

## ORAL ANSWERS TO QUESTIONS

### EX-BRITISH AMERICAN INVESTMENT CO. (MTIUS) LTD. - ASSETS & LIABILITIES

**The Leader of the Opposition (Mr P. Bérenger)** (*by Private Notice*) asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to ex-British American Investment Co. (Mtius) Ltd., he will state -

- (a) the estimated value of the assets and liabilities thereof, as reported by the conservators/administrators appointed therefor;
- (b) the guarantees given to date to the -
  - (i) 139,000 pension policyholders and 15,000 single premium policyholders of the ex-British American Insurance Co. Ltd., and
  - (ii) investors of the ex-Bramer Assets Management;
- (c) the number of job losses at the companies of the ex-British American Investment Co. (Mtius) Ltd., and at other companies which transacted business therewith, as at to date;
- (d) if the small suppliers of Courts Ltd. have been paid Rs44 m., and
- (e) where matters stand regarding the Apollo Bramwell Hospital, Iframac Ltd. and Courts Ltd.

**Mr Bhadain:** Mr Deputy Speaker, Sir, I understand that the question of the hon. Leader of the Opposition is in relation to British American Investment Co. (Mtius) Ltd, which is the holding company of BAI Co. (Mtius) Ltd, the insurance company. In fact, the confusion in the names is indicative of the *modus operandi* of the Directors of the BAI Group. I shall therefore answer in relation to BAI Co. (Mtius) Ltd, the insurance company. Also, it is apposite to note, Mr Deputy Speaker, Sir, that reference to ex-BAI Co. (Mtius) Ltd as stated in the question is not accurate as I am informed by the FSC that the licence of this company has not been suspended or revoked.

Mr Deputy Speaker, Sir, as the House is aware, we have been dealing with an unprecedented crisis which could have seriously jeopardised the financial soundness and social stability of our beloved country. This goes well beyond party politics.

I fully concur with the statement made by the hon. Leader of the Opposition to this august Assembly on 28 April 2015, and I quote -

“(...) I believe it is vital to go back to square one and to remind ourselves why we have come to where we are, an awful mess, a national catastrophe (...) why we have come to where we are, is because as from 2005, the then Prime Minister and Government did not allow either the FSC or Bank of Mauritius, or even more, to function as independent regulators.”

Mr Deputy Speaker, Sir, the fraudulent malpractices and the mechanisms of the Ponzi scheme are now well established. In fact, as far back as 29 March 2011, the auditors, KPMG, had already disclosed the fraud and the resulting losses of the insurance company and its related subsidiaries to the audit committee and directors of BAI Co. (Mtius) Ltd. The insurance company, Mr Deputy Speaker, Sir, had already collapsed as far back as 2009. I am now tabling a copy of the presentation delivered on 29 March 2011 by the Auditors on the Results of Audit for the financial year ending 31 December 2010, which unequivocally highlights the following -

- (i) At page 6, Mr Deputy Speaker, Sir, for the financial years 2004 to 2010, the Insurance Business consistently recorded Operating Losses. Only for the year ending December 2010, the Insurance business reported an operating loss of Rs1,760,830,000.
- (ii) At page 10, with regard to Single Insurance Premiums, the famous Super Cash Back Gold (SCBG), Net Deficits were recorded for years 2008 to 2010 with a shortfall of Rs704,302,000 for the year ending 31 December 2010. KPMG disclosed that the losses would amount to Rs6,071,398,000 for the financial year ending December 2013, Mr Deputy Speaker, Sir.
- (iii) The actuarial report, which is contained in the presentation, concluded that, and I quote -

“Policyholders’ funds being invested in assets in related entities where minimal return obtained and recoverability low.”

This, Mr Deputy Speaker, Sir, proves the Ponzi scheme;

- (iv) At page 11, the heading ‘Single Premiums Expected Return’ - KPMG stated that net deposits should bring returns of 10.5% to enable the company to pay guaranteed returns. KPMG questioned, and I quote -

“Is the company yielding such returns on its investments?”

Mr Deputy Speaker, Sir, they were promising people in the towns and villages returns of up to 10%, 12%, 14% within Super Cash Back Gold (SCBG) and their investment products when they could not even generate more than 1 to 2% and had to use funds from new investors to repay the old investors. This again proves the Ponzi scheme.

- (v) At page 13 – KPMG reported that by December 2013, cash deficit - and we are talking in cash terms - would amount to Rs13,600,000,000. That was already stated to all the Directors of the BAI Group and to the full audit committee of the BAI Group as far back as 29 March 2011 that by December 2013 the cash deficit would be Rs13,600,000,000. They all knew, Mr Deputy Speaker, Sir. In actual fact, the consolidated accounts of the holding company based in the Bahamas, Klad Investments Ltd confirmed that as at December 2012...

**The Deputy Speaker:** Hon. Minister Bhadain, please, can you answer the question?

**Mr Bhadain:** I am coming to that, Mr Deputy Speaker, Sir. I have to set the scene to explain the specific answers. I am sure the hon. Leader of the Opposition is also interested in finding out what exactly happened before I give specific answers to his questions.

*(Interruptions)*

Well, if I may be allowed to continue, Mr Deputy Speaker, Sir.

So, Klad Investments Ltd., the holding company of the group confirmed that as at December 2012, the excess liabilities of the group over its assets amounted to USD302,000,000 which is above Rs10,000,000,000. This is in actual fact when KPMG had already stated that it would be Rs13,600,000,000.

- (vi) More importantly, Mr Deputy Speaker, Sir, at page 15, it is disclosed that the company had been involved in, and I quote –

“Round-tripping of transactions in 2009.”

The diagram shows how the company engineered a loan of Rs3,600,000,000 by the transfer of funds...

*(Interruptions)*

**The Deputy Speaker:** Hon. Minister Bhadain, please, answer parts (a), (b), (c), (d) and (e) of the question. Thank you.

**Mr Bhadain:** Yes. But, Mr Deputy Speaker, Sir, it needs to be explained. The context has to be put into.

*(Interruptions)*

But anyway I will come to the specific answers.

So, with regard to parts (a) and (b) of the question, I am informed that the then Conservators submitted an interim report on 17 April 2015 to the Financial Services Commission (FSC) and subsequently, a final report on 02 July 2015 on the estimated value of assets and liabilities of BAI Co. (Mtius) Ltd and its related entities based on their actuarial and professional valuations.

In their final report, the Conservators reported that, in terms of assets, the reported values as at 30 April 2015 was Rs13.1 billion and the insurance liabilities were Rs25 billion. Now that again confirms the Ponzi which had already been detected as far back as 2009, Mr Deputy Speaker, Sir.

With regard to part (b)(i), I am informed that BAI Co. (Mtius) Ltd had a portfolio of 135,283 recurring premium policies - and I must highlight to the attention of the hon. Leader of Opposition that they are not pension policies as mentioned in the question, but recurring insurance premium policies - and 24,690 single endowment policies, which is, of course, the Super Cash Back Gold. In respect of the recurring premium policies, Government has given its commitment to safeguard the interest of those who have contributed to these policies. That was done within 24 hours of the scandal breaking up, Mr Deputy Speaker, Sir. This has necessitated the carving out of Rs6.5 billion worth of assets by the Special Administrators from BAI Co. (Mtius) Ltd to the newly created National Insurance Co. Ltd. Since 07 August 2015, the National Insurance Co. Ltd, which deals with both life insurance and general insurance, has been in operation and the 135,283 policies are well safeguarded and are being serviced, in fact, the insurance company, Mr Deputy Speaker, Sir, is now growing significantly in value and new policyholders are subscribing to new policies.

Mr Deputy Speaker Sir, regarding the 24,690 single endowment policies, Super Cash Back Gold, which was held by 14,570 policyholders who have contributed a total of Rs19.2

billion in capital, Government took the bold step and decided to repay 12,001 policies representing a capital amount of less than Rs500,000. 11,436 policies for a total amount of Rs2,374,622,099 have already been repaid since 15 May 2015.

With regard to policyholders having invested Rs500,000 or more, Rs3,484,000,000 have already been repaid to 6,968 policyholders on 30 June 2015.

The remaining amount of Rs12.8 billion payable to the second batch of the Super Cash Back Gold policyholders would be converted into debentures, to be issued by the National Property Fund Limited (NPFL) annually in 5 equal tranches of Rs2.6 billion. These debentures would carry zero coupon rate, with redemption dates of 30 June 2016; 30 June 2017; 30 June 2018; 30 June 2019 and 30 June 2020.

With regard to part (b)(ii) of the question, Mr Deputy Speaker Sir, I am informed by the FSC that, with regard to the investors of Bramer Asset Management Ltd, there were different funds under management and this is another way where they have decided to go in the towns and villages and loot the people of this country.

I wish to inform the House that -

- (a) With regard to A.L.E.E.F Ltd, sufficient assets were available to cover for liabilities amounting to Rs58 m. I am also informed by the FSC that the existing CIS manager has been replaced by a new one and the fund is operating normally;
- (b) With regard to Emerging Africa Bond Fund (EABF), sufficient assets were available to cover the liabilities of the Fund amounting to Rs150 m. I am informed that one CIS Manager has already expressed interest to take over management of the Fund, which will continue to operate normally also;
- (c) With regard to Bramer Property Fund Limited (BPF), Discretionary Portfolio Management Fund (DPM), Hennessy Investment Trust (HIT), Hennessy Capital Limited (HCL), and Bramser Services Bond (BSB) because the hospitals were also issuing bonds, Mr Deputy Speaker, Sir, 6,362 investors, including individuals and charitable organisations have invested a total amount of Rs4.3 billion.

