economies of scale
- Inadequate infrastructure, market intelligence and value addition
- Difficulties to comply with environmental exigencies
- Lack of organised market structure and market intelligence
- Ageing farming community
- Labour scarcity
- Inadequate veterinary services
- Lack of facilities such as water, electricity for defining zones

### **Opportunities**

- Possibility to improve service delivery by joint review processes and by better coordination across the Ministry
- Setting up of regional livestock zones and multiplier farms for goats/sheep and heifers;
- More land available for non-sugar sector following reforms in the sugar industry
- High demand for livestock products; increasing consumer awareness for safer food
- Increase vigilance in disease control and prevention (early warning system, rapid alert system and contingency plans)
- Possibility for updating and harmonizing regulations
- Increased scope of accreditation of Food Technology Laboratory.
- Availability of by-products for use as animal feeds
- Emergence of new target groups in the sector (agribusinesses, investors, sugar planters
- Diversifying, vulnerable groups, retrenched workers, women, unemployed, youth).

### **Risks**

- Failing to improve service delivery (implications for beneficiaries and services)

- Low interest of stakeholders in the livestock sector due to low return on investment compared to other economic sectors
- Cheap imports of dairy, meat and meat products, and risks of dumping from other countries.
- Risks of introducing animal diseases and zoonoses.
- Animal welfare concerns
- Urbanisation and development of non-agricultural activities
- Climate change
- Competition for land for infrastructure and bio-mass production for fuel.

## Forestry and Biodiversity: Trends and Challenges

### Strengths

- Development of a National Biodiversity Strategy and Action Plan and a Protected Area Network Strategy to protect and restore native biodiversity and habitats.
- Adherence to recommendations of multilateral environment agreements such as the Convention on Biological Diversity, the Ramsar Convention and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) among others.
- Collaboration with international institutions such as the United Nations Development Programme, l'Agence Francaise de Développement, the Missouri Botanical Garden and the Durrell Wildlife Conservation Trust amongst others.
- With a strong leadership and the major institutions operating under a single Ministry promotes the synergy and coordination required to undertake the phenomenal task of sustainably managing forests and its resources.

### Weaknesses

- Knowledge gaps on identification, inventorying and characterizing local terrestrial biodiversity.
- Shortage of qualified and experienced technical staff.
- Inadequate information sharing between institutions and stakeholders.

- Conflicts of interest between conservation and economic activities (e.g. human-bat conflict).
- Institutional staffing has been a major source of concern and slow institutional learning capacity in a rapidly changing world remains a major weakness to tackle forestry matters on time.

### **Opportunities**

- Revision of the Forest Code and Institutional Reform.
- Recruitment and training of staff.
- COVID 19 has showcased out resilience and the opportunities to tap on shifting priorities to serve society better through enhanced socio economic focus in terms of recreation, food production, energy plantations and supply of raw materials to the industry is an opportunity not to be missed, especially through the new Forest Bill, will lessen the financial burden on the functioning of the sector.

### **Threats**

- Deforestation/ forest degradation and fragmentation due to urban development.
- Threats to native biodiversity including competition and predation pressure from invasive species and outbreaks of pests and diseases.
- Vulnerability to climate change and extreme weather events.
- Lack of evidence based planning and project implementation and inability to adopt an adaptive management model may jeopardise sound government investments in the sector. Post COVID era may also see a shift on donor agency priorities away from the biodiversity sector.

## **Strategic Direction**

### **Promote sustainability of sugarcane industry**

- Increase revenue from premium and certified sugars (through appropriate marketing strategies), bagasse-based and biomass-based energy and other co-products, to reduce over-dependence on sugar sold in EU markets.

- Diversify market destinations for sugar exports.
- Implement a medium term strategy to further reduce costs.
- Reduce the use of chemical fertilizer
- Reduce the use of pesticides and herbicides
- Improve quality of soil through use of natural fertilizer
- Make use of natural methods of bio-control of insects

### **Increase production of high value crops and commodities**

- Expand climate resilient agriculture, with a focus on high-value products, bio-farming and sheltered farming.
- Modern eco-friendly farming practices will help increase production of healthy foods. These include:
  - better performing varieties;
  - hydroponics and sheltered farming;
  - sustainable production practices (organic/ biofarming, smart agriculture with less chemicals);
  - Zero-budget natural farming on large scale
  - ICT for efficient use of resources; and
  - supply chain management to reduce food loss and food wastage.
- Set up entrepreneurship programmes, such as the Young Graduate Entrepreneurship Scheme, that focus on innovation and production systems based on the cluster farming model.
- Accelerate the pace of adoption of sheltered farming systems.
- Develop additional dedicated bee reserve zones and provide specialised training for potential bee keepers
- Introduce schemes for youngsters to join the apiculture production

- Increase agro-processing through women entrepreneurship

### **Smarter agricultural land use**

- Introduce schemes to encourage cultivation on abandoned lands.
- Develop a comprehensive centralised land data bank to ensure optimal utilisation of prime agricultural lands
- Allocate land on a faster basis
- Introduce Agro forestry as a new business model

### **Preserve biodiversity**

- Enhance forests and national parks through restoration and reforestation programmes and protect the unique flora and fauna from invasive species.
- Conduct a comprehensive forest inventory and provide basic amenities in national parks to enhance eco-tourism.

### **Improve quarantine activities and phytosanitary border controls**

Steps will be taken to improve:

- quarantine surveillance activities and phytosanitary border controls related to import and export inspections;
- on-field surveillance for animal diseases, crop pests and vectors; and
- treatment standards and processes, and certification methodologies.

