

THE SUGAR INDUSTRY EFFICIENCY (AMENDMENT) BILL
(No. IX of 2013)

Explanatory Memorandum

The main object of this Bill is to amend the Sugar Industry Efficiency Act to –

- (a) extend incentives presently applicable to VRS projects, to ERS projects;
 - (b) extend the definition of “*métayer*” to include a person who, at the commencement of this Act, has been cultivating cane on land leased from the planter for a consecutive period of 3 crop cycles;
 - (c) make better provision to prevent speculation on agricultural land by including agricultural morcellements in the definition of “agricultural land” and reviewing the minimum plot size for subdivision of land for agricultural purposes;
 - (d) review the components of expenditure for recouping costs in relation to the implementation of the VRS, the ERS and factory closure;
 - (e) provide that land has to be developed within 5 years of the issue of a Land Conversion Permit.
2. Opportunity has been taken to make other amendments to the Act.

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*Minister of Agro-Industry and
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ARRANGEMENT OF CLAUSES

Clause

- 1. Short title
- 2. Interpretation

3. Section 11 of principal Act amended
4. Section 14 of principal Act amended
5. Section 17 of principal Act amended
6. Section 25 of principal Act amended
7. Section 27 of principal Act amended
8. Section 28 of principal Act amended
9. Section 29 of principal Act amended
10. Twelfth Schedule to principal Act amended
11. Principal Act amended
12. Consequential amendment

A BILL

To amend the Sugar Industry Efficiency Act

ENACTED by the Parliament of Mauritius, as follows –

1. Short title

This Act may be cited as the Sugar Industry Efficiency (Amendment) Act 2013.

2. Interpretation

In this Act –

“principal Act” means the Sugar Industry Efficiency Act.

3. Section 11 of principal Act amended

Section 11 of the principal Act is amended –

- (a) by repealing subsections (2) and (2A);
- (b) in subsection (7), by deleting the words “subsections (2) and” and replacing them by the word “subsection”;
- (c) in subsections (8) and (11), by deleting the words “(2), (2A),”;
- (d) in subsection (9)(a), by deleting the words “(2), (2A) or”;

(e) in subsection (12), by repealing paragraphs (b) and (c).

4. Section 14 of principal Act amended

Section 14 of the principal Act is amended –

- (a) in subsections (2) and (4), by inserting, after the word “VRS”, the words “or the ERS”;
- (b) in subsection (3)(c), by deleting the words “(2), (3), (11)” and replacing them by the words “(3)”;
- (c) in subsections (5) and (6), by inserting, after the word “VRS” wherever it appears, the words “or an ERS”.

5. Section 17 of principal Act amended

Section 17 of the principal Act is amended, in subsection (4) –

- (a) by lettering the existing provision as paragraph (a);
- (b) by adding the following new paragraph –
 - (b) Where a producer fails to comply with paragraph (a), the Mauritius Cane Industry Authority may make an application on behalf of an aggrieved grower to the Judge in Chambers for an order compelling the producer to comply with paragraph (a).

6. Section 25 of principal Act amended

Section 25 of the principal Act is amended, in paragraph (b), by inserting, after the word “VRS”, the words “, the ERS”.

7. Section 27 of principal Act amended

Section 27 of the principal Act is amended –

- (a) in the definition of “agricultural land” –
 - (i) by deleting the word “or” at the end of paragraph (a);
 - (ii) by adding the word “or” at the end of paragraph (b);
 - (iii) by adding the following new paragraph –
 - (c) land subdivided for agricultural purposes under the Morcellement Act;

- (b) by deleting the definition of “expenditure” and replacing it by the following definition –

“expenditure”, effected in relation to a factory closure, a VRS or an ERS, means –

- (a) on site infrastructural costs in relation to the land being offered to employees;
- (b) cash compensation paid to employees; and
- (c) interest on loans contracted at the current lending rate, which is charged on the amount advanced and not on the total implementation costs;

