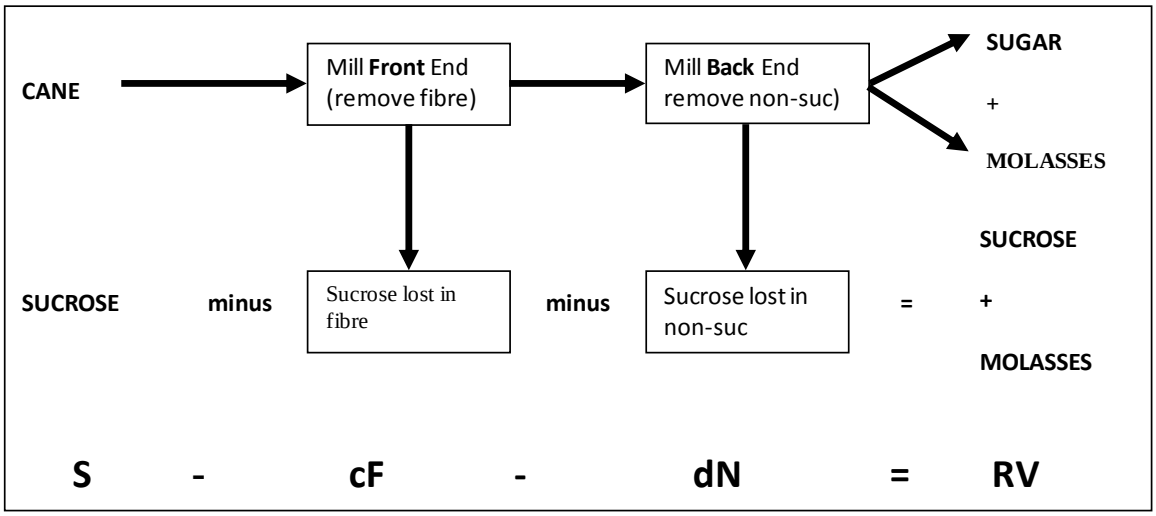
THE RV CANE PAYMENT SYSTEM

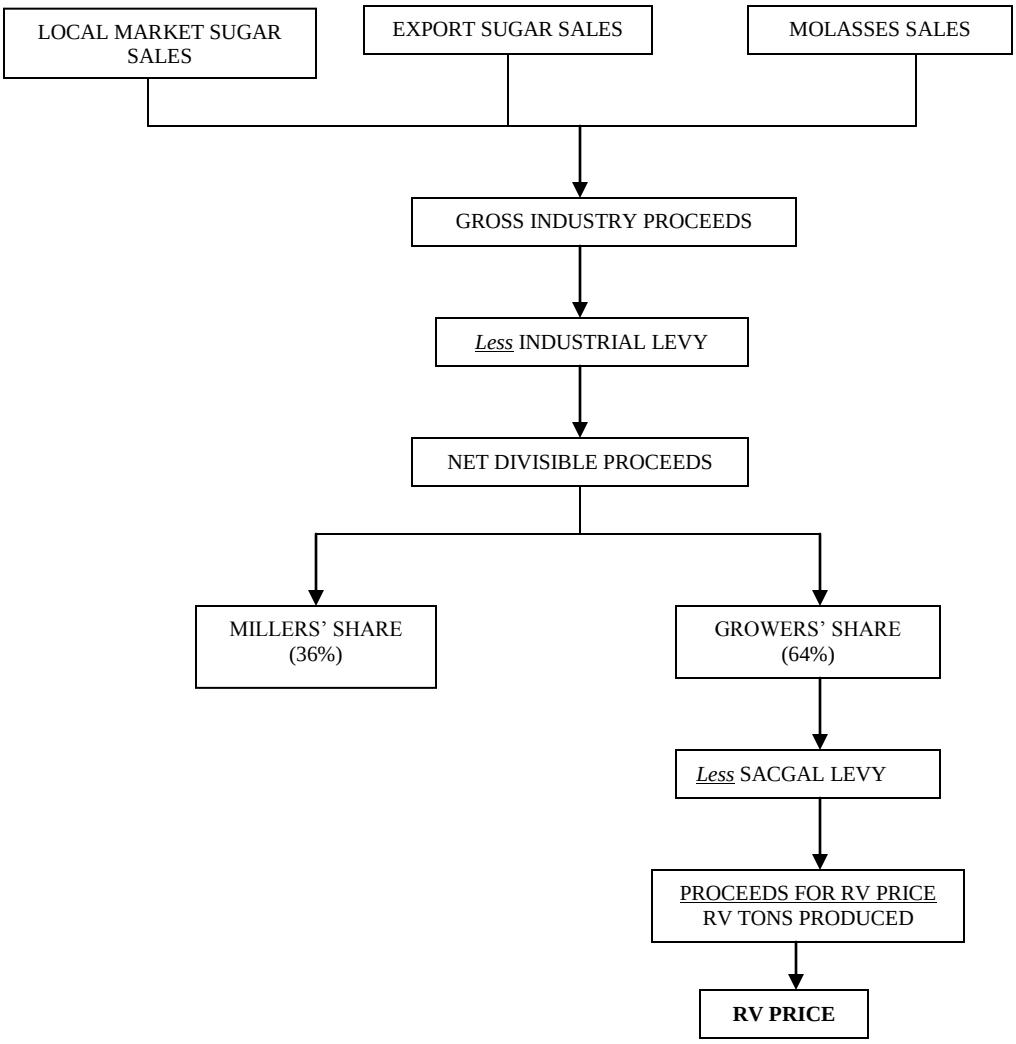
At the start of the 2000/01 season, the Recoverable Value (RV) payment system replaced the sucrose payment system. The RV system recognises the effects of Sucrose % cane, Non-sucrose % cane and Fibre % cane on sugar production. The effects of these factors on sugar production in the factory are illustrated in the following diagram.



The RV formula is more commonly represented in the format below and the different coefficients explained.

$$RV\% = S - dN - cF$$

Where

	S	=	Sucrose % cane delivered
	N	=	Non-sucrose % cane delivered
	F	=	Fibre % cane delivered
And	d	=	The relative value of sucrose lost from sugar production per unit of Non-sucrose taking into account the value of molasses recovered per unit of non-sucrose.
	c	=	The loss of sucrose from sugar production per unit of Fibre.

CALCULATION OF THE RV PRICE