

(11.49 a.m.)

Madam Speaker: Hon. Members, I wish to apologise for the delay in starting the business of the day due to an administrative and technical problem. Hon. Leader of the Opposition!

ORAL ANSWER TO QUESTION

MINISTER OF TECHNOLOGY, MINISTER OF FINANCIAL SERVICES, ATTORNEY GENERAL/Mr D. G. & DUFRY LTD REPRESENTATIVES - MEETING

The Leader of the Opposition (Mr P. Bérenger) (*by Private Notice*) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the discussions allegedly having taken place recently between, on the one hand, the hon. Minister of Technology, Communication and Innovation, the hon. Minister of Financial Services, Good Governance and Institutional Reforms and the hon. the Attorney General and Mr D. G., and the representatives of Dufry Ltd., the overseas supplier of Mauritius Duty Free Paradise Ltd., on the other hand, he will state if he has confirmed with the said Ministers whether same have indeed taken place and, if so, indicate –

- (a) the content of the discussions;
- (b) the involvement, if any, of Mr D. G. in the said discussions, and
- (c) if the two representatives of Dufry Ltd. have been prevented from leaving Mauritius.

The Prime Minister: Madam Speaker, as the hon. Leader of the Opposition is aware, this Government has been elected with a clear mandate to investigate into malpractices and irregularities with regard to all major Government contracts which have been entered into by the previous regime.

In fact, the hon. Leader of the Opposition, himself, has pledged to the Nation that he would clean such “*pourriture*”, and to clean such “*pourriture*” and to give him a helping hand, he got me out of Réduit.

The people of Mauritius has witnessed that this Government has already unveiled serious malpractices and irregularities in many quarters, including major Government contracts like the one with Betamax, Neo Town, Jin Fei and Terre Rouge-Verdun.

A new Ministry of Financial Services, Good Governance and Institutional Reforms has been set up, and accountability and adherence to the principles of good governance are clearly high on the agenda of this Government.

The newly created Ministry has been looking into processes and procedures in the awarding and performance of major contracts.

As the hon. Leader of the Opposition is also aware, a lot has been said about the Mauritius Duty Free Paradise Ltd. The House will recall incriminating statements made in relation to procurement contracts for goods and services.

The second Member of Moka-Quartier Militaire, Hon. P. Jugnauth, had reported the matter to the Police in January 2013, but nothing had been done under the previous regime. This Government will certainly not turn a blind eye to such malpractices.

Currently, the Mauritius Duty Free Paradise Ltd falls under the aegis of the Prime Minister’s Office. This was not always the case, as the former Prime Minister decided to remove the Mauritius Duty Free Paradise Ltd from the portfolio of Ministry of Finance and Economic Development and brought it under his aegis.

My Office, in collaboration with the Ministry of Financial Services, Good Governance and Institutional Reforms, started a thorough review of the activities of the MDFP and two major contracts which have been signed with a

foreign supplier, Dufry A. G., namely one exclusive supply contract for goods to be sold at the shops of Mauritius Duty Free Paradise Ltd in Mauritius and Rodrigues and a Management Service Agreement also for more than one billion rupees.

It is also worth mentioning that the Management Services Agreement provides that the CEO of MDFP is a representative of Dufry A. G.

The Office of the Attorney General also collaborated in the review being conducted.

I was personally being kept informed of all the developments relating to the ongoing review, including meetings and discussions which were being held with relevant stakeholders, and their outcomes.

With regard to part (a) of the question, I am informed that, at one stage during the review, several documents were provided by Mr D. Gooljaury with regard to another contract which had been signed between the supplier Dufry A. G. and a company called Frydu which had been incorporated in Switzerland.

Mr D. Gooljaury had provided several emails exchanged between the top management of Dufry A. G. in Switzerland, Mrs Nandane Soornack, Mr Laurent Obadia, a lawyer in Switzerland called Alexander Schwartz and himself relating to negotiations of the setting up of a structure for the payment of commissions through the creation of an agency sales agreement.

A share purchase agreement was also provided, which showed that the shareholders of (**Frydu**) Dufry A. G. were Mrs Nandane Soornack and D. Gooljaury had transferred shares to a company called Wigam Holdings Ltd set up in Nicosia, Cyprus.

A meeting was scheduled at the Prime Minister's Office on Monday 16 February 2015 at 15 hours in the office of Secretary for Home Affairs, at which a senior member of Dufry A. G. top management from Switzerland and the local CEO, Mr Simo Carevic, had been convened. However, the senior member

of top management did not turn up and instead delegated a junior member from his team, who was dispatched from Tunisia, Africa.

