

# **'Strategic Options in Crop & Livestock' Sector 2007-2015**

## **1. The New Agricultural Landscape: International**

Mauritius is a Small Vulnerable Economy within the WTO definition. Developments within the WTO would only be advantageous to those who are competitive, or who have developed resilience to resist external shocks. Developed countries, which source their food from developing countries, want to safeguard their food security options in any WTO deal. We have to be conscious of all this when choosing our preferred options as a small vulnerable economy and net food importing development country.

To face the uncertainties inherent in agricultural production, our farmers need to be

- more productive,
- more competitive,
- more market oriented,
- more innovative

## **2. The New Agricultural Landscape: Local**

Some 17,000 crop and livestock farmers are engaged in commercial agricultural production. An important share of such production is by the corporate sector. We have heard the testimony of two

progressive farmers who deserve our congratulations for their achievements.

We already have a Multi Annual Adaptation Strategy 2006 – 2015 for the sugar sector. Having completed this exercise, we are now embarking on a strategy for crop diversification and the livestock sector over the same time horizon.

It is forecast that around 5000 ha of land recognized to be difficult land for sugar production would be released for other activities. Part of this acreage would be available for crops and livestock farming, or for forestry. Some will inevitably move out of agriculture.

### **3. Escalating food costs worldwide**

Mauritius as food importing country has no choice but to bear the consequences of escalating international prices, increasing freight charges, and exchange rate fluctuations. Everyone recognizes that the era of cheap food is over.

The United Nations has predicted that by 2016, people in the developing countries will be eating 30 percent more beef, 50 per cent more pig meat and 25 percent more poultry. The animals will need a great deal of grain, and meeting that demand will require shifting huge amounts of grain-growing land from human to animal

consumption. So both the prices of meat and of grain are expected to go up.

Impacts of climate change are now visible and we have to face the reality. Severe droughts and flood are causing crop failures in countries like India, New Zealand, Australia and China, which are limiting their exports of cereals and dairy products. As importers, we have to take both shortages.

High prices of oil are leading to considerable demand for bio-fuels, thus shifting agricultural production away from food to energy products. This shift will entail an increase in food prices. We need to brace ourselves to face these harsh realities and devise the necessary plan to safeguard our food security.

#### **4. Mauritius: Erosion of preferences**

Mauritius, as a Net Food Importing Developing Country, can no longer rely on the safety net of the Sugar Protocol. The foreign exchange derived from the sale of sugar to the EU had so far been adequate to pay for our food imports. With the recent proposal of the EU to unilaterally denounce the SP, there is no certainty of the level of income from sugar, and therefore, food imports are at risk.

Our annual food import bill amounts to some Rs 12 billion. To reinforce our food security, we need to produce as much as we can

and to promote consumption of locally produced foods. To achieve this, we need to be innovative in both production and marketing.

We have a planting community regularly supplying the local market with fresh vegetables at affordable prices. This sector is largely driven by some 12,000 small holders and farmers.

We can only improve our food security and resilience by reducing our dependency on imports. This also means getting out of the comfort zone of fixed prices.

## **5. Food Quality Concerns**

Food safety and quality are primary concerns of my Ministry. We will continue to provide sanitary and phytosanitary support to ensure that the consumer has access to safe food. Consumers are willing to pay for quality certified products and our farmers should be able to respond to these exigencies.

Issues of minimum residue level and traceability have to be addressed properly. Our new Food Laboratory in Redit is a very important facility and its services are available to the agricultural community.

We are an upmarket tourist destination. Those who will choose to live in our IRS villas will prefer to eat local foods provided they meet the highest food standards.

## **6. Emerging Market Opportunities**

We must make a concerted effort to become suppliers to hypermarkets and supermarkets which are willing to become partners provided that the quality and quantity of the products can be guaranteed.

As I have just said, IRS village and the hotel sector can become very attractive market outlets, in addition to niche overseas markets interested in Mauritian products.

## **7. Research and Development**

The research and development functions are critical elements for any sustainable quality food production. We have the required competencies and the dedicated staff to address this function. AREU has just presented to the public two new onion varieties, Bellarose and Francis which have well received by the onion growers and consumers. These varieties will help to close the gap between our demand and supply.

Following research, promising new crops and products have been identified. These are included in the document and our officials are ready to support those farmers willing to engage in these new product lines.

## **8. Policy Environment and Policy Options**

My Ministry and the parastatals under our aegis are committed to provide the necessary legal framework and regulatory services, the incentives and support schemes to enable new businesses to grow.

First the legal part: A new Plant Protection Act was enacted in 2006 to strengthen measures for prevention, control and elimination of plant pests, and to protect plant resources. A Seed Bill and Plant Breeder's Rights Bill are near finalization, and should give a boost to development of seed business activities. An Animal Health Bill is also at drafting stage. We are also going to review the Shooting and Fishing Leases Act to allow for optimisation of resources within state lands.

In regard to incentives provided by Government, many have given the expected results and have therefore to be reviewed. Should we apply the incentives and subsidies differently? Can we approach the milk support programme differently? Or find alternative ways for the supply of local and imported animals for breeding and fattening? Can

the producer have more than 30 percent of the final retail price that he is getting now? Are there better ways of auctioning their produce?

There are three ways of procuring food: harvesting from the wild where available, producing it oneself, or buying from local or imported sources.

As Government Minister, my task is to facilitate all three categories within well defined parameters. We are already encouraging the production of fruits on communal properties by supplying planting materials to schools, village councils, NGOs as well embarking on village fruitiers. The latest village fruitiers are at Goodlands, Nouvelle France and Bambous Virieux.

