

**MINISTRY OF
AGRO-
INDUSTRY &
FOOD SECURITY**



**Annual Report
for the Financial
Year 2021/2022**

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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
- contribute significantly to national food security and safety;
- empower producers to higher productivity gains; and
- enhance the welfare of the farming community

Mission

To enable and facilitate the advancement of agriculture and the agri-business sector for improved food security and safety in line with requirements for sustainable agricultural development

Message from the Hon. Minister

It is a pleasure for me to present the 2021/2022 Annual Report of the Ministry. During that period, Mauritius entered a new phase of post-pandemic and appropriate measures were deemed necessary to overcome our food security challenges. The Annual Report highlights our commitment and actions to make the country more food secure in the light of the challenges brought forward by the Covid19 pandemic and the Ukraine-Russia war.

The Agricultural Sector has been facing numerous challenges as a consequence of COVID-19 pandemic and the Ukraine-Russia war. Notwithstanding the constraints, we have persevered in our aim for continuity in food production to ensure food security. We can only be satisfied with the strategies adopted and which led to positive outcomes.

My Ministry has proceeded with the official launching of the World Bank report for the sugar sector and a presentation was made to relevant stakeholders of the industry. It is to be noted that salient recommendations proposed in the report have already been taken on board. In line with ensuring the sustainability of the cane industry and reducing storage costs, a modern storage facility with a capacity of 150,000 t of bagged sugar will be constructed at Riche Terre. The African Development Bank has assisted the Ministry with a report on the Non-Sugar Sector and several recommendations were made. One of these recommendations pertaining to the setting up of a Special Agro-Industrial Zone is already underway.

I convey my appreciation to all members of the staff of the Ministry for their commitment, professionalism, teamwork spirit and achievements during the period under review. I am confident that we will continue to meet opportunities and challenges that lie ahead as we work hand in hand for a more food secure country.



Hon. Minister

Minister of Agro-Industry & Food Security

Message from the Senior Chief Executive

I am delighted to present the Annual Report for the Ministry for the period 2021/2022. The publication of this report will provide stakeholders with information on our vision for the agricultural sector and a glimpse on the progress being achieved in the implementation of major projects at the level of the Ministry.

In this report, we also provide information on the allocation and use of human and financial resources made available to the Ministry, the achievements and the challenges ahead. Stakeholders and the public at large are also being informed on the services offered by the Ministry.

The Year 2021/2022 was a recovery challenge for the farming community and the Ministry has been addressing pertinent issues related to food security. At the Ministry, this is a priority and we are actively working on solutions to this major problem. Our institutions and departments work in close collaboration with relevant stakeholders (private sector, NGOs, relevant Ministries) to achieve its goals and objectives.

One of the areas that has been promoted at the Ministry is the promotion of sustainable agriculture. Initiatives were encouraged to enable farmers adopt climate smart agriculture practices and zero budget natural farming.

I wish to conclude by thanking all the staff of the Ministry for their dedication and hard work which is fundamental for the implementation of the projects and service delivery of the Ministry.



Senior Chief Executive

Ministry of Agro-Industry & Food Security

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 through different measures and schemes to enhance production of safe food and ensure food security as well as conserving the native biodiversity and ecosystem.

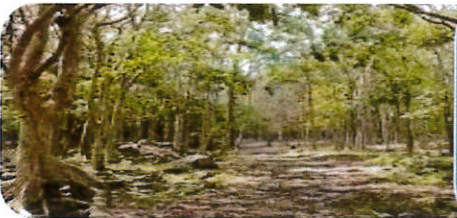
Functions

The Ministry maintains and also enhances agricultural production and food safety by exercising control, regulating, advising, and disseminating information through various acts, policies, and programmes. Besides, the Ministry supports the conservation, restoration and preservation of our native terrestrial biodiversity, ecosystems and forestry resources. A detailed list of all departments and parastatal bodies with their functions is described below.

Ministry of Agro-Industry and Food Security



Agricultural Services with 11 Departments



Forestry Services



National Parks and Conservation Service



8 Parastatal bodies

1. Agricultural Services	<ul style="list-style-type: none"> • Technical arm of the MAIFS • Regulatory and policy functions • Supply inputs to the farming community
2. Mauritius Cane Industry Authority (MCIA)	<ul style="list-style-type: none"> • 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
3. Forestry Services	<ul style="list-style-type: none"> • 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
4. National Parks and Conservation Service	<ul style="list-style-type: none"> • sustainable management and restoration through in-situ and ex-situ conservation, • ecosystem restoration, public awareness, • research and implementation of international conventions
5. National Agricultural Products Regulatory Office (NAPRO)	<ul style="list-style-type: none"> • 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.
6. Small Farmers Welfare Fund	<ul style="list-style-type: none"> • 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.
7. Mauritius Society for Animal Welfare	<ul style="list-style-type: none"> • Catching and disposal of stray dogs and cats, • Humane education and the prevention of cruelty to animals, • Promotion of the welfare and good treatment of animals • conducting sterilisation campaign

<p>8. Food and Agricultural Research and Extension Institute (FAREI)</p>	<ul style="list-style-type: none"> •conduct research in non-sugarcane crops, livestock, agro-forestry •provide extension services to farmers
<p>9. Mauritius Meat Authority (MMA)</p>	<ul style="list-style-type: none"> •slaughter, dressing and transportation of cattle, goats, pigs, sheep and deer meat to markets
<p>10. Irrigation Authority</p>	<ul style="list-style-type: none"> •ensure that planters in irrigation zones are adequately supplied with water •implement and manage irrigation projects •maintain irrigation networks in good conditions.
<p>11. Agricultural Marketing Board (AMB)</p>	<ul style="list-style-type: none"> •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.
<p>12. Sir Seewoosagur Ramgoolam Botanical Garden Trust (SSRBG)</p>	<ul style="list-style-type: none"> •Proper maintenance of biological garden •Conservation and Research of biodiversity •Education Programmes.
<p>13. Rose Belle Sugar Estate Board</p>	<ul style="list-style-type: none"> •manage the assets of the Rose Belle Sugar Estate Board efficiently and effectively for wealth generation, welfare and modernisation, thus benefiting the employees, stakeholders and society at large

Gender Statement

The Ministry of Agro Industry and Food Security complies with all legislations and policies of government in the context of gender equality and empowerment. Women play a central role in the agricultural sector, engaging in a myriad of ways as producers, managers, marketers, and entrepreneurs and hence, contributes to sustainable agricultural development. The Ministry recognizes the pivotal role of women in the agricultural sector and advocates for their empowerment.

As such, women in the agricultural sector are being empowered with various production and processing techniques as well as entrepreneurial skills to enable them to contribute in boosting up our food production and ensure food security, at the same time rendering them more independent and enabling them to contribute in the national economy.

With a view to addressing gender gaps in the agricultural sector, the Ministry has:

- (a) raised awareness on gender mainstreaming among its staff at all levels;
- (b) carried out capacity building programmes for women in sustainable agricultural production and innovative agricultural practices such as hydroponics, vertical gardening, aquaponics, roof top gardening and livestock production;
- (c) put in place several schemes and incentives for the farming community in order to boost up food production and enhancing food security and;
- (d) acted as a facilitator in fostering knowledge and technology transfer and promoting innovative farm technologies.

In addition, to further mainstream gender in our projects and policies, the Ministry will encourage more women to engage in agro-processing and transformation of the agricultural products as well as in agro-forestry to contribute further to food security

About Our People

People are of paramount importance in an organisation as they lead and manage it. Officers of the Ministry of Agro-Industry and Food Security, through their strategic thinking capability, vision, creativity and innovation strive to turn challenges into opportunities. They also devise strategies to strengthen sustainability, resilience, effectiveness and responsiveness of the Ministry's service delivery in the face of key challenges such as climate change, Covid19 and Russia-Ukraine war. The effectiveness of the Ministry in achieving its purpose, depends entirely on its people and its financial allotment.

All this rests upon sound industrial relations which have been maintained through regular meetings with trade unions. At the same time, health and safety of officers are constantly taken care of by implementing recommendations of health and safety committee on various aspects namely regarding the fire certificates of our buildings.