At that meeting, several questions were put to them, for which they could not provide any explanation.

Later, on the same day, the two representatives of Dufry A. G., who were apparently having dinner with Mr D. Gooljaury, asked for a meeting that same evening, as Mr Galet was flying out the next day. Accordingly, a meeting was held at the Attorney General's residence where his colleagues and himself were present, and the two representatives agreed to meet at the Attorney General's residence.

The discussions revolved around full and frank disclosure of all documents from Dufry A. G. to the Government of Mauritius regarding the agency sales agreement which had been signed by Frydu and the transfers of shares to Wigam Holdings Ltd.

With regard to part (b) of the question, Mr D. Gooljaury had provided documents relating to transactions which had taken place prior to 2013, when he was apparently kicked out of the structure when part of the ownership was transferred to Wigam Holdings Ltd.

Mr D. Gooljaury asked the representatives of Dufry A. G. to provide to the Government of Mauritius all other documents from October 2013 to date. Both representatives of Dufry A. G. could not provide same, and had to contact several representatives of their higher management to obtain relevant information regarding the structure of Dufry A. G., Frydu and Wigam Holdings Ltd post October 2013.

With regard to part (c) of the question, as no information or email were available for potential suspected offence that have been committed, the representatives of the Dufry A.G. were informed that the authorities had to be informed of the matter, which was done.

I am informed by the Commissioner of Police that on Tuesday 17 February 2015, an objection to departure was lodged to prevent the two representatives from Dufry A.G. from leaving Mauritius. Subsequently, Senior Management of Dufry Ltd in Switzerland provided to Government a number of documents evidencing the following -

- (1) with regard to the contract between the Mauritius Duty Free Paradise (MDFP) and its supplier, Dufry Travel Retail AG, it has come to light that substantial commissions have been paid by Dufry in Switzerland to a company called Frydu, which has been set up in Switzerland as recipient of commissions of 4.2% of net sales of MDFP.
- (2) Frydu was initially 50% owned by Nandanee Soornack and D. Gooljaury, each. A Swiss Bank a/c with VP Bank (Schweiz) AG in Zurich was opened for Frydu to receive commissions on the supply contract with MDFP as follows -

- On 24 October 2012, EUR 431,000.
- On 02 May 2013, EUR 211,351.
- On 21 October 2013, EUR 464,179.

At that stage, commissions paid on the MDFP supply contract amounts to EUR 1,106,530.

Madam Speaker, on 12 October 2013, Nandanee Soornack and D. Gooljaury, then transferred their shareholding in Frydu to a company incorporated in Cyprus called Wigam Holding Ltd, which was apparently controlled and managed by an Irish national, resident in the UK.

A Share Purchase Agreement dated 12 October 2013 was signed by Nandanee Soornack and D. Gooljaury to change the ownership structure of Frydu apparently to accommodate one Laurent Obadia and Wigam Holdings

Ltd. Nevertheless, Frydu continued to receive commissions from Dufry Travel Retail AG in the Swiss bank account during the year 2014, as follows -

- On 06 February 2014, an amount of EUR 389,558 was paid to VP Bank in Zurich, but then Frydu's bank account was changed to another bank in Geneva, called *Union Bancaire Privée*, UBP SA, Rue du Rhone, Geneva, and
- On 16 July 2014, commissions of EUR 337,134 were received in the new bank account.

Madam Speaker, on 16 January 2015, a further amount of EUR 296,466 representing 4.2% of net sales of Mauritius Duty Free Paradise Ltd was paid to Frydu.

In total, Madam Speaker, Dufry has to date paid commissions of EUR 2,129,688 to Frydu on the supply contract only with Mauritius Duty Free Paradise Ltd.

Madam Speaker, the Government will have no stone unturned to clean up the country.

Mr Bérenger: Madam Speaker, is the hon. Prime Minister seriously telling us that it was proper for three Ministers in the middle of the night and until 2.00 a.m. to respond to a request from Mr Gooljaury for him to bring these two gentlemen to the Attorney General's residence in Quatre Bornes, whereas Mr Gooljaury should himself have been arrested, as we all know, in the Roches Noires bungalow case. Is the hon. Prime Minister telling us that this was proper?

The Prime Minister: Well, since at least one was to leave or both were leaving, and since the three Ministers were having a dinner at the place of the Attorney General and they wanted to have all relevant documents, I do not consider it improper. I think they were fully justified to do what they have done.

(Interruptions)

Mr Bérenger: Madam Speaker,...

(Interruptions)

Madam Speaker: Order, please! Order, please! Please, allow the hon. Leader of the Opposition to ask his question. Hon. Jhugroo, please!

