

Agri-food



EDITION 2015 - 2016



invest in
REUNION



This document is cofinanced by European Union.
Europe is committed in Reunion Island through the ERDF - European Regional Development Fund



5

good reasons to choose Reunion Island

1

EUROPE IN THE HEART OF THE INDIAN OCEAN

- # The only French and European region in the southern hemisphere (Outermost Region)
- # An ideal position for the development of your business towards Asia, the Middle East, Africa and Europe
- # A domestic market of more than **845,000 habitants** ► 1 million inhabitants forecast for 2030
- # The wealthiest region in the Indian Ocean ► GDP / inhabitant: €20,250 (2014)

3

EXTREMELY ATTRACTIVE INVESTMENT CONDITIONS

Investing in Reunion means benefitting not only from the funding schemes aimed at supporting economic activity in Europe and France, but also a range of specific regional measures.

Up to 3 million euros in investment grants!

5

A REGION OF EXCELLENCE IN TERMS OF TRAINING...

- # A European university 12,000 students every year, and 140 different qualifications
- # Engineering courses Technology, agri-food, construction, sustainable development, digital, etc.
- # Specialized training structures Management, arts, hospitality, catering, image, etc.
- # A full network of learning centres Electronic, construction, automobile, etc.
- # A young and dynamic population, with 40 % under 25 years old

2

QUALITY INFRASTRUCTURES AND EXCELLENT CONNECTIONS WITH THE REST OF THE WORLD

The island has a modern and efficient infrastructure at the European level, leading the area in terms of facilities:

- # An efficient road network: more than 1,200 km of national highways and departmental roads
- # 2 international airports providing the island with constant gateways to the rest of the world (*1.5 million passengers in 2012*)
- # An international deepwater port ► 4th largest of all French ports (*by volume of containers handled*)
- # Broadband coverage across the territory: réseau 3G + network, international connections by submarine cables

4

A STABLE, SECURE AND MODERN BUSINESS ENVIRONMENT

- # Application of French and European standards at every level
- # Political and legal stability: French legal institutions
- # Modern health infrastructure with the most efficient public equipment in the zone
- # Guarantee of monetary stability: as part of the Eurozone

.... AND RESEARCH

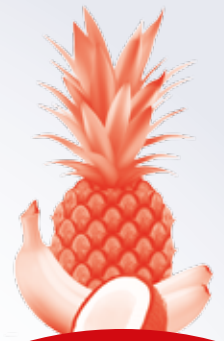
An exceptional capacity for research and innovation specific to a tropical island environment : renewable energies, environmental technologies, digital, health, etc.

- # 40 public and private research laboratories
- # The only competitive cluster of the French overseas departments, Qualitropic: innovation and natural tropical resources
- # One the 10 French cyclotrons, CYROI: biomedical technology platform
- # A base for satellite remote sensing
- # An atmosphere observation station

Setting up in Reunion also means taking advantage of an outstanding living environment, in a World Heritage site recognized by UNESCO.

A pleasant tropical climate, one of the few active volcanoes in the world, unique protected landscapes in the heart of one of the 11 French national parks, and a warm and welcoming population whose ethnic diversity is also their strength...

A territory of excellence within the tropics

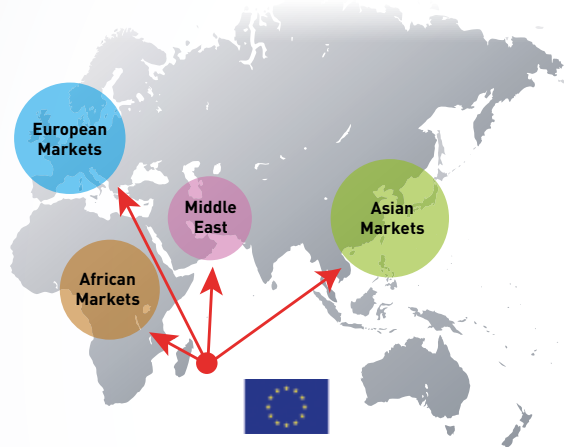


KEY FIGURES ABOUT AGRI-FOOD INDUSTRY

- # Leading product in export value, at €174.2M (2014)
- # Local food production covers 75% of local consumption of fresh produce
- # 117 food supermarkets with an average density of 193 m² per 1,000 inhabitants (2012)

A STRATEGIC POSITION COMPARED TO OTHER MARKETS ACROSS THE INDIAN OCEAN ZONE

In addition to comprehensive compliance with European standards and regulations (hygiene, quality, safety and traceability), set in a tropical environment rich in natural resources, Reunion also has an ideal geographical location.