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 four Deputy Permanent Secretaries and seven Assistant Permanent Secretaries on the administrative side. On the technical side, support is provided by Heads of three main Divisions:

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

as well as the Agricultural Planning and Policy Analysis Unit (APAU). Support services are provided from officers of the Human Resource Cadre, Finance Cadre, Procurement Cadre, General Services Grades and Workmen's Group.

Senior Management Team

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National Parks and Conservation Service	Director	Mr K. RUHOMAUN Phone: 464 2993 Fax: 466 0453 kruhomaun@govmu.org npcs@govmu.org
		Mr V. S. GOPAL

	Ag. Deputy Director	Phone: 464 4053 Fax: 466 0453 svsgopal@gmail.com
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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 year 2021/2022, disbursed Rs 790,850.00 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.

Major Achievements

Sugar Sector

- Release of the Report of the World Bank on the sugar cane sector review at a multi-sectoral workshop held on 5 February 2022.
 - a. Implementation of the recommendations of the Report, which essentially consist of: increased remuneration of bagasse to sugar cane planters at an increased rate of Rs 3300/T of sugar produced, reduction of Sugar export logistics cost through the setting up of a modern sugar storage facility of 150,000T of sugar , increase the share of specialty sugars sold with an aggressive marketing strategy and provision of a panoply of other incentives to small planters to encourage them to renew their sugarcane plantations and to bring back their abandoned land under cultivation. These include land preparation and replantation of their fields under the Cane Replantation Scheme and financial support in the form of grant from the MCIA and loan facilities from the DBM.
- As at end June 2022, 579 planters have benefitted from the Cane Replantation Scheme and 377.5 ha of fields have been replanted. As for rehabilitation of abandoned lands, same was pursued under this Scheme and 81.5 ha belonging to 138 planters have been replanted.
- With regard to loan facilities, a Memorandum of Understanding was signed between the DBM and the MCIA on 17 January 2022 to allow small planters to benefit from loans of up to Rs 50,000/Arpent at an interest rate of 2% p.a. Planters are required to reimburse only Rs. 15,000 out of this amount as the remaining Rs 35,000 is paid by the MCIA.
- Investment in new and modern equipment. 3 new tractors costing Rs 36M have been procured by the MCIA in favour of sugar cane planters, one of these will also be used for the crop sector. A second mechanical sugarcane harvester costing Rs 15M was also acquired by the MCIA in collaboration with the MCAF for the benefit of small planters.
- Payment of an enhanced guaranteed price of Rs 25, 000 to 10,424 small planters producing up to 60T of sugar.
- Insurance premium amounting to around Rs 58M payable to the Sugar Insurance Fund Board was waived in respect of 10, 424 small planters producing up to 60 tons of sugar for crop 2021.
- Elaboration and validation of a National Biomass Framework is in progress with a view to making optimum use of our biomass and in line with Government's vision of producing 60% of our country's energy needs from green sources by 2030.

- Remuneration of Rs. 3.50 per KWh of electricity or Rs 3,300 per Ton of sugar for bagasse to all planters and producers. Sugar cane planters and producers including millers have been accordingly remunerated amounting to Rs. 848.7M.
- For Crop Year 2021, despite the financial constraints of planters and adverse climatic conditions, 41,897 ha under sugar cane were harvested, yielding 2,669,667 T of cane and 255,818 T of sugar (tel quel).
- The ex-MSS price of sugar was fixed at Rs. 16,765 per Ton of sugar as compared to Rs. 14,062 for the previous year.
- Four new promising varieties of sugar cane which are high yielding and more climate resilient, including one high yielding biomass variety, have reached an advanced multiplication stage and are almost ready for release.
- Road Mending Scheme under Planter's Fund – With a view to facilitate access in small sugar cane planter's fields, around 20.5 km of field access roads were repaired. Land clearing/opening of drains were also carried out on some 6.5 km, thus improving accessibility to the fields of 652 planters.
- Replacement of hydraulic valves, flow meter and ancillaries within the Northern Plains Irrigation Project costing around Rs 21.8M to enable sustainable water supply for irrigation of some 3,000 sugar cane and food crop small planters.
- Replacement of damaged spans on 3 Centre Pivots costing Rs 4M in order to ensure reliable water supply to both 600 sugar cane and food crop planters in the northern region.
- With regard to the ongoing reforms in the sugar industry, title deeds were handed over during the financial year in respect of VRS and Blue Print projects and involving 266 beneficiaries.
- A total sum of Rs 145.14M was collected from the distiller-bottler contribution during the year and planters have been accordingly remunerated through the Mauritius Sugar Syndicate.
- In order to address the shortage of labour in the agricultural sector, 93 requests for work permits have been recommended for the employment of some 375 skilled foreign workers.
- With regard to the conversion of agricultural land, 754 applications have been handled including those pertaining to major development projects.
- 638 Lease Agreements have been renewed for the period under review, while 545 new applications have been finalised for state land.

Non-Sugar Sector

- Necessary measures were taken to ensure continuous availability of strategic crops such as potato, onion and garlic in the market despite soaring prices of these products in the international market and rising freight costs.
- An Increase of 11.1 % in honey production from 27 tons in 2020/2021 to 30 tons in 2021/2022 has been noted and some 129 persons received training in beekeeping. 18 beekeepers have benefited from a grant of up to 50 % to a maximum of Rs 20,000 for the purchase of beekeeping equipment while 24 beekeepers were given free access to place their beehives in bee zones located at La Ferme, Petit Sable and Bras d'Eau.
- Pest Surveillance has been enhanced with 159 traps baited with fruit fly lures have been placed across the island. The population of the tomato leaf miner in planters' fields is being monitored by 125 pheromone traps and 61 pheromone traps have been deployed in maize growing regions to monitor the population of the Fall Armyworm. All trapping data are shared with stakeholders such as Extension Officers, FAREI and some planters.
- To promote Integrated Pest Management, Areawide melon fly control with the application of protein bait sprays and mass trapping of males was carried out in planters' fields in part of the Districts of Pamplemousses, Rivière du Rempart and Flacq. Some 17,000 persons collected fruit fly bait and 12,300 persons collected MAT blocks for fruit fly control. These materials were distributed free of charge at Mapou, Flacq, Reduit, Port Louis and Rivière des Anguilles.
- The Small Farmers Welfare Fund has organised activities to enhance the welfare/quality of life of farmers. Under the Educational Achiever Award Schemes, there was a total of 50 awardees for PSAC, School Certificate, Higher School Certificate and Laureate for Mauritius. For Rodrigues there was 1 awardee for PSAC, 3 awardees for School Certificate and 1 Laureate.
- 5321 planters have been paid a financial assistance to the tune of Rs 47,171,718 as relief measures following cyclone Batsirai and heavy rainfall on 31 January 2022-03 February 2022, while 298 planters have been paid a financial assistance to the tune of Rs 3,756,174 as relief measures following cyclone Emnati and heavy rainfall on 18-20 February 2022.
- A New Planters Protection Scheme has been approved in replacement of the Agricultural Calamities Solidarity Scheme (ACASS) and the Crop Loss Compensation Scheme (CLCS). Under the new Scheme, planters will receive a maximum assistance of Rs 6,000 per arpent for open field whereas planters undertaking sheltered farming, will receive a compensation of Rs 6,000 per unit of 500 m².
- The Fertiliser Subsidy Scheme for planters of crop (other than sugar) was devised. 50 % subsidy on the cost of fertiliser has been provided to planters. A total of Rs 75,056,715 has been provided to 4,617 planters.
- At the Food and Agricultural Research and Extension Institute (FAREI), out of the 666 applications were processed in respect of the various schemes being and 459 have been approved for an amount of Rs 56,716,780. Advanced Fertilizer Scheme for planters

producing up to 60 T of sugar. A total amount of Rs 126.5M was disbursed representing the 50% subsidy given to the 6,981 beneficiary planters.

