

MINISTRY OF AGRO INDUSTRY AND FOOD SECURITY

BIO-FARMING PROMOTION SCHEME

1. The Ministry of Agro Industry and Food Security has introduced the Bio-Farming Promotion Scheme to encourage the development of Bio-Farming activities on a commercial scale.
2. The Scheme is open to individuals, Companies and Cooperative Societies willing to embark in bio/organic farming activities and/or natural farming systems and/or the category transition to biofarming/organic agriculture detailed below, for food crop production in either open field and/or under protected structures.
3. Under this Scheme, applicants satisfying all the eligibility criteria for the Bio-Farming Promotion Scheme, will benefit from:-
 - (a) Income Tax Holiday for the first eight years of operation of approved Bio-Farming Project;
 - (b) Value Added Tax Exemption on production equipment and other inputs acquired for the implementation of the project;
 - (c) Loan facilities covering up to 90% of project value with maturity of up to 10 years and interest rate (Key Repo less 1%), currently 3.4%, over a period of up to ten years, provided for under the MauBank SME Development Scheme;
 - (d) Business support solutions from the Food and Agricultural Research and Extension Institute (**FAREI**) and MyBiz.
4. To qualify for the Scheme, Individual/Companies/Cooperative Societies will have to satisfy the following eligibility criteria:-
 - (i) in case of Individuals, applicants shall be duly registered with the Small Farmers Welfare Fund (**SFWF**) and with the Small and Medium Enterprise Development Authority (**SMEDA**);
 - (ii) Enterprises should have been incorporated under the Companies Act or registered as a Cooperative Society under the Cooperative Act on or after 02 June 2015*, be registered under the SMEDA Act and hold a Business Registration Number.

**Existing enterprises registered with the SMEDA, with a turnover of less than Rs 10M, will ONLY be eligible for a 4-year tax holiday in respect of their business income, starting as from year of assessment 2016/2017*

- (iii) the applicant or his/her representative should have attended training in Bio-Farming as approved by FAREI or hold proven expertise in the subject matter acceptable to FAREI;
- (iv) the applicant shall take commitment to comply with any one of the following farming categories:

A. CATEGORY TRANSITION TO BIOFARMING/ORGANIC AGRICULTURE

- Implement requirements of the MS 184-1: *Specifications for Good Agricultural Practices for Crop Production*, and be MauriGAP-Part 1 certified within a period not exceeding one calendar year as from starting date of the project and then;
- **either** shift to biofarming/organic agriculture as from the second year of operation, **or** move to MauriGAP 2 and MauriGAP 3 before shifting to biofarming/organic agriculture, and be accordingly certified, within a period not exceeding seven years

B. CATEGORY ORGANIC AGRICULTURE (Certified)

Implement the requirements of an internationally recognized Organic Standard, and be certified within a maximum of five years as from starting date of the project.

C. CATEGORY NATURAL FARMING

Implement the practices of a recognized natural farming system, and then qualify for certification under a formal biofarming/organic agriculture system, within a maximum of five years as from starting date of the project.

5. For those requiring financial incentives, the approved projects will follow the same procedures as established by MyBiz for the existing SME Development Scheme.
6. Applicants who fail to comply with above-listed eligibility criteria will, without any form of process, be automatically disqualified as a beneficiary and have obligation to refund all fiscal or financial incentives obtained under the Bio-Farming Promotion Scheme.
7. Details of the Scheme are available at the website of the Ministry of Agro Industry and Food Security at <http://agriculture.govmu.org>
8. Applications for Bio Farming Promotion Scheme should be submitted in sealed envelopes clearly marked on the top left hand corner "**Application for Bio-Farming Promotion Scheme**". The application should be accompanied with a project proposal together with the signed commitment form together with other relevant supporting documents mentioned at paragraph (4) above and should be addressed to the **Permanent Secretary, Ministry of Agro Industry and Food Security, (Attention: Bio-Farming Unit) 9th Floor, Renganaden Seeneevassen Building, Port Louis.**

9. Applicants in need of support to prepare their project proposal may contact the Business Development Unit of FAREI, Réduit, ☎4669363, (*Attention Mr. M. Nathoo*).

Ministry of Agro Industry and Food Security
19 Sep 2016