

**INTERNATIONAL SOCIETY OF SUGAR CANE TECHNOLOGISTS (ISSCT) CO-
PRODUCTS WORKSHOP
HOLIDAY INN HOTEL**

MONDAY 30 NOVEMBER- 09h30

Dr Suleiman José Hassuani, Chairperson of the ISSCT

Dr Jean Claude Autrey, CSK, Secretary-General of the ISSCT

Mr Vishnu Gondeea, Permanent Secretary of my Ministry

Respected researchers in co-products

Distinguished guests

Ladies and Gentlemen

I am deeply honoured and pleased to address this very august assembly this morning on the occasion of the opening of the Co-Products workshop organised by the International Society of Sugar Cane Technologists on the theme: *“Development of Co-*

Products from sugar mill streams and sugar cane biomass”

It is indeed a great privilege for Mauritius to host such an important workshop and to welcome on its soil so many eminent personalities and sugar cane technologists upon whom we are placing hope to find new ways and means for the sustainable development and prosperity of our sugar cane industry.

I understand that the ISSCT, created in 1924, has a very long history and is the oldest and largest association of sugar cane technologists with thousands of members from 64 countries around the world. The ISSCT has been holding international congresses every three years, the next one scheduled to be held in Thailand in 2016. I am advised that these congresses are always well attended as they encompass state-of-the art developments in sugar cane agriculture, technology and management.

I have also been informed that as from the mid-1980's, ISSCT has been organising specialised workshops to give the opportunity to its members to have focussed discussion on important topics related to the industry and in particular science and technology. I understand that some 65 delegates including 28 Mauritians from the various sugar cane clusters and institutions will be participating in this workshop. I would like to take this opportunity to extend a warm welcome to all participants who have travelled from far to attend this Co-Products workshop and to wish them a pleasant stay in Mauritius.

Ladies and Gentlemen

As I said earlier, we are very privileged to host this workshop. And we are also privileged to host the Secretariat of the ISSCT in Mauritius through the Mauritius Sugar Industry Research Institute. It is a matter of pride for Mauritius that the Secretary-General of the ISSCT is no other than Dr Jean Claude Autrey, a former Director of the MSIRI who, I understand, has been actively involved in the organisation of this workshop. I would like to congratulate Dr Autrey for

his personal initiative and for his overall contribution to the development of the sugar industry in Mauritius.

Ladies and Gentlemen

The opening of this workshop today strangely coincides with the opening of the COP 21 in Paris where nearly 200 countries will meet with the aim of concluding an epoch making deal on global climate. Expectations are very high, especially from small islands developing states and least developed countries for appropriate and effective solutions to be worked out to mitigate the effects of climate change.

We are also a few days ahead of the 168th meeting of the OPEC countries that could give an indication of the future of oil prices from 2017 onwards.

Ladies and Gentlemen

I was in Brussels last week in my capacity as Chairperson of the ACP Ministerial Committee on Sugar to participate in the 102nd Session of the ACP Council of Ministers. I must say that the ACP Sugar Producing Countries are in a depressive mood and continue to be haunted by the demise of the current EU Sugar Regime programmed for 30th September 2017. It is a fact that despite all the efforts being made to reform our sugar industry in the wake of the major development to come, ACP Sugar Producing Countries have to face a competitiveness gap in an open market when all constraints on the sale of EU domestic beet sugar and isoglucose will be abolished.

In a completely liberalised EU market, ACP Sugar Producers will have to compete with some large low-cost exporters and an increasing number of countries benefitting from the new Free Trade Area agreements being negotiated by the EU. ACP suppliers will, no doubt, stand to lose both in terms of export volumes and price which will be significantly lower and more volatile.

I had a meeting, along with members of ACP Sugar Group, with the Directorate General on Agriculture of the European Commission when the apprehensions and difficulties of the Sugar Producing Countries were shared. These, in particular, include the possible application of special safeguard clause by the EU in regard to sugar exported by the ACP, the in-house study on the impact of the EU market Post-2017 and phase II of the ACP Research Programme. The EU has taken note of the issues raised and has promised to revert back to the ACP in due course.

Ladies and Gentlemen

I have been advised that the sugar cane plant, of all cultivated plants, is the most efficient and effective solar energy convertor and it is fitting that we are all meeting here to see how to further enhance the contribution of this wonder plant in avoiding the emission of additional carbon dioxide known to contribute to the enhanced greenhouse effect.

I am also informed that energy produced from biomass does not emit sulphur dioxide, a substance considered by the US Environment Protection Agency, as being a major contributor to the development of asthma and broncho-constriction.

I have quickly glanced at the work programme of this workshop and I must confess that some topics are really mind blowing. I am referring here to a few, namely, the gasification of biomass, the cellulosic ethanol production and the collection and usage of trash.

We are fully aware that we need to be competitive in this globalised world and we are, thus, compelled to follow all developments and to be as flexible as possible not only in the technological sector but also in our efforts to best optimise the marketing and supply of our products. In this context, we shall follow, with the greatest attention, the submission on the projected future of the Australian sugar industry and the diversification of the beet factories.