So, with regard to BPF, DPM, HIT, HCL and BSB, Government again took a bold step, Mr Deputy Speaker, Sir, and agreed to repay 85% of the capital of those having invested less than Rs500,000 and 80% for those having invested Rs500,000 or more. With regard to 3,498 investors who had invested less than Rs500,000 the total repayment would have

amounted to Rs430 m. 2,294 persons registered their claims with NPFL and out of which 1,444 were repaid on 31 July 2015 for a total amount of Rs240,495,294, the remaining applications are still being processed as their documentations were incomplete and they will be paid in due course when a proper documentation is submitted.

Mr Deputy Speaker Sir, the remaining amount of Rs3 billion payable in respect of 2,864 investors would be converted into debentures and issued by the National Property Fund Limited (NPFL) annually in 5 equal tranches of Rs600 m. in a similar manner to Super Cash Back Gold. These debentures would carry zero coupon rate, with redemption dates of 30 June 2016; 30 June 2017; 30 June 2018; 30 June 2019 and 30 June 2020. I am informed by the NPFL that the needful is being done for the issue of the first tranche of the 30 June 2016 debenture.

With regard to part (c) of the question, regarding job losses, I am pleased to inform the House that contrary to many press reports which stated that there are a number of jobs which are being lost on a weekly basis, I must say at Apollo Hospital no job has been lost except for certain members of top management who have been asked to go. With regard to Iframac, no job has been loss to date and the process regarding Iframac is ongoing and with regard to Courts which employed over 900 persons, the new company which has taken over Courts has maintained 80% of the jobs within Courts. With regard to the Insurance Company BAI Co. (Mtius) Ltd, the company is operating normally now as National Insurance Company Limited and again, except for a few jobs at senior management level, all the employees are working. So, there have not been any major job losses in any of those companies.

*(Interruptions)*

**The Deputy Speaker:** Please, continue!

**Mr Bhadain:** Yes. As I stated in Courts 80% of the jobs are being maintained. 20%, probably the new company will deal with that, and they will operate on a last in, first out basis.

I am informed by the Ministry of Labour, Industrial Relations, Employment and Training that, with regard to GRNW Boatyard, Publico Ltd, Yukondale and Voyageur Travel Tour which are all the companies which are operating within the group, 101 persons, who were working in those companies, had their employment terminated and they have all been dealt with according to law. The former employees are being compensated under the Employment Rights Act and will benefit from the Workfare Programme. As far as the other

companies which transacted business with the BAI Group, I am informed that no job losses have been reported as at date.

With regard to part (d) of the question, concerning payment of Rs44 m. to the small suppliers of Courts Ltd, my colleagues the hon. Minister of Finance and Economic Development and the hon. Minister of Business Enterprise and Cooperatives have met the representatives of Barclays, State Bank of Mauritius, *Banque des Mascareignes* along with the Special Administrators on this issue. I am pleased to announce, Mr Deputy Speaker, that the banks in a spirit of solidarity, understanding the social issues involved, have agreed to earmark Rs44 m. from the total amount of Rs390 m. which is owed to them, for payment to those small suppliers of Courts. Subsequently, the Minister of Finance and Economic Development and the hon. Minister of Business, Enterprise and Cooperatives met the SME suppliers to explain the *modus operandi* for effecting payment to them.

I am informed that payment to the SME suppliers would be effected as soon as the procedures for the sale of Courts (Mtius) Ltd are completed.

With regard to part (e) of the question, in respect of Apollo Bramwell Hospital, the then special administrators have invited bids. However, the bids received were not reflective of the real value of the hospital and its operations as compared to the market value as determined by the Conservators themselves on 17 April 2015. I am informed by the FSC that the hospital operations and assets have been transferred to the National Insurance Co. Ltd. and NIC Healthcare Limited on 25 August 2015 by the Special Administrators. The operations of the hospital are now under the purview of the Ministry of Finance and Economic Development and the employees will be transferred to NIC Healthcare Limited. This will bring finality and certainty to the concerns of some 800 employees of the hospital.

With regard to Iframac Limited (transport division), I am informed by the FSC that two interested parties, namely GBH and Fleet Africa, who had expressed interest to make a bid to take over Iframac as a going concern, were not entertained by the previous Special Administrators while on the other hand, companies who were not part of this bidding process in the likes of CFAO represented by IMC, Axess and Leal were granted confidential information on employees, payroll, terms of service, salaries and also invoicing.

I am further informed by the FSC and I quote –

“The Special Administrators never informed the Board that the franchise agreement of Mercedes, Peugeot and Mitsubishi included a clause whereby the brand

would contractually be lost as a result of the appointment of an administrator, by the then Board of Directors of Iframac Ltd.”

Mr Deputy Speaker, Sir, I also wish to inform the House that with regard to Iframac, a meeting has been held yesterday with the representatives of Fleet Africa, the trade union representatives of Iframac Limited and the employees and also E.A.L. Man Hin & Sons Ltd who have expressed their interest to join in a consortium so that the Honda brand can now be used by New Iframac Motors for the sale of cars. Today, we are in the process of discussing and finalising the agreement between the New Iframac Motors Ltd., Fleet Africa and also E.A.L. Man Hin & Sons Ltd and there are various options which are on the table and we will be enlightened by this afternoon.

With regard to Courts, Mr Deputy Speaker, Sir, again, there has been quite a lot of erroneous reports which have been made in the Press regarding Courts Asia Hillbrow and also Mammoth represented by Mr David Isaacs. The situation is very clear. The FSC decided to instruct the Special Administrators that no exclusivity should be given to any bidders. And according to their process, the Special Administrators decided that they were going to have a preferred bidder, but that was in accordance with their procedures that they have established themselves. The reason why the FSC did not want to give any exclusivity is because transparency would be lost and it would not be in line with all good practices of good governance, because if you give exclusivity to only one person, then you will not have the benefit of both bids. Now, when both bids were considered - because Special Administrators have already engaged with both companies - they submitted a report on 16 July 2015, showing both bids. They were told to continue the negotiations with both bidders and at some time they decided to disengage with Mammoth represented by Mr David Isaacs and to continue negotiations only with Courts Asia represented by the company Hillbrow so much so that Mammoth decided to write directly to the FSC and say: ‘What do we do because they are not talking to us anymore? And the FSC said: ‘You send your final bid to the Administrators and you copy it to the Board of the FSC’, which was done. And on the basis of both bids which were received, the FSC made an informed decision, mainly based on the social aspects because, as I have explained before, with regard to the financial aspect of Courts, Rs44 m. is going to the Small and Medium Enterprises and Rs390 m. is owed to the banks based on fixed charges which are there on the properties. So, in financial terms, the Special Administrators would not have been able to bring one rupee which was going to repay insurance policyholders. Therefore, the social aspect was more important in terms of



preserving the jobs of the employees, in terms of preserving the salaries and the conditions of service of the employees and, thirdly, in terms of maintaining the years of service of those employees as well. Now, both on the social side and the financial side, the FSC was happy to go ahead with the...

**The Deputy Speaker:** Hon. Minister, please! Excuse me for interrupting. Will your answer be much longer?

**Mr Bhadain:** No. I am just finishing, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Thank you.

**Mr Bhadain:** So, the FSC was very happy with the bid, informed the Minister accordingly, in accordance with the provisions of the Insurance (Amendment) Act and, of course, I went to Cabinet to seek Cabinet's approval which was obtained. Sorry, Mr Deputy Speaker, Sir!

**Mr Bérenger:** Mr Deputy Speaker, I want you to give us some extra time after what has happened. If I can start on the first part of my question; at first, the ex-conservators estimated that there would be a surplus of Rs6 billion comparing assets and liabilities. And then, as the hon. Minister told us, when an Interim Progress Report was submitted to the FSC on 07 April 2015, that Rs6 billion surplus turned into a Rs12 m. deficit, *d'un trou, donc, de R 12 milliards*. And now, we are told that a final report was submitted on 02 July and I did not catch all the figures. Am I right from the figures quoted to say that this deficit, *le trou*, has now grown up to Rs19 billion and can I ask the hon. Minister whether this final report like the Interim Report which was made public, will be made public and circulated?

**Mr Bhadain:** Well, firstly, Mr Deputy Speaker, Sir, I am not aware that the Conservators ever reported any surplus. I thought it was always a deficit which was reported. Now, the figures I have quoted are the figures which have been provided to me by the FSC based on the final report submitted by the Conservators. So, these figures are, according to the FSC, the accurate ones, which I believe they are. With regard to the deficits which the hon. Leader of the Opposition is referring to, the situation is very simple, Mr Deputy Speaker, Sir, and we have always operated in all transparency. There is Rs19 billion which had to be repaid to the Super Cash Back Gold insurance policyholders.

**Mr Bérenger:** My question is: what is the deficit as per the final report whereas in the interim report it was officially put at Rs12 billion?

