

**Amended Terms of Reference of Joint Technical Committee on Sugar 2017-2022****1. Whereas:**

- a) The MSS/MCA wrote a letter (28.07.2017) to the authorities regarding immediate, short and medium measures destined to put the sugar industry, and all its components, on a sound footing for its long-term sustainability;
- b) Government immediately established a Joint Public/Private sector Committee to consider the matter;
- c) The Committee made recommendations to Government which has already acted thereupon, namely: the SIFB assistance and waiving of Cess contribution for Crop 2017, increase in tariff on sugar not destined for refining; and last ones in finalization process, such as the reduction of storage costs through a direct control of the BSSD operation by the MSS, forex matters and CHC rates for import and export of sugar;

**2. It is the intent of Government to continue work of the Joint Technical Committee (JTC) for major and fundamental reforms as well as medium term measures. The following issues need to be examined and acted upon in order to assess the regulatory framework that (i) impedes the industry from achieving the necessary efficiency gains that would ensure its economic survival in the new international commercial context and (ii) constrains the sugar industry from being on a level playing field with other export oriented industries such as textiles and clothing and fisheries and (iii) propose corrective measures to integrate the sugar industry in the global economy:**

- a) Revisit labour laws issues:
  - i. Current labour laws, with a double compensation mechanism and stringent rules regarding lay off in conditions of economic duress, have negated all the benefits of the 2007 to 2010 reforms and still have the potential to negate any future policy measure;
  - ii. Remove all restrictions regarding employment of seasonal labour;
  - iii. Increase labour productivity by promoting more work flexibility (e.g. work on Sundays during the crop season);
  - iv. Define the charter and framework for the employment of foreign workers
- b) The future of the SIFB need to be charted;
- c) Cess institutions, in essence, and funding need to be overhauled;
- d) There is need to fully explore the viability price issue including all revenue streams attached;
- e) Optimize Biomass usage:
  - i. Proposals have already been made for the price of cane trash generated in kWh;