THE MAURITIUS CO-OPERATIVE AGRICULTURAL FEDERATION LTD

United Docks Business Park - Caudan - Port Louis - Rep of Mauritius Tel.: (230) 211 09 28/212 13 60/211 92 57 Fax: (230) 211 2261

Business Registration No: F06000015 - VAT No.22000723



Ref: 2022/MCAF00158/C8/rj Date: 04 May 2022

Dear Sir,

1) Refund Transport Costs Crop 2021 (Alteo, Terra & Omnicane)

Kindly find the following information received from Mauritius Sugar Syndicate (MSS) in regards of the above subject: -

- A sum received from Alteo Milling Ltd representing the refund of extra transport costs (excess 4 miles) and payment of compensation in respect of weighbridge closures for Crop 2021 has been paid by the Mauritius Sugar Syndicate (MSS) to eligible planters on Monday 04 April 2022.
- The funds received from Terra Milling Ltd and Omnicane Milling Operations Ltd representing the refund of extra transport costs (excess 4 miles) and payment of compensation in respect of weighbridge closures for Crop 2021 has been paid by the Mauritius Sugar Syndicate (MSS) to eligible planters on Monday 02 May 2022.
- 2) Copy of letter sent to the Prime Minister, the Hon Pravind Kumar Jugnauth in connection with payment of bagasse and molasses proceeds. (enclosed)

Yours faithfully,

S.Sookrľa

General Manager

Enc.

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Date: 25 April 2022

Ref: 2022/MCAF00144/P10/rj

The Hon Pravind Kumar Jugnauth,
Prime Minister,
Minister of Defence, Home Affairs and External Communications,
Minister for Rodrigues, Outer Island and Territorial Integrity,
New Treasury Building, Intendance St,
Port Louis.

Honourable Prime Minister,

Re: Payment of sugar proceeds to planters with a production less than 60 Tons Sugar (Rs 25,000/TS)

This is to inform you that MCAF Ltd has received several letters of complaints from its affiliates, Co-operative Credit Societies (CCS) regarding the payment of guaranteed price of Rs 25,000 per ton sugar to planters as announced in the Budget 2021/2022.

The MCAF Ltd wishes to thank the Government of Mauritius for having set up the measures to address all the constraints faced by the planters with increasing cost of inputs and labour, thus increasing cost of production and decreasing their sugar proceeds (Copy of income and expenditure for small planters is annexed for ease of reference).

However, the understanding of our members are that this guaranteed price is linked solely for the sugar component and excludes the revenue derived from molasses and bagasse.

Although this issue had been flagged out for crops 2019 and 2020, unfortunately Government of Mauritius as well as the relevant Ministries have not considered it appropriate to amend this anomaly.

Once more, our members as well as MCAF Ltd is reiterating that the payment of bagasse and molasses proceeds should be paid over and above the guaranteed sugar price of Rs 25,000/ton, the more so, since the production cost has been soaring constantly during the past years and this year, the situation has become more and more difficult with the Russian/Ukraine crisis in addition to higher charges of freight and forex.

We make a plea to the Government to take an urgent measure to reconsider the above anomaly in the best interest of about 12,000 small planters so as to enable them to continue with sugarcane cultivation activities with positive benefits to the other sector of the economy. This measure will no doubt refrain planters from further abandoning their cultivation.

We hope that our humble request will meet your sympathetic considerations and we remain at your disposal for any further information.

Yours faithfully,

S.Sookha

General Manager

Enc.

Sugar Cane Sector - Small Planters

Expenses per Arpent

No	Description	Rate	Amount	Remarks
1	"Depaillage" 8/10 man days	400	3,200.00	
2	Cutting - Loading - Transport for 30 Tons	700	21,000.00	
3	"Baliers" 8/10 man days	400	3,200.00	
4	Herbicide Application (1st Application) 1.5 Drum	3,000	4,500.00	
5	Cost of fertilizer - 10 units of 25 kg	595	5,950.00	Subside
6	Manual weeding 8/10 man days	400	3,200.00	
7	Herbicide Application (2nd Application) 1.5 Drum	3,000	4,500.00	
8	Transport for Herbicide + fertilizer	500	1,500.00	(3x500)
9	Labour cost for Herbicide & Fertilizer	500	1,500.00	(3x500)
10	Recover cost from plantation expenses		7,140.00	Yearly
11	"Piqage" yearly expenses 5 man days + Transport	500	3,000.00	(5x500)+500
12	Self Expenses - PPE - Fuel cost ect 7 Man Days	500	6,000.00	(57x500)+2500
		Total	64,690.00	

Revenue: 30 Tons cane at 72% (final extraction rate) = 2.160 Tons of sugar

Receipts Year 2020 : 2.160 x 23,900 of sugar = Rs 51,624

(25,000-1,100=23,900) Premium SIFB & Cess Money

Loss = Rs 13,066