- In order to protect Fruit trees, a subsidy of 75 % on purchase of anti-bird net up to a maximum of 12 rolls for orchard and 5 pieces for backyard trees was provided. For the year 2021/2022, there was a total number of 3163 beneficiaries amounting to Rs 24,662,499.67.
- New varieties developed and released Green pea variety Green Beauty and Edible podded pea variety Sweet Snow Pea and several promising varieties recommended.
- Novel water saving irrigation systems the KSNM Drip Irrigation, the KSNM Spray Irrigation and the Exudative Tube Application (ETA) promoted among growers.
- A total of 177 extension activities were organized and were attended by 1 818 farmers/entrepreneurs. As per recent years, the major thrusts were to promote safe food production while reducing the use of chemicals in food crop production and adoption of agro-ecological principles.
- Twenty agri-business enterprises benefitted free advisory services on process and product improvement; 139 protocols developed or upgraded for processed food products.
- The Rose Belle Sugar Estate Board (RBSEB) has initiated the plantation of Avocado plants on an extent of 4A, Kumquat/Limes/Lucuma on an extent of 5A, Macadamia trees on an extent of 50 Perches, Strawberry plants on an extent of 75 Perches as well as the production of 20,000 pots of Orchid flower plants by year 2024.
- RBSEB has also embarked on a Business Park project and it will have recourse to a Voluntary Retirement Scheme to improve its operational efficiency.
- The Seed Purchase Scheme, Freight Rebate Scheme and Subsidies were maintained to assist growers and promote production of strategic crops. Some Rs 35 M has been disbursed.
- A subsidy of 50 % on purchase of anti-bird net up to a maximum of 12 rolls for orchard and 5 pieces for backyard trees. For the year 2021/2022, there was a total number of 3163 beneficiaries amounting to Rs 24,662,499.67.
- Some 3277 lease of land have been allocated for various activities related to agriculture production which represents an acreage of 7500 arpents.
- In order to enhance tea cultivation, some 55 arpents of land have been cleared and planted with tea plantlets and additional land of 31 arpents leased to tea growers at Grande Chartreuse.
- Some 52,102 plants of fruit/ornamental/medicinal crops of which 35,913 and 16,189 were produced by conventional and tissue culture methods respectively. In order to promote propagation, the Ministry of Agro-Industry and Food Security has also signed an MoU with the Prison department for the production of propagating materials of various fruit species at the Prison Service.
- Research and risk assessment activities to sustain government's efforts for a safer food from farm to fork have been undertaken. During the financial year 2021/2022, some

2,695 microbiological tests on food, feed, water and milk samples and 320 chemical tests on milk samples, were conducted

- A National Livestock Information System is being implemented to electronically identify animals, either individually or in groups. This will enable the effective control of animal movements thus regulating illegal slaughter and stemming animal thefts among others.
- With a view to promoting Animal welfare, the relevant legislation was amended to empower the MSAW move to a Catch, Nurture and Release policy and disengaging from the Catch and Kill policy.
- In order to control the stray dog population, free vouchers have been given to the public for sterilization with collaboration from private sector.
- Novel techniques such as use of molecular techniques have been introduced for diagnostics of animal diseases and use of digital AI guns to improve the AI insemination service.

Forestry & Biodiversity Sector

- Reforestation programme was carried out over a surface area of 10.97 ha in several regions of the island.
- Nature trail of 1.5Km long opened at SL Belle Vue Northern Section.
- The Black River Gorges Bel Ombre Biosphere Reserve designated under the UNESCO Man and Biosphere (MAB) programme.
- The Mauritius Kestrel was declared the National Bird of Mauritius on the 12th March 2022 on the occasion of the country's 30th anniversary as a Republic and 54th independent.

Status on implementation of budget measures

Paragraph	Budget Measures	Progress/ achievements
137	Introduction of the biomass framework which will enable sugar cane planters to benefit from Rs 3.50 per kWh of electricity.	With a view to making optimum use of our biomass and in line with Government's vision of producing 60% of our country's energy needs from green sources by 2030, the National Biomass Framework has been elaborated and is being validated by all stakeholders. The Framework will be submitted shortly for Government's approval.
138	Remuneration of Rs 3,300 per Ton of sugar for bagasse to all planters and producers.	In line with the above Budget Measure 137, sugar cane planters and producers including millers have been accordingly remunerated totaling to Rs. 848.7M.
139 a	The enhanced guaranteed price of Rs 25,000 per ton for planters producing up to 60 tons of sugar has been maintained for Crop 2021	The Scheme has been implemented since July 2019. 10,424 planters producing up to 60 tons sugar have been accordingly remunerated in order to reach the guaranteed price of Rs 25,000/ ton sugar for Crop 2021.
139 b	A waiver on insurance premium payable to Sugar Insurance Fund Board by planters producing up to 60 tons of sugar for crop 2021	A total amount of around Rs 58M was paid by Government in respect of 10, 424 small planters for Crop 2021.

139 c	A 50% subsidy on fertiliser for Crop 2021 for planters producing up to 60 tons of sugar	Due to an increase in the price of raw materials on the international market caused by an increase in the exchange rate of foreign currency, the market price of fertilizer in Mauritius registered a marked increase thus impacting on its availability and affordability. A total amount of Rs126.5M was, thus, disbursed representing the 50% subsidy given to the 6,981 beneficiary planters.
139 d	A 50% refund on the costs related to certification, testing and accreditation with a view to achieving standards such as Bonsucro	A total sum of around Rs 1.6M, which represents the 50 % refund, was disbursed to Cooperative societies and milling companies who availed of the certification, testing and accreditation services to achieve standards of Bonsucro and Fair Trade.
139 e	Cane Replantation Scheme for small planters	<p>For financial year 2021/2022, a total of 721 contracts were signed with planters.</p> <p>As at end June 2022, 579 planters have benefitted from the Cane Replantation Scheme and 377.5 ha of fields have been replanted.</p> <p>As for rehabilitation of abandoned lands, same was pursued under this Scheme and 81.5 ha belonging to 138 planters have been replanted.</p> <p>Financial support is also being provided to small planters. a Memorandum of Understanding was signed between the</p>

		DBM and the MCIA on 17 January 2022 to allow small planters to benefit from loans of up to Rs 50,000/Arpent at an interest rate of 2% p.a. Planters are required to reimburse only Rs.15,000 out of this amount as the remaining Rs 35,000 is paid by the MCIA.
139 f	A modern sugar storage facility of 150,000 tons at Riche Terre.	The sugar storage is being set up on 16A08 of land located at the Riche Terre Industrial Business Park with a view to substantially reduce storage/logistics costs of sugar handling. The cost of the project is estimated at Rs 650M and is expected to be operational as from the third quarter of 2023.
142	Rs 36 million will be provided to renew the fleet of tractors of the Agricultural Management Unit under the MCIA.	3 new tractors costing Rs 36M have been procured by the MCIA in favour of sugar cane planters, one of these will also be used for the crop sector.
143	Planters having recourse to MCIA registered private tractor operators will also benefit from the Land Mechanisation Support Scheme.	The MCIA has recourse to the services of private contractors in order to increase its capacity for tractor hire services to sugar cane planters for land preparation. 91 planters, who were also eligible for the Cane Replantation Scheme, benefitted from this scheme
144	Tea cooperatives will be provided with a grant of Rs 10,000 on the	Scheme has already been launched and is being managed by SFWF.

	purchase of tea harvesters	
145	Tea growers will continue to benefit from the winter allowance.	Tea growers have benefitted from the winter allowance and amount of Rs 3,127,747 has been paid to planters.
146	Maintaining of 50% subsidy on prices of potato and onion seeds	Ongoing
147	Extension of 50% subsidy on prices of seeds for production of garlic and pulses	Campaign completed. Some 500 planters have benefited
148	A guaranteed price mechanism for onion, garlic and potatoes for producers	Completed. Floor price for ware fixed as follows: Onion (High Yielding): Rs 28,000/tonne, Onion (Intermediate Yielding): Rs 38,900/tonne, Potato (Grade 1): Rs 27,500/tonne, Potato (Mix Grade): Rs 24,500/tonne, Table Garlic: Rs 105,000/tonne Producer Price for seeds fixed as follows: Local Seed Potato: Rs 29,500/tonne
149	Extension of the Sheltered Farming Scheme to charitable institutions, primary schools and colleges	234 applications received for planters, 124 requests have been approved, (Rs 30.6 M approved by the Ministry). 17 beneficiaries have been paid as at end of February, amounting to Rs 3.6 M. FAREI evaluating the applications which have been approved Request received from 5 charitable institutions. 1 mini sheltered farming