**Mr Bhadain:** The final figure is what it is. It is in the final report as I have quoted before. That is the end of the matter as far as I am concerned based on what the FSC has submitted to me, but I am also explaining what the real situation is. I am sure the hon. Leader of the Opposition will be interested to know.

**Mr Bérenger:** Can we know whether he will make that final report public, circulate it and whether the deficit has grown to Rs19 billion?

**Mr Bhadain:** Mr Deputy Speaker, Sir, regarding the final report of the Conservator, I have no problem whatsoever to make it public, but this is the report of the Conservators at the time when Conservators were in operation. Since then we moved on with Special Administrators being appointed and the hon. Leader of the Opposition himself is aware that the law was voted here to appoint the Special Administrators. I am now giving the accurate situation, unless the hon. Leader of the Opposition is not willing to hear that.

**Mr Bérenger:** Answer questions ...

**The Deputy Speaker:** Hon. Leader of the Opposition!

*(Interruptions)*

Hon. Minister Bhadain, please sit down!

**Mr Bhadain:** In fact, Mr Deputy Speaker, Sir...

*(Interruptions)*

**The Deputy Speaker:** The Minister has answered the question. Hon. Leader of the Opposition!

**Mr Bérenger:** Yes. Mr Deputy Speaker, Sir, we will study the liabilities when the final report is made public and see what is the deficit in the final report, whether it is Rs90 billion or not. Do the liabilities referred to by the hon. Minister include money lent by the Bank of Mauritius and by other banks, if not, can we have details?

**Mr Bhadain:** Mr Deputy Speaker, Sir, that is exactly why I was giving an accurate state of affairs...

*(Interruptions)*

And now I am being asked about it!

*(Interruptions)*

Let me explain to the House what the situation is for the benefit of the hon. Leader of the Opposition and for the benefit of all the hon. Members.

**Mr Bérenger:** On a point of order...

*(Interruptions)*

**The Deputy Speaker:** Hon. Members, please! Please, hon. Leader of the Opposition!

**Mr Bérenger:** If he cannot give the figures, say so!

**The Deputy Speaker:** Hon. Minister Bhadain, the question was about the deficit and whether the Bank of Mauritius had lent money. Please answer the question!

**Mr Bhadain:** Yes, of course, the Bank of Mauritius has lent money.

*(Interruptions)*

**Mr Bérenger:** Can we have the figure?

**Mr Bhadain:** To explain the figures, Mr Deputy Speaker, Sir, I must be able to explain...

*(Interruptions)*

Let me explain!

*(Interruptions)*

This is the first time that I see that an Opposition is not willing to hear answers! The situation is as follows, Mr Deputy Speaker, Sir, and I will answer that as well if I may start where I should.

**The Deputy Speaker:** Will it be a long answer?

*(Interruptions)*

**Mr Bhadain:** Well, it was a very...

*(Interruptions)*

It was a very long and complex Board, Mr Deputy Speaker, Sir, and I will try to be quick.

**The Deputy Speaker:** Hon. Minister, please sit down! Time is running out. The question was about the figure. Can you give the figure?

**Mr Bhadain:** Yes, the figure was Rs3.5 billion as far as I remember, but I have to explain what the situation is. There are 19...

**The Deputy Speaker:** Hon. Minister, I am sure the hon. Leader of the Opposition or any other hon. Member might ask a question about explanation. The question was about the figure.

**Mr Bhadain:** I don't want to mislead them.

**Mr Bérenger:** I will also ask the hon. Minister whether he has figures for money spent by this whole BAI affair out of Government funds apart from the Rs200 m. that was disbursed to get a new bank going, what other service has been spent by Government?

**Mr Bhadain:** Again, I will have to go back and explain where we are!

*(Interruptions)*

**The Deputy Speaker:** Silence! Silence! Order, please, sit down!

*(Interruptions)*

Hon. Minister, a question was put to you!

**Mr Bhadain:** No, there are no public funds which have been taken from the Consolidated Fund at this moment in time. However, the Bank of Mauritius...

**The Deputy Speaker:** No time wasting, please!

**Mr Bhadain:** The Bank of Mauritius has granted a loan for the repayment of the Super Cash Back Gold Premium policyholders on 30 June 2015 at a rate of, I believe, 3.6 percent interest so that these people could be repaid because these people were suffering, because these people are people who have put money from their VRS, lump sums and everything they have worked for all their life and which had been brutally taken away from them. As a caring, responsible Government we decided that these people had to be repaid...

*(Interruptions)*

This Government has been elected by the people, for the people, Mr Deputy Speaker, Sir.

**Mr Bérenger:** Mr Deputy Speaker, Sir, we have been given information concerning guarantees given, especially to the hundred and so people who contributed for a later pension. Can I know from the hon. Minister whether this has been done in writing, whether these people have been provided with letters confirming that they will benefit from the same conditions of pension that they were to benefit from under the BAI scheme? Not just that, has it been done in writing?

**Mr Bhadain:** There is no reason to do anything in writing, I mean, if we understand correctly what is being done and for that we need time. What is happening is that the NIC has taken over the 135,283 policies which were being operated before as regular premium switching in pensions. These are being operated normally and, at their maturity date, everybody is going to be repaid. The NIC has been duly licensed by the FSC, the assets and liabilities match in their balance sheet, unlike what Mr Rawat was doing.

**The Deputy Speaker:** Hon. Minister, the question is very clear, it is about whether it was given in writing or not!

**Mr Bhadain:** Well, I said no. It was not given in writing because there was no need for that.

**The Deputy Speaker:** Thank you!

**Mr Bérenger:** Mr Deputy Speaker, Sir, if I can move on rapidly, regarding the sum of Rs44 m. to be paid to the *petits fournisseurs*. Being given that there is a line of credit from the Bank of Mauritius - I understand that there are other lines of credit and so on - now these people are told to wait until the Courts issue is settled then they will be paid. Can't Government use the line of credit from the Bank of Mauritius or any other source to pay them their due and then it will be recouped when the whole Courts saga is over and...

*(Interruptions)*

Rs44 m.! Can that Rs44 m. be paid out of the line of credit or otherwise?

**Mr Bhadain:** Actually, Mr Deputy Speaker, Sir, we have done far better than that! What we have done is that we have got the banks to agree that they are going to pay the Rs44 m. themselves out of their own generosity because they do understand the social crisis and what has gone on in this country! This money is going to be repaid in the couple of weeks to

come because the agreement has already been signed between Courts and the Special Administrators and the completion date is next week.

**Mr Bérenger:** The last part of my question, Mr Deputy Speaker, Sir, can we know as far as Apollo Bramwell Hospital is concerned whether there is a policy decision from the Ministry of Finance and Economic Development or what have you as to what is going to happen to Apollo Bramwell Hospital? Is it going to be *un hôpital universitaire* or is it going to be run on another basis? Have there been discussions with Apollo India for them to take over? What is the situation as at now?

**Mr Bhadain:** Firstly, Mr Deputy Speaker, Sir, it will not be run with fraud money anymore! Secondly, in terms of what will happen to the hospital going forward, it will be managed by professional people; there are people from India, the Apollo Group in India, who have signified their interest of managing the hospital. They have sent a proposal and this is being looked at by my colleague, the Minister of Finance and Economic Development.

**The Deputy Speaker:** Thank you. Time is over!

*(Interruptions)*

**Mr Bérenger:** If you want to change the rules of the game, until now...

**The Deputy Speaker:** Hon. Leader of the Opposition, we have allowed five additional minutes to the question. I will allow you a last question, hon. Leader of the Opposition!

**Mr Bérenger:** My last question, Mr Deputy Speaker, Sir, is that the hon. Minister has been reported on 26 August on the occasion of the opening ceremony of the organisation of Eastern and Southern Africa Insurers of having said the following –

- (i) Les *amendements apportés à l'Insurance Act vont à l'encontre* de la démocratie, and
- (ii) *Le texte de loi – the amendments to the Insurance Act – ce texte de loi sera abrogé dès que les problèmes liés à la BAI seront réglés.*

Can he confirm that? And can I ask him what does he mean when he says that the amendment we brought goes against democracy? Secondly, is the whole amendment going to be repealed or part thereof, and if it is part thereof, which part thereof?

**Mr Bhadain:** Mr Deputy Speaker, Sir, these are not the correct words which I had said on that occasion. What I had meant was, because of a situation where an administrator had been appointed by the Board and he was operating under the Insolvency Act, we had to go ahead and change the Insurance Act so that we could appoint a Special Administrator to go and repay all the insurance policyholders who had been affected by this huge Ponzi scheme. I stated that in a democratic State we would wish that we did not have to do that, but because we had to go and repay all these people, we had to go ahead and do it. This was what I explained at the conference.

**The Deputy Speaker:** Time is over! Hon. Members, the Table has been advised that Parliamentary Question No. B/365 addressed to the Rt. hon. Prime Minister has been withdrawn. Hon. Ameer Meea!

### **PORT LOUIS – CCTV STREET SURVEILLANCE SYSTEM - SURVEY**

**(No. B/358) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Closed Circuit Television Street Surveillance System installed in Port Louis, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if a survey has been carried out to assess the efficiency of the recordings thereof and, if so, indicate –

(a) when was it carried out, and

(b) the actions taken in relation to the –

(i) shortcomings thereof, if any;

(ii) quality of the images at night;

(iii) replacement of some of the cameras by PTZ cameras, and

(iv) installation of additional cameras at places which are presently not covered.