8. Section 28 of principal Act amended

Section 28 of the principal Act is amended–

- (a) by repealing subsection (2);
- (b) in subsection (4A)(b) –
 - (i) by deleting the word “and” at the end of subparagraph (i);
 - (ii) by deleting the full stop at the end of subparagraph (ii) and replacing it by the words “; and”;
 - (iii) by adding the following new subparagraph –
 - (iii) subject to subsection (4AA), land which has been subdivided for agricultural purposes under the Morcellement Act.
- (c) by inserting, after subsection (4A), the following new subsection –

(4AA) For the purposes of subsection (4A), the minimum plot size for land subdivided for agricultural purposes shall be–

- (a) where the subdivision relates to a donation by an ascendant to ad descendant and the site is –
 - (i) within the settlement boundary, 10 perches;

- (ii) outside the settlement boundary, 20 perches;
- (b) in any other case, 50perches.
- (d) in subsection (4C)(b)(ii) –
 - (i) by deleting the word “and” at the end of sub subparagraph (A);
 - (ii) by deleting the full stop at the end of sub subparagraph (B) and replacing it by the words “; and” ;
 - (iii) by adding the following new sub subparagraph –
 - (C) land which has been subdivided for agricultural purposes under the Morcellement Act.
- (e) in subsection (8A)(a), by deleting the word “Committee” and replacing it by the word “committee”;
- (f) by inserting, after subsection (8A), the following new subsection –
 - (8AA) (a) The committee may direct an applicant to amend his application so that the conversion is for a mixed development use, comprising residential, commercial, leisure and social components, with a defined percentage allocated to each component.
 - (b) Where the applicant does not amend his application as directed by the committee, the application shall not be considered by the committee.

9. Section 29of principal Act amended

Section 29 of the principal Actis amended –

- (a) in subsection (1)(a) –
 - (i) in subparagraph (x), by deleting the words “, or such industrial enterprise as may be approved by the Ministerial Committee set up under section 40B(4) of the Planning and Development Act”;
 - (ii) in subparagraph (xii), by deleting the words “as may be approved by the Ministerial Committee set up under section 40B(4) of the Planning and Development Act” and replacing

them by the words “as may be approved by the relevant authorities”;

(iii) in subparagraph (xiii), by deleting the words “as may be approved by the Ministerial Committee set up under section 40B(4) of the Planning and Development Act” and replacing them by the words “as may be approved by the relevant authorities”;

(b) in subsection (1A), by deleting the words “one hectare of land for every 3.5 million rupees of expenditure referred to in this section” and replacing them by the words “such area of land for such amount of expenditure as may be prescribed”.

10. Twelfth Schedule to principal Act amended

The Twelfth Schedule to the principal Act is amended, in Part II –

(a) in paragraph 8, by inserting, after the words “applicant shall”, the words “, within a period of 5 years after having been granted authority for land conversion,”;

(b) in paragraph (9), by deleting subparagraph (a) and replacing it by the following new subparagraph –

(a) where land conversion is for the purpose of setting up a residential unit for the applicant’s personal use or that of his ascendant or descendant;

11. Principal Act amended

The principal Act is amended by deleting the words “Mauritius Sugar Authority” wherever they appear and replacing them by the words “Mauritius Cane Industry Authority”.

12. Consequential amendment

The Sugar Insurance Fund Act is amended, in section 2, by deleting the definition of “*métayer*” and replacing it by the following definition –

“*métayer*” –

(a) means a person who, by agreement with a planter, cultivates cane on land which belongs to the planter and, in consideration for the use of the land, gives the planter a portion of the annual sugar yield of such land, with or without any additional payment; and

- (b) includes any person who, at the commencement of the Sugar Industry Efficiency (Amendment) Act 2013, has been cultivating cane, on land leased from a planter, for a consecutive period of 3 crop cycles;
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