		<p>already implemented by Sockalingam Meenatchi amman temple -</p> <p>Sainte Croix and the other 4 being evaluated by FAREI.</p> <p>Concerning schools and colleges, process is on-going and the institutions have not yet confirm their participation</p>
154	Setting up of an Agro-processing Park Five Ways - Wooton	<p>Expression of Interest (EOI) was launched in March 2022 for Feasibility Study. 19 applications have been received. Request For Proposal was submitted to the selected bidder to submit its technical and financial proposal. The latter has informed that due to other commitments no proposal could be submitted.</p> <p>The AfDB has been informed accordingly and clearance is being awaited from the bank to forward RFP to the next bidder.</p>
158	The subsidy on animal feed will be doubled from Rs 4 per Kg to Rs 8 per Kg	Out of a budgetary provision of Rs 20 million, funds to the tune of Rs 19,349,640 had been disbursed to 3700 breeders for the period July 2021 to April 2022.
159	Increase the financial incentive from Rs 5,000 to Rs 7,500 per calf under the Calf Productivity	As at 30 June 2022, payment amounting to Rs 2,640,000 representing 192 breeders and 352 calves has been effected with a reallocation of Rs 140,000 in addition to the

	Scheme.	Rs 2.5M provided in the budget.
160 & 161	Mobile slaughterhouse facilities will be authorised for deer breeders	<p>The NAPRO Act had been amended in June 2021 to make provision for the licensing of mobile slaughter units.</p> <p>Consultations were held with Venison Dealers in 2021 and 2022 and they informed that they would not go ahead with the project as it was not cost effective.</p> <p>Instead, proposal was made for the setting up of HACCP certified slaughter house with processing and cold rooms near feedlots at Deep River, Bel Ombre/Baie du Cap and Yemen. Halal certification will also be sought.</p>
163&164	Zero-rating VAT, exempting import duties and exempted from registration duty on animals for the purpose of training, breeding and re-export.	A technical committee has been set up at the level of MOFED.
165	The pasture scheme will be extended to cover areas up to 50 arpents	The Ministry had approved 3 applications amounting to a total grant of Rs 1,200,000.

Status on Implementation of Key Actions						
Outcome		Outcome Indicator	Target 2021/22	Achievement at 30 Jun 2022	Remarks	
Improved food security level with increased local production of all non-sugar crops [food crops, vegetables, fruits]		Local production of food crops including under sheltered and bio farming systems (tons)	110,000			
Delivery Unit	Main Service	Key Performance Indicator	Target 2021/22	Achievement at 30 Jun 2022	Remarks	
FAREI	Conduct research and training to introduce new crop varieties	Number of new varieties introduced and tested	15	30	9 potato, 8 onion, 4 kaylan, 4 rose, 4 chrysanthemums	
Mauritius Cane Industry Authority	Aggressive marketing strategy geared towards increasing exports of value-added sugar	Exports of Special sugars (tons)	145,000	156,383	The target of 145,000 tons of export has been exceeded due to the strengthened marketing efforts of the Mauritius Sugar Syndicate as well as new market opportunities, especially in the EU market. As at 30 June 2022, 134,193 tons of White Refined Sugar and 156,383 tons of Special Sugars have been exported.	

	Implement land mechanisation and cane replantation programme	Extent of land under sugar cane replanted annually (Ha)	500	377.5	Funds allocated for that financial year was Rs 30M. With that amount, only 360 ha could be replanted.
Agricultural Services Division	Provide accompanying measures to boost tea production	Tea Production (tons)	1,300	1,041.74	Completed
Entomology Division	Promotion of apiculture through training of beekeepers	Volume of honey produced (tons)	30	30.00	Completed
National Parks and Conservation Service	Conservation of native biodiversity	Land under conservation management & restoration (Cumulative Ha)	885	740.7	The total extent of land under conservation management has increased from 725 to 740.7ha. The restoration works were co funded under the Ridge to Reef Project by EU. Due to the delay in the recruitment of staff under the project, the Target could not be achieved. The recruitment of about 250 Contract GW is expected to be completed before the end of 2022.715 (as at June 2021) * impacted by the COVID 19 pandemic as staff could not carry out restoration works 675

Forestry Service	Maintenance of forest ecosystem services	Area of forests rehabilitated (Ha)	100	64.41 Ha	SL Beemanique 6.77 Ha, SL Belle Vue (Daruty) 3.0 Ha, SL Chemin 20 Pieds 2.5 Ha, SL Monneron 3.7 ha, Sophie Nature Walk 8.0 ha, Native forests (Monvert, Inland nature Reserves) 10.95 ha, Ilot Gabriel 26 ha, SL Assets 3 Ha, SL Arnaud 0.49 ha
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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
- Monkey and CITES Registered Breeders Company
- Public, tourist and students
- Private companies (hotels and other entity in the Biosphere Reserve), NGO and Local Authorities

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

Please refer to Annex 1- Action Plan of Audit Committee for year 2021/22

PART III – FINANCIAL PERFORMANCE

The 2021/2022 Budget Estimates, the Vote of the Ministry of Agro-Industry and Food Security is 13-4 and is made up of six Sub-Heads as follows:

- 13-401 General
- 13-402 Competitiveness of the Sugar Cane Sector
- 13-403 Development of Non-Sugar (Crop) Sector
- 13-404 Livestock Production and Development
- 13-405 Forests
- 13-406 National Parks and Conservation Service

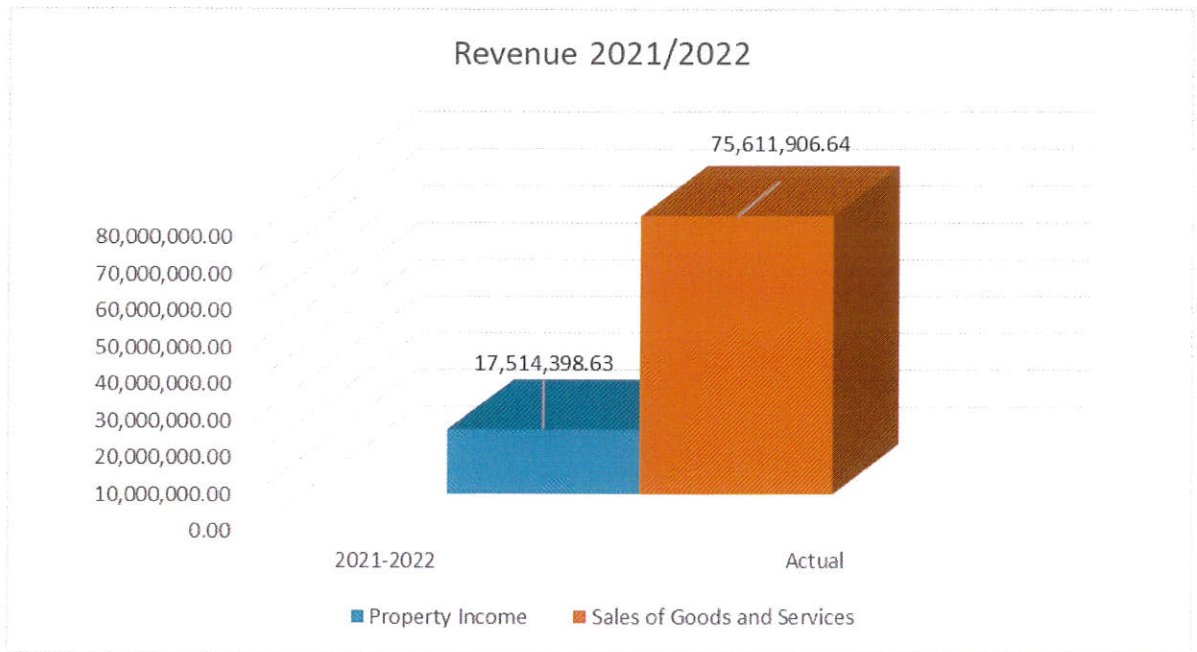
Statement of Revenue and Expenditure

During the year under review, total revenue for the Ministry amounted to Rs. 93,126,305.27 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.)