**The Prime Minister:** Mr Deputy Speaker, Sir, I am informed by the Commissioner of Police that the project of installation of CCTV surveillance cameras in Port Louis was implemented in October 2011. The project, which was financed through a line of credit from the Government of the People's Republic of China, comprised 272 cameras installed in

different regions of Port Louis, of which 221 fixed cameras, and 51 PTZ cameras i.e. cameras with movement options and known as “Pan Tilt Zoom” cameras.

In regard to parts (a) and (b) (i), (ii) and (iii) of the question, I am informed by the Commissioner of Police that in June 2013, a general survey of the CCTV surveillance system was carried out with a view to assessing the quality of the images captured by the cameras and proposing measures to enhance the quality of the images, especially those captured at night time. Whilst this assessment exercise was underway, the video management software of the system crashed and live images could no longer be viewed from the CCTV Control Room.

In order to remedy this problem, Police temporarily installed a trial software on 14 July 2013 and images were captured anew. In the meantime, a tender exercise was launched on 27 August 2013 for the acquisition of a new and more sophisticated software, and spare parts for the new system. The contract for the supply of software was awarded to the firm ZTE (Mauritius) on 23 October 2013 for the sum of Rs4,747,726.42 and the contract for the supply of spare parts was awarded to the firm Enterprise Data Services on the same date for the sum of Rs736,736. However, on 14 April 2014, the contract of ZTE (Mauritius) Ltd. was terminated as the company failed to fulfill the conditions of the contract.

Police also encountered problems with the firm Enterprise Data Services as the latter failed to deliver spare parts in accordance with the specifications laid down in the tender document, and this matter is still subject of contention between the Police Department and the company.

Mr Deputy Speaker, Sir, I am further informed that on 23 June 2014, a new tender exercise was launched. Subsequently, on 28 August 2014, a contract was awarded to the firm Secupro Ltd. for the supply of spare parts for the sum of Rs1,017,620.05 and on 29 August 2014, another one was awarded to Brinks (Mauritius) Ltd. for a new video management software for the sum of Rs22,301,735.18. The new system was commissioned on 15 December 2014 and is composed of -

- (i) an integrated system software;
- (ii) new cameras in replacement of faulty ones;
- (iii) a new recording system;
- (iv) the implementation of site storage, and



- (v) the installation of Infrared illuminators at strategic locations where poor images were reported at night.

In addition, with a view to further upgrading the system in the region of SSR Street, a fixed camera was replaced by a PTZ one on 06 July 2015.

In regard to part (b) (iv) of the question, I am informed by the Commissioner of Police that all cameras installed in Port Louis are currently functioning properly. Insofar as places not covered by the system are concerned, Police ensure regular foot and mobile patrols in these regions and according to the Commissioner of Police, the installation of additional cameras is not envisaged for the time being.

### **DRUGS (SYNTHETIC) – DEATH & ARREST**

**(No. B/359) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the new types of synthetic drugs on the market, including Wazabi, Black Mamba, *C'est pas bien*, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of –

- (a) arrest effected in connection therewith in Port Louis and in the vicinity thereof, if any, since January 2015 to date, and
- (b) death reported in connection therewith, since January 2014 to date, indicating the additional measures, if any, that will be taken to curb the number of death occurring through drug overdose.

**The Prime Minister:** Mr Deputy Speaker, Sir, with your permission, I shall reply to PQ B/359 and PQ B/372 together, as they relate to the same subject matter.

Mr Deputy Speaker, Sir, I wish to reassure the House that my Government is doing its utmost to combat this new phenomenon. In that context, the Commissioner of Police, the Ministry of Health and Quality of Life, the NATReSA, the Forensic Science Laboratory and the Mauritius Revenue Authority are collaborating to combat the drug scourge.

Some of the measures already taken include the enhanced control at the Port and the Airport through the reinforcement of personnel and the use of scanners as well as other technological tools.

Furthermore, the Police Force as well as other segments of the population, in particular the youth, are being sensitised on the new psychoactive drugs and their negative effects on human beings. The ADSU and the Mauritius Revenue Authority have also set up

their own networks for the gathering and sharing of intelligence with a view to combating drug trafficking.

Mr Deputy Speaker, Sir, through the above measures, the Mauritius Police Force and the other relevant institutions are expecting to -

- a) achieve optimal success in drug-related operations in terms of arrest and seizure;
- b) ensure that places where drugs are seized remain drug free, and
- c) ascertain that young persons sensitised do not get involved in drug offences.

Mr Deputy Speaker, Sir, I wish to inform the House that the issue of synthetic drugs also falls under the term of reference of the Commission of Enquiry on drugs which I have set up.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, with due respect to the Rt. hon. Prime Minister, the question mentioned the number of arrests effected in connection to synthetic drugs. I have not heard the Rt. hon. Prime Minister give any information in relation to this.

**The Prime Minister:** I am sorry, I think I missed it. I am further informed by the Commissioner of Police that, since October 2013 to 27 August 2015, 79 persons have been arrested by ADSU in cases involving synthetic drugs, including 21 from the region of Port Louis, from January to 27 August 2015.

**Mr Ameer Meea:** Thank you. Mr Deputy Speaker, Sir, for the question of drugs, there has been the setting up of the Commission of Enquiry as the Rt. hon. Prime Minister just stated. May I know whether the Commission has already started its work?

**The Prime Minister:** Well, not yet. Unfortunately, the Chairperson was away and he has only come back recently. Now, he is doing the needful and very soon, I have been told, they will start the work.

**The Deputy Speaker:** Hon. Mrs Sewocksingh!

**Mrs Sewocksingh:** Thank you, Mr Deputy Speaker, Sir. I would like to thank the Rt. hon. Prime Minister for answering the question. May I know from the Rt. hon. Prime Minister if these kinds of drugs, like the synthetic ones, fall under the Dangerous Drugs Act?

**The Prime Minister:** Well, we are going to amend the law. We are looking into it and we will try to incorporate all sorts of synthetic drugs that are being imported in this country as illegal drugs.

**The Deputy Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** Thank you, Mr Deputy Speaker, Sir. There is a recent decision or proposition for ADSU to disclose the source of all its informers with regard to drug trafficking. Will that not impact on the figures that the Rt. hon. Prime Minister has just quoted, meaning bringing it down?

**The Prime Minister:** Well, I am not aware of this. I will look into it.

**Mr Bérenger:** May I ask the Rt. hon. Prime Minister, he said two things. One, that the Commission of Enquiry will also look into this whole issue of synthetic drugs and at the end of his answer, a few minutes ago, he said that 'we will be amending the Dangerous Drugs Act.' Will the Rt. hon. Prime Minister agree with me that there is urgency and that to amend the Dangerous Drugs Act and have a debate here, we should not wait for the Commission of Enquiry to complete its work; this will take quite some time and that therefore the need to amend the Dangerous Drugs Act should be dealt with urgently?

**The Prime Minister:** Yes, I agree with that; we are looking into it. I don't think we will wait for the result of the Commission of Enquiry.

**Mr Ganoo:** The Rt. hon. Prime Minister has informed the House that there are about 79 suspects who have been arrested in connection with the use or possession of synthetic drugs. Can I ask him whether he is aware if any of these suspects has given to the ADSU Officers, to the Police, the origin of these drugs? Are these drugs being brought into Mauritius or are they fabricated in Mauritius because we have information that there are even laboratories operating in our country itself, fabricating these drugs which are, as we know, cheaper and this is also another trouble.

**The Deputy Speaker:** Hon. Member, can you come with a substantive question?

**Mr Jhugroo:** Mr Deputy Speaker, Sir, would the hon. Prime Minister agree with me that the former Prime Minister had no real intention to tackle the problem of drugs in Mauritius like you are doing by the institution of a Commission of Enquiry since he had *d'autres chats à fouetter*?

**The Prime Minister:** Well, I can't pass judgment on the former Prime Minister, it is for the people to judge because he says '*mo encore bien fort*'.

*(Interruptions)*

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, the second part of my question states that

—  
(b) death reported in connection with synthetic drugs’.

This also, I think, the Rt. hon. Prime Minister has omitted to give the answer.

**The Prime Minister:** Yes, it could be because I think I missed one page.

As regards the number of death, statistics submitted by the Ministry of Health and Quality of Life show that, from January 2014 to June 2015, 21 persons have died of drug overdose including synthetic drugs. The average age of death being 41 years.

*(Interruptions)*

**Mr Jhuboo:** Mr Deputy Speaker, Sir, the Rt. hon. Prime Minister mentioned that strict control was carried out at the level of the Port and the airport. Can we know from the Rt. hon. Prime Minister if some of these synthetic drugs are produced locally in clandestine laboratories?

**The Prime Minister:** Well, the Police is doing its best to have strict control. We know that synthetic drugs are circulating. Whether they are being fabricated here or abroad, but from information that I have, they are being even used in colleges by young students and all that. I think the situation is very serious and we have to look into it and do our best to have a strict control of that.

**PRIME MINISTER’S OFFICE - ADVISERS/PRESS ATTACHÉS -  
APPOINTMENT**

**(No. B/360) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Advisers/Press Attachés appointed on a contract basis in his Ministry, since July 2005 to 10 December 2014, he will give a list thereof, indicating in each case the -

(a) qualifications held;

(b) areas of responsibility thereof;

- (c) salaries and any other allowances drawn thereby;
- (d) terms and conditions of appointment thereof, and
- (e) make and model of Government car put at the disposal thereof.