QUALIREG, Indian Ocean agri-food network

QUALIREG is a technical and scientific network bringing together different organizations from Reunion, Madagascar, Comoros, Mauritius and the Seychelles. It works to improve the quality of farming and Agri-food production in the Indian Ocean zone

INTERNATIONAL GATEWAYS RESPECTING EUROPEAN STANDARDS

Roland Garros International Airport:

- # Freight terminal with processing capacity of up to 40,000 tones / year
- # 8,000 m² of shops and warehouses
- # More than 5,200 m² of offices

Port of Reunion Island: Regional hub

- # Excellent vantage point for the distribution of goods across the entire Indian Ocean
- # Storage Area: 45 hectares including 1.4 hectares of refrigerated warehouses

Located in a tropical zone, Reunion Island has strengthened its expertise over the years, specifically in growing sugar cane and producing different sugars and cane alcohols.

As one of the world's 34 biodiversity hotspots, Reunion offers the modernity and innovation necessary to address the challenges of the future by constantly improving expertise and encouraging businesses to open up towards new sectorial or geographical horizons.

→ **1st**
Reunion's leading
industrial sector

→ **+ 54** companies
of + than 20 employees

→ **+ 3 200**
jobs

Insee - ESANE / SSP / DAAF Réunion en 2012 (entreprises de 20 salariés et plus, hors artisanat commercial)

A HIVE OF ACTIVITY FOR RESEARCH AND INNOVATION

Different Reunionese research companies which have modern infrastructures and high-level expertise, work directly in the field of natural resources:

- # Overseas France's only business cluster: Qualitropic "innovation and natural resources in the tropics"
- # 1 technological resource center for agri-food
- # 2 technological resource center in aquaculture and marine biology
- # Laboratories and technical platforms devoted to agri-food or valorization of natural resources
- # Europe's only research center for sugar cane: eRcane

The agri-food industry in Reunion is more innovative than in mainland France (51% compared to 48 %)

(Source: Insee*, CIS 2010 innovation survey / Field: companies of between 10 and 250 employees)

QUALIFIED HUMAN RESOURCES

The island provides comprehensive and quality training programs of a European standard and adapted to businesses: around ten courses on offer on the island are specific to the agri-food industry, from CAP (vocational diplomas) to engineering level

Specialized training courses in Reunion:

- # Professional Baccalaureate specialized in bio-processing industries
- # BTS (Technician Certificate) studying quality in food industry and bio-industries
- # DUT (Technology Degree) studying bioengineering with agri-food and biological
- # Professional Degree Course in the agri-food and biology sector specializing in quality, health & safety and the environment
- # Engineering Degree specialized in agri-food

Unique local produce and renowned expertise

The food industry in Reunion covers many sectors: dairy produce, beverages, industrial bakeries, canned food, cured meats, prepared meals, tobacco, animal feed, etc. Modern, diversified and well-structured, the industry has a great potential "to niche" productions with high added value, all of superior quality and some unmatched worldwide.

The Victoria Pineapple

This small Reunionese pineapple (The Red Label quality certification) is harvested almost all year round, and has a truly unique flavor and aroma - it is considered one of the best pineapples in the world

Essential Oil from bourbon geranium

It has unique and internationally recognized properties, and is notably used by a Canadian company to produce a treatment for diabetics.

Rum and other alcohols from Reunion

Reunionese expertise is well established in this field. Various existing product ranges have won many national and international awards on several occasions.

Reunion's 'Bourbon' vanilla

History has it that a man from Reunion was the very first to develop the vanilla fertilization process used around the world today. Its intense flavor is incomparable.

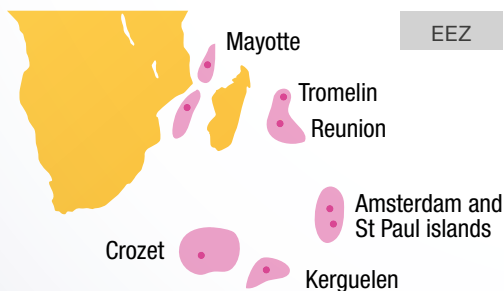
Medicinal and aromatic plants (MAP)

Reunion has 835 indigenous plant species of Indian Ocean area, of which 234 are strictly endemic to Reunion. It is home to 200 medicinal plants and many aromatic plants. These medicinal and aromatic plant resources are full of many opportunities: medicine, herbal teas, cosmetics, food, phytosanitary and veterinary products, and perfumes.

AN OCEAN OF RESOURCES

The Reunionese fishing industry operates in an environment which is rich in resources.