Revenue (Rs)	2021-2022 Actual
Property Income	17,514,398.63
Sales of Goods and Services	75,611,906.64
Miscellaneous Revenues	
Total Revenue from property Income, User Fees and other Sources	93,126,305.27

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



Statement of Revenue

Revenue (Rs)	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual
Property Income	13,807,531.69	12,332,260.61	17,514,398.63
Sales of Goods and Services	92,364,240.21	191,068,301.50	75,611,906.64
Fines, Penalties and Forfeits			
Miscellaneous Revenues			
Total Revenue from property Income, User Fees and other Sources	106,171,771.90	203,400,562.11	93,126,305.27

NOTE:	2021-2022 Actual
Property Income includes:	
Other Land Leases (RHOU)	<u>4,414,798.00</u>
Sales of Goods and Services includes:	
Rental of Government Property (Building) (RPMO)	10,043,480.00
Overpayment Made In Previous Years (RGEN)	1,380,977.48
Commission on Salary Deductions (RGEN)	18,089.00
Miscellaneous (General) (RGEN)	0.00
Total	<u>11,442,546.48</u>

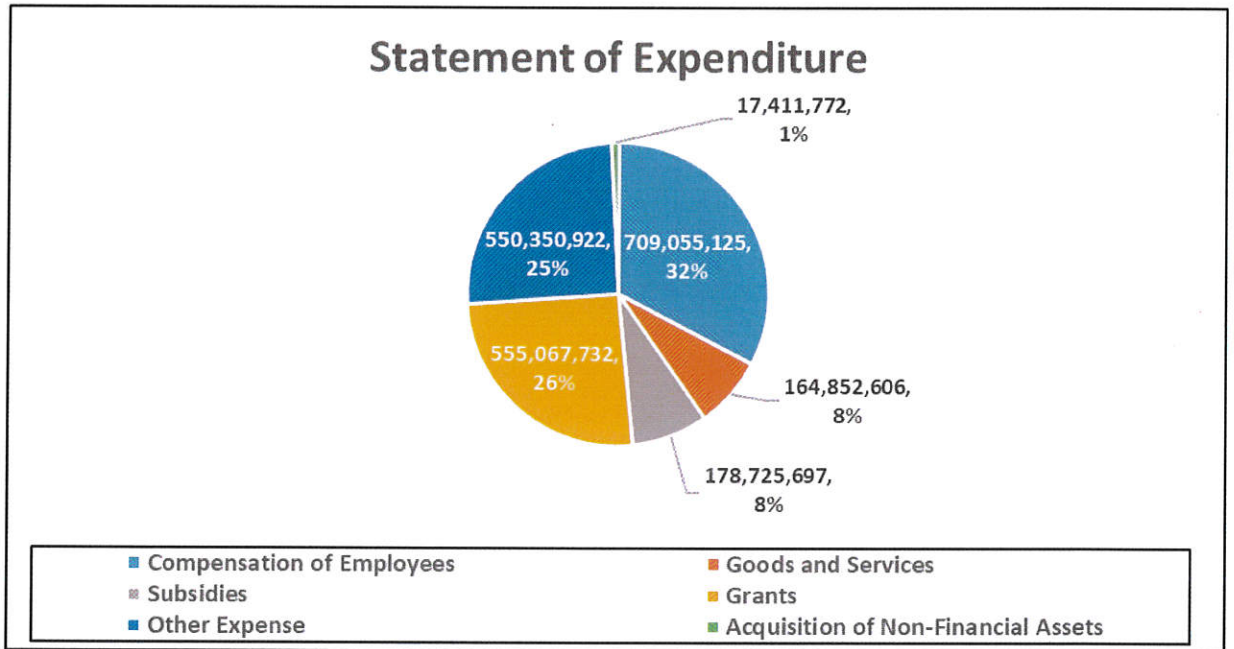
Statement of Expenditure

On the expenditure side, the original estimates were Rs. **2,990,000,000**.

The total expenditure for **2021/2022** amounted to Rs **2,175,463,854**.

Economic Classification	Head/Sub-Head of Expenditure	2019-2020 Estimates (Rs)	2020-2021 Estimates (Rs)	2021-2022 Actual (Rs)	% Spent on total Est. 21-22 Actual
21	Compensation of Employees	744,534,321	663,082,543	709,055,125	32%
22	Goods and Services	181,820,977	167,219,021	164,852,606	8%
25	Subsidies	73,916,787	84,541,515	178,725,697	8%
26	Grants	548,460,745	515,946,039	555,067,732	26%
28	Other Expense	1,251,113,640	1,050,674,516	550,350,922	25%
31	Acquisition of Non-Financial Assets	219,670,971	135,210,249	17,411,772	1%
Total Expenditure Recurrent & Capital		3,019,517,441	2,616,673,883	2,175,463,854	100%

Figure 2 below provides an illustration of expenditure incurred by Ministry of Agro-Industry and Food Security under vote 13-4 in 2021/2022.



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 **2021/2022** has been to the tune of **Rs. 22,193,631.84**.

Sugar Sector: Trends and Challenges

Strengths

- **Multiplier effect** -Although sugar revenues are only 1% of the country's GDP and the employment generated by the sugarcane sector is less than 2% of the country's labor force, the sector has a large multiplier effect in the economy.
- **Multifunctional Role**-The sugar cane sector still plays an important multifunctional role in the economy and is an important net foreign exchange earner especially during the periods of economic difficulties such as COVID-19 in 2020.
- The industry supports the development of the economy as well as the environment and social fabric of the country.
- The industry has acquired hands-on expertise in R&D, cane cultivation, technology transfer and production of value-added sugars as well as co-products development.
- **Diversification**-The sugar cane industry has diversified through the production of special and refined sugars and electricity cogeneration from bagasse.
- The sugarcane sector also contributes to the production of electricity through the use of bagasse and some 430 GWh of electricity is generated from bagasse
- Proven expertise in the production of sugar, especially value added sugars, allows for its exportation on more remunerative foreign niche markets.
- "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, Canada, the Middle East, Australasia and Eastern Europe, thereby becoming a reference on these niche markets.
- **Environment** -The sugar cane plant assists in the preservation of our local environment and natural sceneries as well as the prevention of soil erosion thereby safeguarding our beaches and lagoons. It also acts as a carbon sequestrator and contributes in mitigating the negative effects of global warming.

Weaknesses

- **Production decline**-The extent under sugarcane cultivation has declined significantly during the past decades due to rapid urbanization and developments.
- **Export based**-The local consumption represents a small fraction of sugar production; a larger quantity thereof is thus being exported to the rest of the world. Exportation of sugar is affected by external factors such as currency fluctuation and high degree of competition from other countries.
- **High production costs**-At present, the cost of sugar cane production in Mauritius is among the highest due to a low milling capacity (3,700 tons cane crushed per day by the existing mills), a short milling season (an average of only 132 days per year), and a high ratio of labour to total production costs with field labour making up to 80% of the total labour cost.
- Owing to the high production costs (due to the increasing labour cost, cost of agricultural inputs and transport costs) coupled with the decreasing sugar proceeds and lack 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.
- **Government support**-Public expenditures supporting the sugarcane sector were 1.12% of the total Government budget (Rs1.5 billion of a total public budget of Rs133 billion) in 2018, and double the budget allocation to the sector in 2017

Opportunities

- **Value addition** -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.
- Some small and medium enterprises (SMEs) have emerged to produce, for instance, value added sugar cubes and spice-scented sugars.
- 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 raw sugar mainly.