**The Prime Minister:** Mr Deputy Speaker, Sir, the information requested by the hon. Member is being tabled.

I wish nevertheless to point out that as at 09 December 2014, there were 21 Advisers employed at the Prime Minister's Office compared to only two who are now in employment.

### **GOVERNMENT CAR & VIPSU DRIVERS – BENEFICIARIES**

**(No. B/361) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the persons who had been allocated a Government car and who have been provided with the services of Very Important Persons Security Unit (VIPSU) drivers over the period July 2005 to 11 December 2014, he will, for the benefit of the House, obtain from the Commissioner of Police, a list thereof, indicating in each case, the –

- (a) capacity of the person who had been allocated such a car and provided with the services of VIPSU drivers;
- (b) make and model of the car put at the disposal thereof;
- (c) duration thereof, and
- (d) reasons therefor.

**The Prime Minister:** Mr Deputy Speaker, Sir, in regard to the list of persons who had been allocated vehicles from the Police Car Pool together with the services of VIPSU drivers over the period July 2005 to 11 December 2014, I am informed by the Commissioner of Police that in April 2015, there were indications that the relevant information were not fully available and there was suspicion that it might have been done intentionally.

The Commissioner of Police then gave instructions for a full search for the missing information. Concurrently, the Central Criminal Investigation Division was also instructed to

carry out an in-depth investigation with a view to establishing responsibilities and taking appropriate action against those concerned.

In the course of the enquiry, 20 persons have been interviewed and their statements recorded. The enquiry is still in progress.

Mr Deputy Speaker, Sir, I wish to inform the House that the following officials are eligible for cars from the Police Car Pool and services of VIPSU drivers -

- (i) The President
- (ii) The Vice President
- (iii) Ex-President
- (iv) Ex Vice-President
- (v) Prime Minister
- (vi) Ministers
- (vii) Speaker
- (viii) Chief Whip
- (ix) Leader of Opposition

Moreover, cars from the Police Car Pool and services of VIPSU drivers have also been allocated to other persons during the period July 2005 to 11 December 2014 as directed by the Prime Minister's Office. I am tabling the list of those beneficiaries.

**Mr Jhugroo:** Can the hon. Prime Minister inform the House how many official cars were put at the disposal of the former Prime Minister?

**The Prime Minister:** I have been given to understand that there were six cars at his disposal.

**Mr Jhugroo:** Can the hon. Prime Minister confirm to the House out of these six official cars whether one was put at the disposal of Mrs Nandanee Soornack, with VIPSUs?

**The Prime Minister:** Well, I understand that this is so.

**Mr Jhugroo:** Will the hon. Prime Minister consider to ask the Commissioner of Police to open an enquiry and see who decided to post CID Officers and VIPSU Officers on a daily basis to watch the shops of Mrs Nandanee Soornack at Jumbo Phoenix?

**The Prime Minister:** That I don't know whether it is a fact, but if it is a fact, well I will ask the Commissioner of Police to have an inquiry.

**Mr Jhugroo:** Will the hon. Prime Minister confirm whether the in-laws of the former Prime Minister were eligible for a Government car with VIPSU drivers?

*(Interruptions)*

**The Prime Minister:** Well, I don't know. We will try to get the information.

*(Interruptions)*

**Mr Jhugroo:** Is the Rt. hon. Prime Minister aware as to whether the sister and the brother-in-law of the former Prime Minister were allocated one official car plus VIPSU driver plus a 24-hour residential security?

**The Prime Minister:** Well, about the car, yes, that is correct. There was a car at their disposal. The other part, I cannot answer.

**Mr Jhugroo:** Can we know on what ground Mr Laurent Obadia was allocated an official car with VIPSU driver on every trip to Mauritius?

**The Prime Minister:** Well, I know there was an official car with VIPSU driver put at his disposal every time he was here, but on what ground, I can't say.

*(Interruptions)*

**The Deputy Speaker:** The Table has been advised that PQ No. B/366 and PQ No. B/370 have been withdrawn. Hon. Uteem!

#### **SSR INTERNATIONAL AIRPORT - MR P. T. - ARREST**

**(No. B/362) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the arrest of Mr P. T. at the Sir Seewoosagur Ramgoolam International Airport, in March 2015, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the reasons for the arrest and table a list of the belongings of Mr P. T. which had been seized by the Police in the course thereof.

**The Prime Minister:** Mr Deputy Speaker, Sir, I am informed by the Commissioner of Police that on Saturday 14 March 2015 at 12.15 hours, Central Criminal Investigation Department (CCID) personnel proceeded to Sir Seewoosagur Ramgoolam International Airport, following information that Mr P.T was entering Mauritius with a huge sum of unlawfully obtained foreign currency in connection with a case of alleged money laundering which is currently under investigation.

At 16.40 hours, Mr P. T. arrived from Dubai and after Customs formalities, the CCID Officers apprised him of the information held by them and that they would search his luggage, to which he agreed.

At no point in time, Mr P. T. was under arrest. He voluntarily accompanied the officers to the CCID Office and voluntarily produced the following -

- (i) 2 mobile phones and 2 SIM cards;
- (ii) one laptop and its charger, and
- (iii) a number of documents comprising 81 pages in all regarding the case of Airway Coffee Ltd. v/s AML and ATOL.

It is to be noted that Mr P. T. also gave a statement to the Police testifying that everything was done with his consent and of his own free will.

Thereafter, as he was feeling tired, Mr P. T. expressed his wish to proceed to his residence and to call back at the CCID Office on Monday 16 March 2015 for the examination of the documents, mobile phones and laptop with a view to proving that he had no connection with the case of alleged money laundering. Given that he was not under arrest, he was allowed to go by the Officers.

On Monday 16 March 2015, at 15.45 hours, Mr P. T. called at the CCID Office in company of his Counsels and requested the Officers not to proceed with the examination of his belongings. At 16.00 hours, he was informed through his Counsels that Police would not proceed with the examination and that he could collect his belongings. He, however, declined by stating that he would lodge an affidavit in the Supreme Court and left thereafter.

On 17 March 2015, an Interim Order in the form of an injunction was served on the Commissioner of Police restraining and prohibiting the Police from inspecting and searching Mr P.T.'s belongings.



Mr Deputy Speaker, Sir, on 20 March 2015, Mr P.T. moved to withdraw his application before the Supreme Court, whereby the Interim Order was discharged and the application was set aside. On the same day, the belongings of Mr P.T. were returned to him at the CCID Office. He made no further complaint.

**Mr Uteem:** Thank you, Mr Deputy Speaker, Sir. On 17 March 2015, the attorney in question swore an affidavit where he makes very serious allegations against the Police about unlawful arrest be it at the airport, unlawful detention until 9.30 p.m. So, in the light of this affidavit, may I request the Rt. hon. Prime Minister to consider requesting the Commissioner of Police to start an enquiry to see whether, in fact, there is either a swearing of false affidavit or there is a *prima facie* case of illegal arrest and detention?

**The Prime Minister:** I don't see any need for any further enquiry in this case. He withdrew his case which was before the Supreme Court and that speaks a lot in favour of the version of the Police.

**Mr Uteem:** The hon. Prime Minister may be aware that the case that was withdrawn was about documents that had been seized and these were remitted back to him and that is why he had to withdraw his case. But my question is about the illegal arrest and detention which has nothing to do with the civil case where he has asked that his documents be returned.

**The Prime Minister:** There was no illegal arrest. There has never been any document seized.

**The Deputy Speaker:** Hon. Rutnah!

**Mr Rutnah:** Can the Rt. hon. Prime Minister confirm that, as at to date, Mr P.T. has or has not made any complaint; firstly, to any Police Station as to whether there were any force that was exerted upon him by the Police; secondly, that he has not also made any complaint to the Human Rights Commission that any coercion were made upon him and that in line with all the procedures that exist, up until a complaint is not made, the Police Commissioner cannot initiate any enquiry?

**The Prime Minister:** No complaint whatsoever of any sort has been made by Mr P.T. I pity him!

*(Interruptions)*

**The Deputy Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** The hon. Prime Minister said that the Police had information that he was carrying large sums of money. But this could have been easily verified at the Plaisance Airport itself by search, by the scanning of his luggage. Why was he arrested and brought to the Central CID in Port Louis?

*(Interruptions)*

**The Prime Minister:** Who said he was arrested!

*(Interruptions)*

It's rubbish!

**The Deputy Speaker:** Order! Hon. Uteem, last question!

**Mr Uteem:** The hon. Prime Minister is insisting that there was no arrest. But may I refer the hon. Prime Minister to a statement that was made by the representative of the DPP's Office on the date where the case was withdrawn and she said with no uncertain terms that *ex-facie* the affidavit, the arrest was anti-constitutional, the detention of all the documents was anti-constitutional and it was in breach of section 300 of the Criminal Code respecting privileged information between client and Attorney.

**The Prime Minister:** If that was his opinion, he could have taken certain actions.

*(Interruptions)*

**The Deputy Speaker:** The Table has been advised that PQ Nos. B/367 and B/368 have been withdrawn. Time is over! I suspend the sitting for one and a half hours.