In regard to production at household level or in kitchen garden, we are providing the necessary support to all who are interested to do so. The AYC members have successfully undertaken roof top gardening.

The UNDP has supported such programmes by providing composting equipment. This not only safely eliminates domestic organic wastes but also provides valuable compost for their gardens.

## **9. Sustainable Agriculture**

The only option for us is sustainable agriculture. We will continue to adopt good agricultural practices, and to promote integrated farming systems, so that our islands' fragile ecosystem can tolerate a high level of farming activity without damage.

Farmers will be encouraged to:

- recycle their wastes to produce compost as alternative to chemical fertilizers.
- use solar driers to preserve foods- two models are on display and one will be handed over to the "Association pour L'Education des Enfants Defavorisés" of Chemin Grenier, who have a project for producing and selling dehydrated herbs.
- Adopt integrated pest management for pest control which has the advantage of reducing the chemical load and protecting the bees.

## **10. Building on the present to consolidate the future**

We want you to enlarge your farming businesses, engage in agroprocessing, move into vertical integration, to progress from primary producers to profitable SMEs, selling specialized services to the agricultural sector. Seed production, collective procurement of inputs, provision of spraying services, collective packaging, labeling and marketing are promising avenues.

I wish to assure those who have credible business plans for innovative and new ventures that we will help them to identify lands and partners, both locally to the extent possible, and in Madagascar and Mozambique.

We have agreements with these countries and the opportunities are immense. We can also put them in touch with potential partners for joint ventures.

Since July 2005, some 800 Arpents of land have already been released to some 700 applicants for vegetable, fruit, agro and livestock activities. A hydroponics village is being set up at Cluny village on some 14 Arpents of land. Seventeen beneficiaries have already been selected and infrastructural works are under progress.

We have set up model farms at Mapou, Flacq and Riviere des Anguilles where all required training facilities are functional. These programmes are IVTB accredited and MQA approved. They offer agricultural training programmes and guidance to producers and service providers in the agricultural sector. A fourth model farm at Plaisance will be set up this year.

We are encouraging seed production by private entrepreneurs. A Quality Declared Seed (QDS) scheme, has already been initiated to

provide all technical backup. I am informed that planters in Glen Park who embarked on this scheme in 2006 have successfully marketed their produce.

In order to train farmers more effectively, Government has provided Rs11M in 2007 – 2008 for a Farmers Training School to be constructed at Wooton. The target groups for the training school are (i) farmers (ii) unemployed women & youth (iii) VRS employees, and (iv) entrepreneurs who want to set up agri business at small and medium levels. The course contents will be of approved standard, and will focus on modern agricultural, production techniques and business practices.

We have revised our Agricultural Technology Diffusion Scheme (ATDS) and 24 promoters have benefited from this revised scheme in 2006. The revised Scheme has included study tours among the list of activities to be financed. The latest beneficiaries were Belle Mare onion producers.

We are also promoting the clustering of farmers and planters through various projects such as fruit village at Bambous Virieux, integrated farming system at Palmar and hydroponic village at Cluny.

A management information system has already been set up by AREU and a centralized market system is being put in place by AMB.

We will do all we can to promote the development of small and medium enterprises to provide self employment opportunities to young entrepreneurs in crop and livestock sector.

My Ministry organized an Agri- Business forum in 2006 to allow new and emerging entrepreneurs to benefit from the experiences of successful ones, and to obtain and share useful information with participants from India, Madagascar, Reunion and Rodrigues. It was attended by more than 350 potential entrepreneurs and has been a success. One of the tangible results is the Caravane de L'Entrepreneuriat.

We are planning to hold the next Agro Business Forum in April 2008, and this event will become a recurrent feature every two years. We will also reward, every 2 years, successful agro entrepreneurs through an award scheme.

In the livestock sector, the first cluster of a "Village laitier" is shaping up at Nouvelle Decouverte, where a second dairy cooperative is being accommodated. We have also received expressions of interest from various entrepreneurs for dairy farming in Salazie. We import some Rs 2 billion worth of milk and milk products.

We want to promote the increase in herd size of traditional and modern livestock farmers, marketing of milk closest to the farm gate, to encourage multiplier farms by private entrepreneurs and identify feed alternatives for a milk industry based on zero grazing. In the goat sector, the Empowerment Programme has already approved a budget of Rs 6.9 million.

We are self sufficient in poultry, but there is a market for duck meat and my ministry will provide day old ducklings to SMEs individual entrepreneurs. Here also we have made promising start with the collaboration of the Empowerment programme that has identified seven beneficiaries for the first batch.

The policy in the pork sector is not to encourage new entrants in the business because of heavy environmental constraints. But we are committed to assist existing farmers to improve the quality of their products and increase their profit levels. We have set up a pilot integrated farming system at Palmar which can be replicated by pig farmers after successful validation.

## **11. Collaborative programmes with other departments and agencies**

Resources are limited. We therefore have to ensure that we are focused in our objectives. To do this, intra institutional and inter

institutional cooperation is imperative. We need such cooperation to remain focused and to keep ahead of our competitors.

Only yesterday we formalize cooperation agreement with the Prisons Department, and had a very productive meeting with the Chairperson and members of the Special Programme for unemployed women committee.

## **12. Need for convergence**

To meet the challenges that we have just outlined, we need to have a convergence of views so that we can develop the right partnerships with all stakeholders.