Mauritius – 25.08.2020
Joint Communique by the Ministry of Agro-Industry and Food Security & The World Bank Group

Review of the Sugar Cane Sector

The Government of Mauritius and the World Bank launch stakeholder consultations on findings of sugar cane competitiveness analysis

- An innovative and pragmatic approach selected
- Participatory consultations underway with stakeholders

The World Bank Group in partnership with the Mauritius Cane Industry Authority is currently undertaking a review of the Mauritian sugar cane sector at the request of the Government of Mauritius. After an initial phase of data collection and desktop modeling of the industry’s competitiveness along the entire value chain, participatory consultations have now been launched with sector stakeholders to discuss the initial findings and develop a joint vision for the sector. Due to travel restrictions, consultations are taking place through virtual meetings.

The Government of Mauritius has agreed to an innovative approach by the World Bank for this task. This sector review, comprising three activities, has started with a Competitiveness assessment, to be followed by a vision exercise with user-centric design tools and will conclude with the submission of a policy note with proposals for the development of the Mauritian sugar cane sector. The innovative approach is not to generate yet one more report on the sugar cane sector, but rather to build the capacity of Mauritian public institutions and other sector stakeholders to assess the options for improving the viability of the sugar cane sector and make informed public policy decisions for the future of the sector.

Hon Maneesh Gobin, Minister of Agro-Industry and Food Security states: “Government is committed to ensuring the sustainability of the sugarcane industry in Mauritius through innovative reforms. The cane industry is a cornerstone of our socio-economic landscape. Its viability and sustainability remain a matter of great importance for Government and the people of Mauritius. I am confident that the innovative partnership between Government of Mauritius and the World Bank will go a long way in ensuring that our cane industry continues to contribute to the sustainable socio-economic development of Mauritius. Just like empires and kingdoms have slowly evolved into Republics the world over, so will our affectionately-called ‘King Sugar’ evolve to new heights.”

Diego Arias, Lead Agriculture Economist at the World Bank Group, explains why this innovative approach is the right one for the sugar cane industry of Mauritius. “We understand, from the onset, that the Government of Mauritius is looking to build the capacity of public institutions and other sector stakeholders to assess the competitiveness of the sugar cane sector. Thus, we set out to build an easy-to-use model for the sector to be able to use it to look at the various industry dynamics. This will prove useful to simulate different policy or market changes in order to have constructive discussion on options for the development of the sector. The work will also use user-centric design tools to help develop a sugar cane industry vision with sector stakeholders. With this advisory service, we hope that the Government of Mauritius, together with the sector stakeholders, will be able to continue the dialogue based on a solid model to make decisions for the future of the sugar cane industry.”

Today, the sugar cane sector in Mauritius faces a series of challenges as well as opportunities, such as the liberalization of the international sugar market, the decline in the price of sugar on the world market, the rising production costs, the ageing of sugar cane plantations and the industry workforce, the changes in land use amongst other issues. The advisory services include the development of simple excel-based models to simulate different scenarios for the industry following changes in public policy or market factors.
The World Bank Group has carried out similar types of competitiveness analysis and sector vision exercises in various parts of the world. Diego Arias, Lead Agriculture Economist at the World Bank Group, concludes: “The World Bank Group hopes to support the Government of Mauritius later on broader agriculture sector competitiveness and sustainability issues.”

In Mauritius, this advisory service can serve as a trigger for a larger and deeper sector transformation, not only of the sugar industry but of the whole agricultural and energy sector.

- END -

Media enquiries
Luckraj Jhurry
Mauritius Cane Industry Authority
Email: luckraj.jhurry@mcia.mu