*At 1.13 p.m. the sitting was suspended.*

*On resuming at 2.44 p.m. with the Deputy Speaker in the Chair.*

**The Deputy Speaker:** Hon. Members, the Table has been advised that Parliamentary Question Nos. B/386, B/387 and B/388 have been withdrawn. I also have to inform the House that the hon. Third Member for Rivière des Anguilles and Souillac, hon. B. Jahangeer has declared his interest in regard to Parliamentary Question B/393. Hon. Ameer Meea!

## MINISTRIES & GOVERNMENT DEPARTMENTS - PREMISES – RENT

**(No. B/373) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the buildings and premises rented by each Ministry and Government Department, he will give a list thereof, indicating in each case the -

- (a) location thereof;
- (b) name of the owners thereof;
- (c) extent thereof ;
- (d) monthly rental thereof, and
- (e) duration thereof.

**Mr Bodha:** Mr Deputy Speaker, Sir, I am advised that my Ministry is one of the various Government Ministries and Departments which need to give clearances for rental of buildings and premises by all Ministries and Departments.

In fact, my Ministry gives the final clearance after ascertaining that the building is structurally safe and sound and fit for renting.

As my Ministry does not have the information requested for and it is not available, all Ministries and Departments have been requested to submit same.

Mr Deputy Speaker, Sir, with your permission, I will table the information in due course.

**Mr Ameer Meea:** Thank you, Mr Deputy Speaker, Sir. *Récemment, dans 'L'Express' du 13 avril de cette année-ci, il y a eu un article par rapport à la dotation budgétaire des loyers payés par le gouvernement. Donc, pour l'année financière 2015 et 2016 à l'effet que les loyers vont augmenter de 27%, passer de R 785 millions à R1 milliard pour l'année prochaine.* Can I ask of the hon. Minister why there is such an increase in the amount of rent?

**Mr Bodha:** Well, Mr Deputy Speaker, Sir, my Ministry is supposed to give the clearances as regards the renting. I think it is the Valuation Office which has to do the exercise and I think I can also say that the rent is also decided as per tenders.

## PORT LOUIS - HAWKERS - RELOCATION

**(No. B/374) Mr Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Local Government whether, in regard to the proposed relocation of the hawkers operating in Port Louis, he will state where matters stand.

**Dr. Husnoo:** Mr Deputy Speaker, Sir, as the House is aware, it has been announced in the Budget Speech 2015 - 2016 that the construction of a Hawkers' Centre at the Northern Bus Terminal in Port Louis has been approved.

This project is, however, linked with the Port Louis Road Decongestion Project which is being piloted by the Ministry of Public Infrastructure and Land Transport.

As a matter of fact, the Ministry of Public Infrastructure and Land Transport is currently working on the redevelopment of the Victoria and Immigration Square Bus Stations, with a view to converting these two sites into modern bus stations with provisions of commercial/office block and parking. Both complexes, at Victoria and Immigration Square, will provide space for the hawkers.

Mr Deputy Speaker, Sir, I am informed that, concurrently with the work already initiated by the Ministry of Public Infrastructure and Land Transport, that Ministry is also appointing a Consultant on the road decongestion programme to study and recommend proposals to increase the vehicular fluidity in these areas.

I understand that the plans will be finalised on receipt of the Consultant's recommendations.

Mr Deputy Speaker, Sir, I would like to reassure the hon. Member that we are fully conscious of the problem of hawkers in the city and that, in addition to the long-term solutions which the Government, through the Ministry of Public Infrastructure and Land Transport and my Ministry, is contemplating to address the problem, I am working in close collaboration with the Municipal Council of Port Louis to identify temporary measures regarding the hawking activities in the city, especially in view of the forthcoming end of the year festivities. As a matter of fact, on Thursday, 27 August 2015, I had a meeting with the Lord Mayor, as well as the Mayors of other towns, to brainstorm on measures that could be taken in December. The City Council of Port Louis is currently working, in consultation with the Police and other stakeholders on the measures for the city of Port Louis for the month of December and I am expecting a report from the City Council by mid-September 2015.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, in a past PQ this year, in February 2015, the hon. Minister stated that this is one of his priorities as he assumed office and he also stated to the House that the construction of malls for the relocation of *marchands ambulants* and the whole project will be implemented - according to his words - in about a year. So,

therefore, can I ask the hon. Minister where matters stand in relation to the construction of these buildings because six months has already elapsed and still we have not heard anything about it?

**Dr. Husnoo:** Yes, Mr Deputy Speaker, Sir, the hon. Member is right, I did say so, but at that time I was planning to address the issue on my own, that is, the Local Government. Now, as I mentioned, with the Road Development Programme together with the Ministry of Public Infrastructure, we are getting together. We are trying to see how we can modernise the bus stations at Immigration Square and Victoria Square. We will work together in an integrated project to provide better facilities and, as I mentioned, hawkers would be integrated. I agree the plan has changed, but we are trying to do a much better job, that's why it is taking a bit more time.

**Mr Ameer Meea:** So, clearly, Mr Deputy Speaker, Sir, in one year this problem won't be solved and we don't have a clear plan in which direction we are going. But in the meanwhile, can I ask the hon. Minister what he is doing for the problem of *marchands ambulants surtout que la fin d'année approche rapidement*.

**Dr. Husnoo:** Yes, it is not just that we do not have a clear plan. I have explained the plan. We are working on the plan. We have a plan and it is going to be a better plan than what it was before. Yes, I mean it. As for the end of the year, I had meeting with the Municipality of Port Louis, with the Police and other stakeholders. We are going to see how we can control the situation. It should not be like what it was last year. It is not going to be like that. This time, we are going to have places where the hawkers would not be allowed and we are going to have better policing to have a better situation this year.

**Mr Mahomed:** Mr Deputy Speaker, Sir, I have been informed by some of the hawkers, with what is going on with the problem of hawkers around the island, there is migration of hawkers, some from other regions coming to Port Louis and maybe vice-versa. Is there such a problem and what is being done to address it?

**Dr. Husnoo:** Definitely. As you know, this problem has been like that for years. From Port Louis they had been going to different places. From one district to other districts, it has been like that for so many years. So, I am not going to change that. I cannot change that now. But, when we are going to develop such place for hawkers, of course, we are going to give priorities for people who stay in the vicinity.

**Mr Uteem:** The hon. Minister has not given us any time frame as to when he is going to implement what he has in mind. May I ask him, in the meantime, is there going to be a survey about the existing hawkers that we have? Is there going to be a special badge given to them to identify them and distinguish them from other migrating hawkers? Does he propose to do anything pending the construction of these new places that he mentioned?

**Dr. Husnoo:** Yes, the hon. Member is right. I mean, firstly, we are not going to do any survey. The problem with survey is that when you do a survey this time, you are going to have x number, when you do it after a few months, it is going to double. That's one problem with surveys which we have noticed, all the surveys that have been done by the municipality of Port Louis. But, we know those people who are working. Now I have discussed - as I mentioned in my reply just now - with the Lord Mayor of the Municipality of Port Louis if we can issue them a badge so that we can differentiate who are the people who are, if we can say, genuine hawkers, or who are the people who are just coming here for just Christmas and New Year. You know what I mean? So, we are working on this as well and we have discussed it as well.

**Mr Mahomed:** From what I know the number of hawkers in Port Louis is about a thousand, plus or minus. Would it be a good idea to put all these hawkers in only one building?

**Dr. Husnoo:** No. Firstly, the figure from the Municipality of Port Louis is about 1,200. That's one. I have mentioned, it is not going to be in one place. We are working in two places: Immigration Square and Victoria Square.

### **TRIOLET – STATE SECONDARY SCHOOL - COMPULSORY ACQUISITION**

**(No. B/375) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the compulsory acquisition of land for the extension of the State Secondary School in Triolet, he will, in respect of each portion of land, state the –

- (a) name/s of the former owner/s thereof;
- (b) extent thereof, and
- (c) amount of money paid thereto following the decision of the Board of Assessment in relation thereto.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, Government compulsorily acquired in terms of a Notice under Section 8

of the Land Acquisition Act duly registered and transcribed on 23 September 2002 in Volume T.V. 5011 No. 73, four plots of land situated at Triolet for the public purpose of constructing a State Secondary School. Details of these are:

- (i) Plot No. 1 of an extent of 1A 51p from Ww Mrs Dhunraz Ram;
- (ii) Plot No. 2 of an extent of 1A 53p from Ww Mrs Jasso Tulsi;
- (iii) Plot No. 3 of an extent of 0A 84p from Ww Mrs Talayboodeen Noormamode in usufruct and Mr Saleem Noormamode in bare ownership, and
- (iv) Plot No. 4 of an extent of 0A 84p from Mr Cadamhossen Jaoffar.

With regard to part (c) of the question, offers were made to the owners for the four plots as per assessment of the Valuation Department as follows -

<b>Portion No.</b>	<b>Name of Former Owners</b>	<b>Offer made</b>
1	Mrs Ww Dhunraz Ram	Rs680,923/-
2	Mrs Jasso Tulsi	Rs691,964/-
3	Mrs Ww Talayboodeen Noormamode in usufruct and Mr Saleem Noormamode in bare ownership	Rs378,645/-
4	Mr Cadamhossen Jaoffar	Rs3,033,033/-

However, only the former owner of Plot No. 4 agreed to the offer made to him and payment of the relevant compensation was made in June 2003. As for the other three owners, they each submitted counter claims which were referred to the Valuation Department in September 2002. Following assessment of the counter claims, the Valuation Department advised that the cases be referred to the Board of Assessment.