Ladies and Gentlemen

The sugar industry remains an important pillar of our economy and its reach goes well beyond agriculture. Indeed, sugar cane is a major preserver and protector of the environment, without which our pristine lagoons would have muddied and would have been destroyed since long; it is a major contributor in electricity production with bagasse producing around 15 % thereof and last but not least the sugar industry underpins the rural socio-economic fabric.

In view of its multi-functional role, the sugar industry is always under the scrutiny of Government which spares no efforts to ensure its viability and sustainability. As you are aware, the sugar industry is going through very tough times with the sugar price fetched by producers amounting to a paltry Rs 12 700 per ton of sugar compared to a viability price of Rs 16 000 per ton.

The Government, on the basis of Actuarial recommendations, authorised the payment of special compensation to all producers by the Sugar Insurance Fund for crop 2014. Similar measures are being envisaged for the 2015 crop, with the price estimated at Rs 13 200 per ton.

This major price depression has prompted the Government to commission a study on the impact of this price reduction on the viability of the sugar industry and to propose measures to mitigate this impact and ensure the sustainability of the industry. The study was conducted by international firms which are world authorities in the domains of cost of production and environment matters in collaboration with a local firm.

The Report of the Consultants has been received and examined by an Implementation Committee set up by Government. We are now ready with the measures on the way forward to restore the viability of the sugar industry and enable it to continue fulfilling its multifunctional role and continue its function as a public good.

Ladies and Gentlemen

This Report places significant emphasis on co-products. Allow me to brief you thereon so that you can better understand the Mauritian perspective and prospective.

The Report starts by stating that the sugar cane plant is a formidable asset in a world that aims to have the least possible carbon footprint.

The underlying philosophy entitled “*Transiting to a low carbon economy*” is coupled with a certain number of targets to be attained in 2025, i.e ten years from now. The targets set now are to be reviewed in 2018, to catch up with, and adapt to, technological and economic developments. This is where we shall follow, with the greatest attention, the proceedings of the workshop and its practical recommendations.

Our targets for 2025 are follows:

- Percentage of renewable energy in electricity production to be increased from 19% now to 35% in 2025;
- Bagasse percentage in electricity to remain at 15% now and in 2025;
- Bagasse electricity to move from 350 gigawatt hours to 540 gigawatt hours;
- Contribution of other biomass : from nil to 260 gigawatt hours;
- Total contribution of biomass: 350 to 800 gigawatt hours;
- Ethanol in blend with gasoline from nil to 10%.

The attainment of these targets requires major policy decisions which will be taken as soon as possible and would emulate the 1991 Bagasse Energy Development Programme, then spearheaded by our Prime Minister. This programme, it has to be recalled, has allowed the country to:

- increase the production of electricity from bagasse from some 60 gigawatt hours to some 350 gigawatt hours now;
- said otherwise, move from 10 kilowatt hours exported to the grid per tonne of cane handled to nearly 90 kilowatt hours now.

Our measures would encompass the following:

1. incentives impacting on the viability for cane production
2. a pricing system that fosters the optimal saving of energy in sugar factories
3. higher conversion efficiencies and
4. the large scale use of numerous forms of biomass like trash and higher fibre canes as well as other biomass such as but not limited to eucalyptus and giant acacia.

Such policy objectives are possible as the industrial set up exists and more importantly, there is an entrepreneurial culture for the production of electricity on a firm continuous basis as per the stringent requirements of the utility company.

Biomass electricity, on account of its characteristics and in particular the fact that it is firm and continuous and not intermittent, is of critical importance in an island that has no interconnect facilities with a mainland.

Along with Brazil, Mauritius was one of the pioneers in the utilisation of fuel ethanol. Allow me to go down memory lane and share with you the fact that from 1943 to 1945 nearly 70% of the fuel used by vehicles was ethanol produced locally.

We tried this experiment again in 1980 during the first Gulf crisis, but to no avail. We are now in a better position; we have the splendid and efficient installations of Omnicane at La Baraque, which I understand you are going to visit in the context of the workshop, with the production of high quality ethanol.

My Ministry, in consultation with other relevant ministries, is working out a plan for the mandatory blending of ethanol with gasoline and we would come out with the modalities once the approval of Government is obtained.

The plan for the sugar sector for the period 2015 to 2024 will be released shortly and we expect that it will enable the sugar industry to be viable in the long term and be a dual provider of, on

the one hand, quality food products and on the other hand, clean and environment friendly energy from a wide spectrum of biomass sources.

Ladies and Gentlemen

I am confident that we shall succeed if we diversify our products, if we are bold and move out of the box. Most importantly, we have to fully understand and reckon with a highly competitive globalised world.

The sugar cane industry can no longer afford to produce only sugar if it is to survive in this highly competitive world market. We need and should strive to develop and market new co-products to render the industry competitive and profitable, in the best interest of all relevant stakeholders. This is the reason why we are placing high hopes on the research works being undertaken by the ISSCT and on the deliberations of this workshop.

Ladies and Gentlemen

I would like to conclude on this optimistic note and would once again wish to thank the ISSCT for choosing Mauritius to host the Co-Products workshop. I also extend my best wishes to the participants for fruitful deliberations and a successful workshop.

I have now the pleasure to declare the ISSCT Co-Products workshop officially open.

I thank you for your kind attention.