- The development and implementation of a renewable sugarcane industry based National Biomass Framework will also foster the promotion 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 a sugar based agro industry which will in turn generate value added sugar or other sugar products through the use of local raw materials.
- **Regional markets**-The ability for Mauritius to divert sugar from the EU to remunerative regional markets is an important means of mitigating the loss of EU preference.
- **Certification**-The Fairtrade and Bonsucro Initiative has helped certified small cooperative planters and producers to continue growing cane and support the supply of cane to mills. Possibilities should be explored to increase the volume of sugar exported under this label, and to extend same to large growers. Market opportunities should be tapped on other sugar label including organic sugars.

Threats

- **Sugar prices**-The number of hectares (ha) planted to sugarcane in Mauritius has historically been above 70,000. Since the 1990s, production started to drop at an initial rate of 0.8% per year, followed by a yearly accelerated rate of 3.61% as from 2002 due to the drop in international sugar prices and the rollback of the European Union (EU) sugar protocol in 2008 which eliminated the preferential access of Mauritian sugar on the EU market in 2017.
- **Cost of production** -Increasing production costs (labour, transport and agricultural inputs especially fertiliser and diesel), diminishing revenue and difficulties to export sugar on current and more remunerative markets coupled with surplus production of sugar on the world market, and the continued distortion and decrease in the world market price result in a very tough and competitive market for sugar commodities.
- 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.
- **Competition**-Threat of competition from LDCs sugar producing countries supplying sugars on the EU market with abolition of sugar regime.
- During the past years, a decline in the sale of Mauritian special sugars has been recorded on the EU. 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 with special ACP sugars and compete with Mauritian sugars, resulting in a loss of market share for ACP producers.

- **Labour costs**-Wages in the sugarcane sector are 23% higher than in the manufacturing sector (Digest of Labor Statistics, 2018). Labour costs have also been increasing at more than double the rate of inflation since 2010.
- The problem in the labour sector is characterised by three elements: an ageing labour force; a mechanism whereby yearly increases in 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.
- 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.

Non-Sugar Sector: Trends and Challenges

Strengths

- Schemes proposed by the Government to assist farmers and new entrepreneurs in the implementation of their agri-business;
- With the support of an experienced farming community and the diversification programme of the private sector Mauritius is self-sufficient in fresh vegetable production;
- A pool of highly qualified and experienced scientists manned the research, extension and support institutions under the Ministry of Agro-Industry and Food Security

Weaknesses

- Limited land for large scale development
- Mechanisation inappropriate for small size of land holdings
- High cost associated with implementation of new production techniques
- Ageing labour force, shortage of skilled and unskilled labour and high cost of manual labour
- High cost of agricultural inputs
- Marketing channels are unstructured with absence of norms and standards
- Inadequate investment in research, intensive technologies and capacity development;
- An ageing farming community and no succession plan.

Opportunities

- Well established institutions under the umbrella of the Ministry of Agro-Industry and Food Security to assist the farming community;
- Foreign investors in collaboration with local entrepreneurs' willingness to invest in innovative agricultural projects;

- Possibility of re-allocation of abandoned sugarcane lands for other agricultural projects;
- Interest among new entrepreneurs for new production techniques and organic farming;
- Niche market for nutritious food and convenience products to match modern lifestyle of the population and the growing tourism industry

Threats

- Fragmentation of land holdings as an outcome of inheritance issues
- Lack of interest among youngster for Agri-farming
- Land erosion to cater for urban development
- Impact of adverse agro-climatic conditions
- Risks associated with climate change
- Competition from imported goods
- Emergence of new pests and diseases

Forestry and Biodiversity: Trends and Challenges

Strengths

- Several strategies for Biodiversity conservation already exist namely the National Biodiversity Strategy and Action Plan produced as an obligation of the CBD, a Protected Area Network Expansion Strategy to protect and restore native biodiversity and habitats, management plan for Black River Gorges and Bras d'Eau National Parks as the most important ones. The Native terrestrial Biodiversity and National Parks being a recent enactment in 2015, is more up to date.
- NPCS works while adhering to recommendations of Multilateral Environment Agreements (MEAs) 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.
- Strong Collaborations 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, private sectors and NGOs and the major institutions operating under the Ministry promotes the synergy and coordination required to undertake the sustainable management of forests and its resources.
- There are specialized department within the Ministry such as NPCS which have developed expertise in certain fields on native terrestrial biodiversity management and conservation, wetlands conservation, flora and fauna conservation and control of Invasive Alien Species
- There are specialized centres for native flora and fauna namely the Native Plant Propagation Centre and Gerald Durrell Endemic Wildlife Sanctuary.

- Management of International Designated sites such as Ramsar sites and Black River Gorges Bel Ombre Biosphere Reserve, Key Biodiversity Areas and Important Bird Areas falls under the jurisdiction of NPCS under the Ministry.

Weaknesses

- Some terrestrial Protected Areas having rich biodiversity and ecosystem does not fall under the purview of the NPCS. Some of the areas are located within the private sector and other public institutions)
- Lack of national, regional and international knowledge-sharing platforms, and technology transfer in the biodiversity sector. Networks have to be set up and strengthened to allow adoption of new technologies.
- Knowledge gaps on certain scarcity areas such as freshwater biodiversity and rescue of wildlife during a disaster occurrence.
- Limited capacity as well as Shortage of qualified e staff in scarcity areas such as capture of Invasive species, seizure of specimen (some might be venomous eg. Reptiles).
- Inadequate information sharing between institutions and stakeholders which leads to duplication of work and responsibilities.
- Lack of adequate infrastructure and facilities
- Limited legal provisions and institutional arrangements for protecting native species and ecosystems, including wetlands.
- Poor visibility and lack of awareness of the work of the Ministry in this sector
- Very limited chapters devoted on native biodiversity on the curriculum of schools
- 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

- Regroup responsibilities under the aegis of a sole institution.
- 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.
- Collaboration with specialised local and international institutions.
- Funding, capacity-building and technology transfer opportunities through various MEAs.
- Existence of the National Parks and Conservation Fund.

- Call for volunteers and youth to participate and contribute to the conservation of biodiversity.

Threats

- Deforestation/ forest degradation and fragmentation due to urban development.
- Destruction of wetlands and other ESAs for development purposes
- 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.
- Illegal trade of wildlife species and biosecurity issues

Strategic Direction

Build resilience of the sugar cane industry

- Increase cane industry revenue:
 - through the implementation of the Biomass framework
 - from premium and certified sugars, bagasse-based and other co-products including the implementation of the ethanol framework
 - Diversify sugar export markets to reduce overdependence in EU markets
- Increase production of speciality and premium sugar (e.g. Fairtrade & Organic)

Increase production of high value crops

- Expand climate resilient agriculture, with a focus on high-value products, better performing varieties, bio-farming and sheltered farming systems
- Set up entrepreneurship programmes that focus on innovation
- Develop additional dedicated bee reserve zones and provide specialised training for potential bee keepers
- Improve productivity through use of modern eco-friendly farming practices including:
 - Hydroponics/Aquaponics
 - advanced innovative technologies and
 - ICT for efficient use of resource
 - supply chain management to reduce food loss and food wastage
- adoption of good agricultural practices and certification

Smarter agricultural land use

- Encourage cultivation on abandoned lands through innovative approaches
- Consolidate the centralised land data bank to ensure optimal utilisation of prime agricultural lands
- Invest in high tech farming
- Adoption of Disruptive Agricultural Technologies so as to address agricultural challenges

Preserve terrestrial biodiversity

Enhance forest ecosystem services and national parks through:

- restoration and reforestation programmes
- protection of the unique flora and fauna from invasive species.