(Interruptions)

Mr Bérenger: *Zot pé faire expré pou pas pose question!* The Prime Minister...

(Interruptions)

Who said that? Madam Speaker, did you hear?

Madam Speaker: I did. Hon. Jhugroo, could you, please, withdraw what you just said. The mot '*volere*' is unparliamentary.

(Interruptions)

Hon. Jhugroo, I am asking you to withdraw the word!

Mr Bérenger: Or if it was somebody else, he should be, at least, decent...

Mr Hurreeram: I withdraw!

Mr Bérenger: *Mais ratt target, pas mo la faute!*

(Interruptions)

So, it is confirmed that the three Ministers were there, that these two gentlemen came, proudly escorted by Mr Gooljaury. This is confirmed. Can the hon. Prime Minister tell me how, therefore, yesterday - *en direct à la télévision* - the hon. Minister for Good Governance said he was not present, because he was not in Mauritius, he was with the Queen in London?

(Interruptions)

He said that! It is recorded. It is on ION News. Shame!

(Interruptions)

Madam Speaker: No cross-talking, please!

Mr Bérenger: If they want, go to ION News! Last night, we heard him replying to that effect.

(Interruptions)

The Prime Minister: I did hear him, but there must have been some confusion about the date on which they met, because it is a fact that the hon. Member was absent for some time from the country.

Mr Bérenger: Madam Speaker, he said that he was not in Mauritius when the dinner took place on 16 February. Can I, therefore, ask the hon. Prime Minister whether he can tell us on what dates the hon. Minister was out of Mauritius and back?

The Prime Minister: He was absent from 21 February to 07 March.

Mr Bérenger: The dinner took place on 16.

(Interruptions)

The Prime Minister: 03 March !

(Interruptions)

Mr Bérenger: Therefore, it is established...

The Prime Minister: Sorry, I also understand that hon. Minister Bhadain never said what is being alleged.

Mr Bérenger: It is easy to obtain a recording from ION News last night. Easy! And, therefore, it is established that the Minister was in Mauritius, was at that dinner.

The Prime Minister: Well, that I have already said, they were present, they were there and for what purpose.

(Interruptions)

What are we arguing about, Madam Speaker?

(Interruptions)

Mr Bérenger: I invite the hon. Prime Minister to have his services, and if required, that we, Members, should hear the hon. Minister saying that last night.

(Interruptions)

Of course, they were there, including ION News, Madam Speaker! Is the hon. Prime Minister aware that on 26 February these two representatives sworn an affidavit before the Supreme Court here in Mauritius, damning, according to them? Has the hon. Prime Minister attempted to obtain a copy of that affidavit?

The Prime Minister: No, I have not got anything of that sort. I have read on the papers that they have sworn affidavits, but how much can you rely on their affidavits?

(Interruptions)

Mr Bérenger: Shut up!

The information is also, Madam Speaker...

(Interruptions)

... that the whole thing was recorded; the whole dinner, the whole conversation was recorded and it is being held by the firm concerned. Can I ask the hon. Prime Minister – since we are talking about good governance - whether he will request both a copy of the affidavit and from the company concerned, a copy of the recorded conversations during the whole evening?

(Interruptions)

The Prime Minister: I will be pleased to have them. I hope people concerned will send them to me.

Mr Bérenger: It was published in the press that this dinner took place and so on, very serious innuendoes, can I know whether the Police took statements from Mr Gooljaury, the three Ministers concerned, and the paper that published that, the ‘Weekend’ of 01 March 2015?

The Prime Minister: I cannot answer that because I have not got the information.

Mr Bérenger: Can we know whether the Police has impounded phones because, according to my information, Mr Gooljaury phoned the Ministers before bringing the two gentlemen in? Has the Police impounded the phones of, especially Mr Gooljaury, but of the Ministers also?

(Interruptions)

The Prime Minister: I am not aware of this.

Mr Bérenger: Is the hon. Prime Minister aware that during those conversations as per the affidavit, it was offered....

(Interruptions)

Madam Speaker, can I proceed?

(Interruptions)

Madam Speaker: Hon. Bhadain, please don't interrupt!

Mr Bérenger: So, Madam Speaker, will the hon. Prime Minister be surprised that according to the other side - that is why it is important that we get the recordings and the affidavit – dirty business was proposed to them in exchange for information against the former Prime Minister and according to them ...

(Interruptions)

Madam Speaker: Order, please!

(Interruptions)

Order, please!

Mr Bérenger: ... it was suggested by one of the three ...

(Interruptions)

...that they should enjoy the company of women and girls in Mauritius?