A rich fishing zone in the heart of the Indian Ocean: an Exclusive Economic Zone (EEZ) covering 2.8 million km²



2nd source of export revenue, representing 49,7 M€ in 2014: its growth potential is considerable

Large scale industrial fishing takes place offshore towards the subantarctic waters of Kerguelen and Crozet where choice specimens such as toothfish, lobsters, rays and grenadiers are fished

Almost all of the production is sold for export, mainly to Asia, after processing in our ultramodern local packaging plants

(Sources: Insee* / IEDOM**)

The Red Label Lychee

This beautiful red fruit is harvested when fully ripe, and is especially plump and tasty. Its pulp is perfectly sweet and aromatic, making it really stand out, the best than other lychees around the world.

The creation of new sugar cane varieties

It takes 15 years to develop a new variety of sugar cane. With its different microclimates, Reunion has been able to experiment and create varieties specifically adapted to the producing regions climatic conditions. These 'Reunionese' sugar cane varieties are sold in sugar-producing countries.

Bourbon Pointu Coffee

This unique coffee was brought into Reunion at the end of the eighteenth century, and has been awarded the sought-after "Premium Coffee" label by the Japanese Association of specialty coffees, only assigned to flawless products with a marked flavor.

Specialty sugars

Reunion has recognized and sought-after expertise in the area of specialty blond and brown cane sugar, refined in specific manners.

A unique gastronomy

An unparalleled cuisine with African, Asian, and European roots, which is starting to take on certain niche export markets (Asia, Middle East).

Your contacts in Reunion Island

Investing in agri-food in Reunion means benefitting from extra support offered by the Regional Council of Reunion to this priority area, through the implementation of specific support schemes including the diversification of agricultural production, the creation or development of new tourism and educational products, the development of agro-industrial tools, etc.

www.regionreunion.com

Its role is to support R & D projects aimed at developing products and processes that respect the environment based on natural tropical resources in the sectors of agri-food, biotechnology and health.

www.qualitropic.fr

attractive FUNDING SCHEMES

LODEOM⁽¹⁾

up to **100%**
exemption

- Employer's social contributions (2)
- Corporate income taxes
- Contributions on company property
- Taxes and duties in ZRUs (3) & ZFUs (4)

TAX EXEMPTION for productive investment programs from **50%** tax reduction depending on the type of investment (5)

Rate of **8,5%**

compared to **20%**
in continental France

Application of uncollected recoverable VAT (6)

An advantageous
VAT
regime

up to **60%** of aids for freight between Reunion and the EU

up to **50%** of aids for the development and strengthening of industrial sectors

REGIONAL EMPLOYMENT BONUS (PRE)

up to **€15,000** per new job created

up to **€500,000** per project

Regional
GRANTS

specific
Aids

AGRI-FOOD

Agri-food is one of the priority areas identified for accompaniment by the Regional Council of Reunion. Companies in this sector can benefit from attractive support measures through this scheme.

Investment assistance for companies creation

Aid for company creation, in industrial and crafts sectors

up to **50%** of eligible costs

Setting up or modernizing units for livestock production

Investment:

Overheads:

up to **70%** of eligible costs
75% capped at 5,000 €

Mechanization and equipment for farming practices

Investment:

Overheads:

up to **75%** of eligible costs
75% capped at 5,000 €

Agri food tools

up to **50%** of eligible costs

Investment for the modernization of vessels

(for professional fisheries)

up to **50%** of eligible costs

Productive investment for aquaculture

up to **50%** of eligible costs

Processing and marketing of fishery and aquaculture products

Aid for investment and purchase of materials and equipment for processing and product packaging

up to **50%** of eligible costs

(1) Law for economic development of the French overseas

(2) 100% exemption of up to 1.6 times the SMIC (minimum wage) with gradual degressivity if less than 4.5 times the SMIC

(3) Urban Renewal Zones (4) Urban Tax-Free Zones

(5) 50% exemption on the amount of new productive investments / 70% for the renovation and rehabilitation of classified hotels, tourist residences and holiday villages / 60% for investment in the production of renewable energies

(6) Special system allowing businesses to recuperate the VAT on certain inputs exempted from the VAT

NEXA Regional Agency for Development, Investment and Innovation

VISION

As an accelerator of projects in Reunion Island, NEXA's role is to support the island's economic development and increase its attractiveness.

NEXA's work aims to strengthen the Reunionese economy's competitiveness and sustainability across key strategic sectors which are part of regional strategy:



Agri-food



Digital



Renewable Energy
& Environment



Tourism

INTERCONNECTED PROFESSIONS

To carry out its missions, NEXA relies on interconnected professions focused on prospective, promotion of networks, business monitoring, project engineering, implementation of promotional campaigns, and contribution to the structuring of new sectors.



Reunion Island, your future !

You have a project? Contact us...

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