Improve quarantine activities and phytosanitary border controls

Strengthen quarantine surveillance activities and phytosanitary border controls related to import and export inspections

Annex 1: Implementation of Director of Audit Comments

1. Cattle Reproduction Farm at Melrose – Operations delayed due to lack of proper planning

Recommendations

- (a) *Construction of the farm was delayed.*
- (b) *Essential amenities were omitted in the construction contract.*
- (c) *A feasibility study was not carried out before construction of the farm*

Remedial Actions

(a) and (b) Electrical and water networks have been installed and the farm has been operational since 26 December 2019. Presently, there are 72 animals on farm. As decision has been taken to convert the Heifer farm into a Cattle Reproduction Farm, additional infrastructure is required. where animals at different stages need to be kept separately, new amenities like maternity unit, milking unit, nursery unit, cooling tank, sales point are required.

The project “Construction of Vehicle Dip, Drains and Track Roads at Melrose Cattle Reproduction Farm” has been awarded at the cost of Rs 3,966,400 (VAT excl.) to New Horizons Builders Ltd.

Handing over of the site was done on 19 January 2022 and the start date of the site was scheduled on 03 February 2022. The project duration is 6 months and the scheduled completion date is 03 August 2022. The project has already encountered an initial delay and is being supervised by Engineering Division.

Action to be taken:

(i) The keys for Livestock Zone at Melrose have been given to APD, on 05 May 2021 to cater for additional infrastructure. However, given that there is no electrical and water network as well as security issues, the buildings cannot not be used.

(ii) Engineering Division has been contacted for the installation of water network and a sum of approximately Rs 270,000 has been estimated for the project as the work will be carried out by officers of Engineering Division. Needful is being done, at the level of Procurement and Supply Division for e-procurement of materials required.

(iii) The compound housing the Livestock Zone buildings has to be fenced to address security issues. A sum of approximately Rs 2 M has been worked out by officers of Engineering Division. Funds are unavailable to proceed with this project.

In this financial year, only Rs 5 M has 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.

(iv) APD and Engineering Division is also working on the rehabilitation of Livestock Zone buildings to accommodate the nursery, maternity pens etc.

(v) Conditioning of exercise yards (approx. cost Rs1,250,000) – Sent to Procurement and Supply Division on 16 March 2022

(vi) Electrical works for lighting of compound, buildings and others - The Energy Services Division (ESD) has assessed the extent of the electrical works to be undertaken and has informed that the estimated cost shall be Rs 3 M excluding VAT and contingency. ESD is awaiting approval of SCE and confirmation of availability of funds through the “Cluster Protocol” to prepare specifications and scope of work.

(vii) Acquisition of cooling tank (approx. Rs 500,000) and chest chiller (approx. Rs 75,000). Bids being relaunched.

2. Sheep Production Farm at Salazie – Project objectives not achieved

Recommendations

As at November 2020, the sale of sheep had not yet been effected.

A review of the operational activities of the Sheep Reproduction Farm revealed the following shortcomings:

(i) Fodder plantation was not yet completed; and

(ii) Maternity pen was still under construction

Remedial Actions

Approval of the price of produce has been obtained on 06.08.21. Further to this, site visits to applicants have been held to ascertain that they are bona fide farmers. Thereon, multiple sale exercises have been effected.

(i) Owing to the shortage of labour, fodder plantation is at a standstill. The station is managing by harvesting fodder from the vicinity.

Maternity pen has already been completed and is fully operation.

Action to be taken:

No human resource available for fodder plantation. Awaiting recruitment of general workers

3. Mauritius Society for Animal Welfare – Non-submission of Annual Report since 2014

Recommendations

The MSAW has not submitted its Annual Reports, incorporating the financial statements for audit purposes since it came into operation on 30 October 2013, contrary to the Statutory Bodies (Accounts and Audit) Act which requires the chief executive officer to submit the annual report to the auditor, not later than four months after the end of every financial year.

Remedial Actions

The Council agreed to launch a tendering exercise, taking into consideration the International Public Sector Accounting Standards (IPSAS) protocol for the Period of 30.10.2013 to 30.06.2021. In view of the above, an expression of interest was published in the newspaper on the 27th, 28th, and 29th of May 2021.

-On 12 July 2021, a bid evaluation committee and procurement Committee was held. It has been concluded that the bidding documents received on 30 June 2021 did not meet the criteria as per the terms and conditions applicable.

-On its meeting on 20th July 2021, the Council approved the proposal to retender for the preparation of financial statements.

-Invitation for bids was relaunched on 10 August 2021, and was closed on 10 September 2021.

-On its meeting on 28th October 2021, the Council agreed that the Part-Time Accountant of MSAW to submit an action plan concerning for financial statements.

-Followed by the audit exercise conducted by the officers of the Office of Public Sector Governance (OPSG), the Council agreed to withdraw the offer to retain the services of the P/T Accountant for the preparation of Financial statement year 2013-2021. The exercise has been put on hold pending the recommendation of the audit exercise by the OPSG.

The above matter will be referred to the board for consideration.

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

Recommendations

Delay in submission of Built-Operator-Transfer (BOT) Structuring Report

Remedial Actions

Following meetings held with the Project Management Team by the Ministry, it was noted that since the new Slaughter House was meant for venison production and the Budget 2021/22 had provided for mobile slaughter facilities for deer breeders, the construction of a new Slaughter House was not a priority.

In this context, the Ministry has decided to renovate the existing abattoir instead of the construction of a new Slaughter House, which would be less costly. Accordingly, the Mauritius Meat Authority (MMA) has submitted a report which included the recommendations of its Safety and Health Officer and Engineer on the renovation/improvement works following a survey carried out in the different sections of the abattoir. An estimated cost of Rs 37M will be required for the renovation works.

Subsequently, the Ministry conveyed its approval for the MMA to go ahead with the renovation works according to the recommendations made in its report.

5. Governance Issues – Non-compliance with Legislations

Recommendations

- i. Five statutory bodies falling under the aegis of the Ministry of Agro-Industry and Food Security have not submitted their financial statements for audit as below;*
- ii. Small Farmers Welfare Fund (SFWF)*
- iii. Sugar Cane Planters Trust*
- iv. Mauritius Society for Animal Welfare (MSAW)*
- v. Sir Seewoosagur Ramgoolam Botanical Garden Trust (SSRBGT)*
- vi. Sir Seewoosagur Ramgoolam Botanical Garden Trust (SSRBGT)*

Remedial Actions

- (i) Small Farmers Welfare Fund (SFWF)

Service of an accountant to accelerate the completion of FS.

FY 2017/2018

FS has been completed and will soon be audited by NAO.

FY 2018-2019

SFWF has started working on FS 2018-2019

- (iii) Mauritius Society for Animal Welfare (MSAW)

-The Council agreed to launch a tendering exercise, taking into consideration the International Public Sector Accounting Standards (IPSAS) protocol for the Period of 30.10.2013 to 30.06.2021.

-In view of the above, an expression of interest was published in the newspaper on the 27th, 28th, and 29th of May 2021.

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preparation of Financial statement year 2013-2021. The exercise has been put on hold pending the recommendation of the audit exercise by the OPSG:

Actions still required:

The above matter will be referred to the board for consideration.

(iv) Sir Seewoosagur Ramgoolam Botanical

a) Financial Statement for the year ended 30 June has already been audited and management letter has been sent to SSRBG Trust.

b) Financial Statement for the year ended 30 June 2019 and 30 June 2020 has already been prepared but awaiting for certificate of Audit from National Audit Office for the Financial Statement ended 30 June 2018 to input opening balance.

c) Financial Statement for the year ended 30 June 2021 has already been prepared and still waiting for certificate of Audit Report from the Financial Statement ended 30 June 2020 to input opening balance.

Actions still required for SSRBG.

-Response to the Management Letter 2018 received from National Audit Office is in process.

Financial Statement for both years, i.e. 2019 & 2020 will be sent for board approval after having received the opening balance.

(v) Vallée d'Osterlog Endemic Garden Foundation

Financial Statements for the year 2019/2020 had been submitted to NAO for auditing on 19 May 2021.

6. Seeds Production – Inefficiencies in Seeds Production Activities

Recommendations

- a) *Seeds production has decreased over the years.*
- b) *Cost of production of seeds exceeds revenue over 26 folds*
- c) *Poor recording of Seeds Operation Activities*
- d) *Inefficient use of Human Resources*
- e) *Underutilisation of cultivable lands*
- f) *The NAO recommended that the Ministry should consider mechanization of the seeds production process.*

Remedial Actions

This was due to the significant decrease in the labour force, particularly in all stations: **from 104 (31.12.2016) to 31 (presently).**

The recruitment of general workers was proposed.