(Interruptions)

The Prime Minister: I have no trust whatsoever in those dirty rotten fellows.

(Interruptions)

Mr Bérenger: It is good to hear, but will the hon. Prime Minister go to the bottom of the whole thing, request copies of both the affidavit and the recordings?

The Prime Minister: I just answered that!

Mr Bérenger: The hon. Prime Minister passes judgment before he hears witnesses.

(Interruptions)

Madam Speaker, as far as Mr Gooljaury is concerned, it has been confirmed, I think, that the dinner took place, that he phoned and so on; so, can I insist at least his phone - and later on I am given to understand he phoned the Police also in that affair, before turning up at the airport on the day these two gentlemen left. Has the Police or is the Police going to interview Mr Gooljaury, impound his phones and find out the truth about that?

The Prime Minister: I have no information about that.

Mr Bérenger: I take it that the hon. Prime Minister has no information that he was at the airport also on the day that these gentlemen left. This also!

The Prime Minister: How can I know whether they were there or elsewhere?

Mr Bérenger: The hon. Prime Minister could have asked his Chief Executive since apparently he had a meeting with them and so on.

(Interruptions)

Palabres! Palabres! This is the biggest shame that can fall on the country!

(Interruptions)

Madam Speaker: Order, please!

(Interruptions)

Order, please!

(Interruptions)

Order, please!

(Interruptions)

If there is no order, I will have to suspend the session!

(Interruptions)

Order, please!

(Interruptions)

Order!

(Interruptions)

Order!

Mr Bérenger: Of course, Madam Speaker, we are absolutely in favour of every possible inquiry by the proper persons, not in the middle of the night by Ministers and Mr Gooljaury. We are totally in favour of a full inquiry on the transaction of the former Prime Minister with Mauritius Duty Free Paradise, but this should not be a pretext for that kind!

(Interruptions)

Can I have some silence, Madam Speaker! You have put the hon. Member to order! You have called him to order!

(Interruptions)

Madam Speaker: Okay, I have asked all hon. Members not to lose the time of the House. Allow the hon. Leader of the Opposition to ask his question and allow the hon. Prime Minister to reply to his question.

Mr Bérenger: It has been confirmed that interdiction to departure was lodged against the two employees of the firm concerned. Has the hon. Prime

Minister checked who talked to the Police for that to be lifted, whether it was not one of the three Ministers plus Mr Gooljaury?

The Prime Minister: The only fact that I know is that Police took certain action.

Mr Bérenger: You don't want to know, obviously! Can I know on that score whether any kind of representation has been made by the French Embassy concerning this *interdiction* to departure and so on and we have all learned about the visit by the French Ambassador to the Ag. Commissioner of Police at 08.00 in the morning?

The Prime Minister: Well, I am not aware of this. Neither the Ambassador nor the Commissioner has talked to me about that.

Mr Bérenger: Okay! My last question, Madam Speaker, will be: being given the urgent need to establish the full truth, *d'aller au fond de l'affaire*, will the hon. Prime Minister be prepared to invite these two representatives back to Mauritius on a guarantee of both their security and their immunity to come and to spell out their part of the truth being given that the three Ministers concerned and Mr Gooljaury are already here available to the Police?

(Interruptions)

The Prime Minister: Well, I must say one thing...

(Interruptions)

Madam Speaker: Order!

(Interruptions)

Order, please!

(Interruptions)

Order, please! The Rt. hon. Prime Minister is replying.

(Interruptions)

Can I call you to order, hon. Bhadain! The Rt. hon. Prime Minister is replying; allow him to reply!

The Prime Minister: I must make one thing very clear, Madam Speaker, the three Ministers had not been investigating. Having got certain information, they simply wanted to help so that the necessary document and evidence can be made available to the Police. That was the main concern and all the rest that the hon. Leader of the Opposition is speaking about is all superfluous.

Madam Speaker: Okay, no question!

MOTIONS

SUSPENSION OF S. O. 10 (2)

The Prime Minister: Madam Speaker, I move that all the business on today's Order Paper be exempted from the provisions of paragraph (2) of Standing Order 10.

The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun) rose and seconded.

Question put and agreed to.

(12.18 p.m.)

STATEMENT BY MINISTER

CT POWER PROJECT - LETTER OF COMFORT

The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo): Thank you, Madam Speaker, for allowing me to make a statement.

In answer to the Private Notice Question of the hon. Leader of the Opposition on Tuesday 03 March 2015, I stated that my Ministry had not received the letter of comfort which CT Power had been asked to provide.

Yesterday, 04 March at 14.36 hours, an email was received from one Dato Subramaniam reading as follows –