On 06 February 2007, the Board of Assessment made its award as follows –

- (a) Rs7,575,810 to Ww Mrs Dhunraz Ram for Plot No. 1;

- (b) Rs7,698,486 to Ww Mrs Jasso Tulsi for Plot No. 2, and
- (c) Rs4,217,166 to Ww Mrs Talayboodeen Noormamode in usufruct and Mr Saleem Noormamode in bare ownership for Plot No.3.

The Solicitor General and the Chief Government Valuer were informed of the three awards on 27 February 2007. The three awards were subsequently deposited at the office of the Chief Finance Officer of the Supreme Court on 02 and 11 July 2007 for payment.

**Mr Jhugroo:** Can the hon. Vice-Prime Minister confirm whether the plot of land is found in an irrigation zone whereby no conversion is permitted?

**Mr Soodhun:** I wish to draw the attention of the House that no information is available in my Ministry regarding the irrigation zone.

**Mr Jhugroo:** Can the hon. Vice-Prime Minister inform the House when this case had been referred to the Board of Assessment, did the Board abide by Section 18 sub-section (4) and sub-section (5)?

**Mr Soodhun:** Mr Deputy Speaker, Sir, I have stated earlier in my reply to the main question that the case of Plots Nos. 1, 2 and 3 were referred to the Board of Assessment as no arrangement was reached on the amount of compensation payable. Well, at least I have to go to the Library of the Supreme Court to see the sections concerned.

**The Deputy Speaker:** Hon. Jhugroo, next question, please!

**Mr Jhugroo:** I have got supplementary questions regarding a pertinent issue. Did the Solicitor General, while advising payment of compensation at the rate of Rs5 m. per *arpent*, did abide by sections 18 and 19 of the Land Acquisition Act?

**The Deputy Speaker:** Hon. Jhugroo, the hon. Vice-Prime Minister did not have the answer for the first two questions. Please, let us not waste the time of the House!

**Mr Soodhun:** No, in fact, there is a *maldonne*. We have to agree that there has been a *maldonne* in this case.

*(Interruptions)*

Yes, definitely. I can understand the Chief Whip. As I stated earlier, the Board...

*(Interruptions)*



**The Deputy Speaker:** Hon. Vice-Prime Minister, please! According to the Standing Orders, you may not reflect on a legal opinion or comment on the decision of the Court of law.

**Mr Soodhun:** No, I am just giving the facts, where the difference...

**The Deputy Speaker:** It is not up to the Vice-Prime Minister to express a legal opinion!

**Mr Soodhun:** With your permission, Mr Deputy Speaker, Sir. In my opinion, I am going through the file and I am just giving those details to enlighten the House. It is very important to enlighten the House.

**The Deputy Speaker:** Hon. Rutnah!

**Mr Rutnah:** Given the huge public interest in the question raised by hon. Jhugroo, is the hon. Vice-Prime Minister prepared to provide answers in writing to this question?

**Mr Mohamed:** On a point of order, Mr Deputy Speaker, Sir. I thought that you had already ruled. The second issue is that the Standing Orders are very clear. One, we cannot ask, as it was couched in the sections of the law - the legal opinion of the hon. Vice-Prime Minister cannot be sought for. There is another important issue as well and I thought that you had already ruled.

**The Deputy Speaker:** Indeed, I did say that the hon. Vice-Prime Minister may not reflect on a legal opinion.

*(Interruptions)*

**Mr Soodhun:** It is not my opinion. I maintain, it is not my opinion. I am going through the file that exists and to enlighten the hon. Member, for the sake of the country....

*(Interruptions)*

**The Deputy Speaker:** Hon. Mohamed, are you taking a point of order?

**Mr Mohamed:** Yes, it is a point of order.

**The Deputy Speaker:** I have already taken your point of order. Please, sit down. Let us move on to the next question, please!

*(Interruptions)*

**Mr Jhugroo:** Mr Deputy Speaker, Sir, one last question? Can I ask the hon. Vice-Prime Minister whether...

**The Deputy Speaker:** Hon. Jhugroo, we have spent eight minutes on this question!

*(Interruptions)*

**Mr Jhugroo:** Yes, but is a question of national interest! One last question, please? Can I ask the hon. Vice-Prime Minister whether this case has been referred to ICAC and, if so, when, and what is the outcome thereof?

**Mr Soodhun:** The case was referred to ICAC in 2008. However, my Ministry has not been informed of an outcome so far.

**The Deputy Speaker:** Hon. Jhugroo!

#### **FLORÉAL – MRS N. S. – HOUSE PURCHASE**

**(No. B/376) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Finance and Economic Development whether, in regard to the land and house located in Floréal purchased by Mrs N. S. from Mr D. M., he will, for the benefit of the House, obtain from the Valuation Office, information as to –

- (a) the name of the Government Valuer who had assessed the value of the property, indicating the –
  - (i) date of the assessment thereof, and
  - (ii) region assigned by the Valuation Office to the said Government Valuer for the carrying out of assessments at the material time, and
- (b) if instructions emanating from the Prime Minister's Office were received at the Valuation Office in relation thereto and, if so, indicate –
  - (i) by whom, and
  - (ii) to whom.

**Mr Lutchmeenaraidoo:** Mr Deputy Speaker, Sir, regarding part (a) of the question, I am informed by the Valuation Department that in relation to the land and house located in Floréal purchased by Mrs N. S. from Mr D. M., bearing Transcription Volume No. 8026/24, the value of the property was assessed by Mr K. Jugun, Ag. Deputy Director, Valuation and Real Estate Consultancy Services.

The date of the assessment was 07 March 2011, that is, the date on which the deed was registered.

I am further informed that, at that time, one of the regions assigned by the Valuation Department to Mr K. Jugun was Floréal.

The value of the property, as declared in the deed was Rs30 m. On 09 August 2011, the Valuation Department sent a report to the Registrar-General in which it confirmed, amongst others, that it is satisfied that the value declared for the property may be accepted.

Regarding part (b) of the question, that is, whether instructions emanating from the Prime Minister's Office were received by the Valuation Department in relation to the assessment, I am informed by the Valuation Department that the sale transaction is currently under investigation by the Central Criminal Investigation Department. It would be improper for me to deal with this matter further.

**Mr Jhugroo:** Can the hon. Minister state whether he is aware that instruction was given to Mrs Roshni Bissessur from the Prime Minister's Office to call Mrs Khedun and Mr Bhikroo to survey a plot of land purchased by Mrs Nandanee Soornack at Floréal?

**Mr Lutchmeenaraidoo:** I am not aware. I do not have the reply, but I will look into it.

**Mr Jhugroo:** Is the hon. Minister aware that Mrs Khedun, the Government Valuer and Mr Bhikroo, a Senior Technician were involved in the assessment of the bungalow purchased by the former Prime Minister at Roches Noires?

**Mr Lutchmeenaraidoo:** I am not aware. I will just have to look into it.

**Mr Jhugroo:** Can we know from the hon. Minister the name of the Government Valuer who valued the property without carrying out a survey and, is this ethical?

*(Interruptions)*

**Mr Lutchmeenaraidoo:** Mr Deputy Speaker, Sir, I don't have a reply, but I will have to review it.

**The Deputy Speaker:** Hon. Uteem!

### **MAURITIUS & INDIA – DOUBLE TAXATION AVOIDANCE CONVENTION**

**(No. B/377) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the Double Taxation Avoidance Convention between Mauritius and India, he will table copy of the agreement reached with the competent authorities in India for the amendment thereof and, if not, why not.

**Mr Lutchmeenaraidoo:** Mr Deputy Speaker, Sir, no protocol amending the Double Taxation Avoidance Convention between India and Mauritius has yet been signed by the respective Governments.

Discussions to finalise the amending Protocol are presently ongoing through exchange of correspondences.

Mr Deputy Speaker, Sir, until and unless the amending Protocol is signed by the two Governments, the discussions are still confidential and we cannot at this stage disclose anything.

**Mr Uteem:** On 03 July, the Cabinet Decision stated, and I quote –

“(...) the Minister of Financial Services, Good Governance and Institutional Reforms to India has successfully finalised the pending issues on the Double Taxation Avoidance Convention, as well as a protocol amending the Convention between India and Mauritius (...).”

And -

“Cabinet has agreed to the signing of the protocol (...).”

That is, the official Cabinet Decision of 03 July 2015. So, in these circumstances, may I know from the hon. Minister whether there has been a finalisation of all pending issues and agreement to sign the protocol, or not?

**Mr Lutchmeenaraidoo:** Not yet! My colleague, the hon. Minister of Financial Services, Good Governance and Institutional Reforms, the hon. Minister of Technology, Communication and Innovation and the Financial Secretary did a great job in Delhi. I have no doubt about it. But, we need clarifications on certain issues. So, I have written to the Indian Government to ask for clarification on certain issues. Those issues will need to be looked into and, when they are finalised, naturally I will help to seek Cabinet's approval and then sign it.