Action still required:

The recruitment of general workers is still being awaited.

The revenue collected for the period January to November was significantly underestimated by NAO. Accordingly, the cost exceeds revenue by significantly less folds (14.6) than that reported by NAO (26).

The low revenue was due to the following:

- (i) Seeds and plants are sold at highly subsidised prices which has not been reviewed since December 2012;
- ii) The visit of cyclone (Gelena 8-9.02.19) and excessive rainfall during the summer months have affected plant growth and development, occurrence of pests and diseases and yield of plantations in 2019.
- (iii) Donation of seeds to planters after adverse climatic conditions, e.g. 220 kg of vegetable seeds were donated to Rodrigues Regional Assembly after the passage of cyclones Gelena and Joahinha in 2019;
- (iv) Donation of plants to other institutions/organizations in relation to the implementation of various national project e.g agroforestry, apiculture, etc in 2019
- (v) Sale of plants and seeds at reduced prices during the celebration of World Food Day in October.
- (vi) 200 packets of bean seeds were handed over to FAREI for free distribution to planters.

The high cost of production is mainly attributed to the fact that apart from general workers, several other grades of personnel, notably Sanitary Attendant, Store Attendant, Implement Operator, Field Supervisor, Insecticide sprayer Operator, irrigation operator, Pumping Station Operator, Gardener Nursery Attendant, Security Guards, clerical cadre, store cadre and technical cadre, necessitating additional costs are involved in seed production in outstations.

An increase in the prices of seeds and plants was proposed to increase revenue.

Action still required:

Policy decision of the Ministry to increase prices of seeds and plants.

The Seed Production Book in each station is under the custody of the Agricultural Support Officer (ASO) of the Field Section where seed crops are grown.

The incomplete recording in the Seed Production Book during the preceding years was mainly due to the lack of this grade in the Field Section.

With the recruitment of ASOs in stations, the entry of data in the Seed Production Book is being done systematically.

Seed production is composed of several integrated activities which are conducted by different grades of manual workers. Presently the acute shortage of general workers has restricted the area over which seed crops can be grown. This, in turn, has resulted in a decrease in the workload of other grades of manual workers in different stations.

Nonetheless, newly recruited ASOs are ensuring proper supervision of work to ensure that adequate amount of works are being performed by manual workers in various stations.

Action still required:

Recruitment of general workers.

Cultivable lands in different stations are exclusively used for growing of crops for seed production purposes.

The area of land that can be cultivated is directly related to the availability of general workers in various stations of the Agricultural Services. With the drastic decrease in the number of general workers in the stations, the utilisation of cultivable lands has decreased significantly.

The recruitment of general workers is the only rational solution that can have a significant impact in increasing the utilization of land in various stations.

Action still required:

Recruitment of general workers.

Mechanisation is already being used for land preparation and furrowing and for processing of seeds after harvest.

Additionally, innovative agronomic practices are being used to minimize the use of labour in the fields, e.g. Use of weed mat/other organic materials or light rotovator between rows of plants to control weed in plantations, as weeding is labour intensive.

7. Construction of Wholesale Market – Delay in project completion

Recommendations

- (a) There was extension of the contractual completion date*
- (b) Eight essential items were not included in Phase I of the project due to financial constraints*
- (c) The Generator and Sewer Treatment Plant considered important for the operational activities of the market were excluded in the scope of works.*

Remedial Actions

Building works for the NWM has been completed as awarded to Tranli Construction Co Ltd.

These works were excluded from the initial scope of works which was estimated at Rs 707 as advised by the Central Procurement Board so as to obtain clearance to call for bids without having recourse to a prequalification exercise from the Procurement Policy Office.

As at date the contact for the supply of the Standby Generator needs to be re launched as none of the bidders could meet the given requirements. The consultant has been asked to revise the scope of work since 25 January 2022. As regards, the Installation of a Sewer Treatment Plant (STP), tender for the mechanical and electrical component has been allocated to New Horizon Builders Ltd. However, since Civil works need to be undertaken to have this mechanical and electrical component, the contractor has not yet started works. Civil works for housing this component did not form part of the main contract and the bidding documents for STP specialised package did not indicate any builders' works. In this respect, tender exercise for the Civil works needs to be launched and the consultant has been requested to submit the Terms of Reference /Scope of Works for the project since 17 December 2012.

8. Performance Audit Report: Food Production – Are Agricultural State Lands optimally utilised?

Recommendations

- i. An end date for the contract with the private surveyor should be fixed. The performance security should be renewed. A close monitoring of the works undertaken will have to be effected. Penalties provided in the contract should be applied where and when necessary.*
- ii. A new legislation for organic agriculture/bio-farming covering all aspects of organic farming should be developed.*
- iii. Service delivery by LUD's Survey Office needs to be enhanced so that more plots of lands are surveyed.*
- iv. The Ministry should address the reasons for land abandonment in the Tea Sector*
- v. Prompt adequate actions need to be taken and appropriate support provided to ensure the viability of the sugar sector*

Remedial Actions

- (a) Work of the private surveyor has been promptly monitored by the LUD and all discrepancies pointed out for necessary amendments.
- (b) 1st draft bill has been prepared
- (c) Monitoring of work is being done on a fortnightly basis.
- (d) The services of the World Bank were enlisted in January 2020 for a study on the long-term viability of the Sugar Sector. The report has been received in late December 2020.

9. Land Use Division: MSPA Lands Scheme

Recommendations

Land Acquisition/Housing Development Units of MHL for the last chunk of 61 arpents.

At paragraph 14.3.6 of the Audit Report for the 18-month period 1 January 2015 to

30 June 2016, it was reported on the agreement signed in April 2008, between Government and the MSPA whereby sugar cane land of an extent of 2,000 arpents would be granted to Government by Corporate Planters who are members of the MSPA. Land would be released as and when required during the period of the lease, which was valid up to 31 December 2017.

As of 31 October 2017, that is, two months prior to the expiry of agreement, of the 1,252 arpents to be allocated for agricultural projects and the remaining 748 arpents for housing and other social projects, only an extent of 895 and 372 arpents of land for the respective projects, representing 63 per cent of total extent of land, have so far been acquired. Procedures have been initiated for the acquisition of another 133 arpents and proposals were under consideration for the remaining 109 arpents. Survey reports concerning

491 arpents were being finalized.

As of 31 October 2017, there was no evidence that the acquisition of the 2,000 arpents of land as agreed between Government and MSPA would be completed by the due date of 31 December 2017.

Remedial Actions

As at date, **1140 A** of land have been acquired for agricultural purpose. Another **126 A** are still under process either at the Ministry of Housing or at the sugar factories

10. Food Technology Laboratory

Recommendations

Absence of Legal Framework

Three regulations were finalised by the NBC and submitted to the Attorney General's Office (AGO) for vetting. Given that too many shortcomings have been observed in GMO Act 2004, the said Act has to be repealed and replaced by a new GMO Act. The Regulations will be reviewed after the new GMO Act has been finalised. The new Act was under review at the Ministry in October 2018. The GMO Unit required the finalisation of the Genetically Modified Organisms Act and its legal framework to complete its setting-up.

NAO Recommendation:

A Committee should be set up to finalise the regulations, guidelines and legal framework for the GMO Unit to perform all its mandated activities

Remedial Actions

The objects of the NBC as per the GMO Act 2004 Section 5 shall be to advise the Minister on all aspects concerning the importation, exportation, transit, development, research, production, use, application, marketing, sale and release of genetically modified organisms.

As per Section 24, "The Minister may make such regulations as he thinks for the purpose of this Act".

The NBC has already finalised a new draft GMO bill, prepared by the Attorney General's Office (AGO) in April 2019 that was submitted to the Ministry on 29 April 2019 and same has been forwarded for vetting and finalisation.