**Mr Uteem:** From what I understand the Cabinet was not right. But, being given what the hon. Minister has just mentioned, in the interest of transparency would the hon. Minister be prepared to table a copy of the letters of clarifications sought from the Indian authorities?

**Mr Lutchmeenaraidoo:** I can see no reason to table something which forms part of discussions. In fact, there has been a lot of confusion which has been created by those who have not understood the background to the decisions we have taken in relation to discussions with India.

I have to remind the House that there has been a joint working group which has been working since August 2006. They have had eleven working sessions and all just did not work out. There is a situation where the Indians are not that wrong when they say that we are using the offshore sector, on one side, to set up Shell Companies which are not transparent and, on the other side, to encourage round-tripping, meaning that Indians process their money through Mauritius to invest in India and, therefore, are tax exempt. I understand fully the Indian Government on those issues and we need to correct them.

What have we chosen to do since December? We have said that the offshore sector, as it is, can no longer survive for long. An offshore centre which is seen as a jurisdiction which is on the blacklist, even now, cannot sustain a long-term development just on the basis of information which is concealed or on the basis that it is being perceived as a destination where crooks hide their money. When I was in India - I have to tell the House this - when this Government of India was in the Opposition, they treated Mauritius in a very bad way. This said 'infamous' Mauritius! Because, in India, we have got the reputation of having encouraged a few crooks from India to come to Mauritius and have their money whitewashed and we have developed, in the course of years, a very bad reputation in India.

In fact, we spent most of our time in India explaining to the population that it is not because of a few rotten tomatoes in India that the offshore sector should be perceived as a

sort of jurisdiction that encourages black money whitening. So, the process in which we are now is quite different in the sense that I really feel - and we feel also with hon. Bhadain - that the financial sector should become an international financial sector of repute that can be used by any country, any institution for business. I'll take one example in the negotiation we are having now with Ghana. Ghana/Mauritius G2G means we are setting a special purpose vehicle in the offshore that will then canalise billions of dollars of investment on Ghana. There is no doubt that this type of project G2G makes sense in the sense that there will be a lot of business in the international financial sector, which will benefit much more in terms of job creation and contribution to GDP also.

Therefore, this is a different approach we are having. The House must understand that those who have benefitted from this incredible situation made a lot of money. Well, the fiesta is over! I need to tell those offshore *migrant* companies that the fiesta is over, that they have now to do what we have done in the sugar sector. We knew that the privilege was disappearing in the sugar sector; we had to survive. We reinvented the whole sector beautifully. Now, the offshore sector will have to evolve with time and become more transparent. So, it is on this basis that we are now working. And if we have now discussions with India on issues of clarification, it is because those issues we are asking for to be clarified are linked with, on one side, our decision that we want a transparent financial sector in Mauritius and that we are abandoning all that is round-tripping, all that was shell companies, and all that was business link to secrecy and opacity.

**Mr Uteem:** I won't comment on what the hon. Minister has said which is quite shocking about the state of our offshore and how he wants to kill the sector. I would ask a very specific question. We are not talking about exchange of information which will get around the problem of round-tripping. We are not talking about that. We are talking about Article 13, which, henceforth, according to the protocol, if this goes ahead, I understand that that would mean that India would be able to tax capital gains. This is the single Article that for years, whether it is Government - each Government that has come, including the one between 2000 and 2005 - we have always resisted amending Article 13 because that will kill all business going through Mauritius into India. So, may I ask the hon. Minister whether only on that one particular Article 13, he could defend the interest of Mauritius?

**Mr Lutchmeenaraidoo:** I defend the interest of this country, Mr Deputy Speaker, Sir. If we maintain on the former course, we will be like those sugar barons who refuse to

admit that the sugar protocol will one day lapse and that they will have to adapt. I am telling you, once again, those OMCs who have made billions out of easy business based on opacity and transparency, game is over. Those sectors will have to adapt, develop and be transparent. That is a policy issue. We agree to it and those who do not agree to it, there is no way now to back-pedal on this. I have signed recently an agreement with the OECD for automatic exchange of information as from 2017. There is no way moving back on it. There is no way differing since 2006, issues like the capital gains tax, which has to be dealt with. We have to understand that now we are a middle income country and that we are dealing with India which has millions of poor people. We cannot just try to use and abuse of a clause in a DTA which dates back. I signed it in 1983, which dates back now 30 or 32 years. What I am saying is what I feel this sector will need to do. The offshore financial sector has a beautiful future except for those who do not want to adapt and who do not want to change.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, we no longer understand which country the hon. Minister of Finance is defending, whether it is India or Mauritius and which jurisdiction he is promoting or not. But what he said will have serious consequences in the years to come. The hon. Minister said that Mauritius is on the blacklist. Can I ask the hon. Minister which list Mauritius is and which organisation he showed that list?

*(Interruptions)*

**Mr Lutchmeenaraidoo:** We have been put on the blacklist of the EC and the hon. Member is aware of it. I was in France when this happened and I wrote immediately to the Commissioner in Brussels to object to it. Because EC just moved on the basis that ten member States of the EC have put Mauritius on their blacklist. So, we form part of a series of countries that were blacklisted without any really good reason. In between that time and today, I can tell you that my colleague Minister of Foreign Affairs has been having bilateral consultation with those countries which have put us on their blacklist. And I can assure the House that in the next meeting at the EC level, Mauritius will definitely be out of this blacklist.

**The Deputy Speaker:** Last supplementary on this!

**Mr Uteem:** Thank you, Mr Deputy Speaker, Sir. Being given that the hon. Minister of Finance has told us that he has decided to give up on Article 13, may I ask the hon. Minister of Finance that, at the very least, we get something in written from India such as grant favouring clause which would protect all existing structures?

**Mr Lutchmeenaraidoo:** Well this forms part of the letter that I have addressed to the Government of India which requires clarifications. I again said that we have somewhere to agree or to agree to disagree in which case we will return the clock back to 2006. We have differed decisions on matters of crucial importance just because we have been hiding behind this truth that India could no longer maintain a DTA that seemed to be detrimental to the country. This is not a question of loving India; it is a question of equity and justice.

**Mr Bérenger:** Mr Deputy Speaker, Sir, may I be allowed one question?

**The Deputy Speaker:** Will it necessitate a long answer?

**Mr Bérenger:** Yes. I wanted to ask the hon. Minister, he has referred to the recent so-called list by the European Commission and he is saying that we are fighting to come out of that list. Is that a correct attitude? In fact, the OECD itself threw out that so-called blacklist. So, it is useless. Will the hon. Minister agree with me that we should not be fighting to get out of that list? We should be fighting with others to throw that list where it already is, *dans le panier*.

**Mr Lutchmeenaraidoo:** You would like to know that this is the stand that we took, in fact and the list had to be thrown in a dustbin. That's what my colleague did also in Brussels, but we have to realise that reality is reality. Mauritius is small and that this list has done us a lot of harm. The whole letter I wrote to the Commissioner was that this list is doing undue harm to our country and it is totally – I mean it is based on assumptions which are not realities. So, we are fully aware that what has been done should not have been done. We are doing everything now for this to be corrected at the next meeting scheduled around September.

**The Deputy Speaker:** Hon. Uteem!

**BRITISH AMERICAN INSURANCE CO. (MTIUS) LTD. - SPECIAL  
ADMINISTRATORS - APPOINTMENT**

**(No. B/378) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to the appointment of special administrators for the British American Insurance Co. (Mtius) Ltd. and its related companies, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the -



- (a) terms and conditions thereof;
- (b) amount paid in relation thereto, and
- (c) criteria used for the selection exercise therefor.

**Mr Bhadain:** Mr Deputy Speaker, Sir, on 02 April 2015, the Central Bank revoked the licence of Bramer Bank as per the provisions of section 17 of the Banking Act 2004, and appointed Messrs André Bonieux and Mushtaq Oosman as ‘Receivers’ of Bramer Bank, after having identified that the conditions prevailing posed serious risks to the domestic financial system.

The next day, on 03 April 2015 in order to safeguard the interests of insurance policyholders, the Financial Services Commission (FSC) acted pursuant to section 106 of the Insurance Act 2005 and appointed Messrs André Bonieux and Mushtaq Oosman as ‘Conservators’ of BAI Co. (Mtius) Ltd.

I am informed by the FSC that the appointment of Messrs André Bonieux and Mushtaq Oosman, was related to the fact that they were also the ‘Receivers’ of Bramer Bank. In the light of the complexity prevailing within the holding structure of BAI Co. (Mtius) Ltd, which controlled Bramer Bank, there existed a myriad of unusual related party transactions within the Group and having the same persons appointed as ‘Conservators’ would avoid duplication of work and would drive the required level of synergy.

Mr Deputy Speaker, Sir, nine days later, however, on 12 April 2015, the Directors of British American Investment Co (Mtius) Ltd, Seaton Investment Ltd and some 30 other companies in the BAI Group voluntarily appointed an Administrator, Mr Sattar Hajee Abdoula, under sections 215 and 216 of the Insolvency Act. His mission to safeguard the interest of creditors and shareholders of these companies contradicted the protection afforded to insurance policyholders under section 63 of the Insurance Act 2005.

Mr Deputy Speaker, on 28 April 2015, the Insurance (Amendment) Act 2015 was voted by Parliament to protect the interest of insurance policyholders. On 30 April 2015, the FSC appointed Messrs Mushtaq Oosman and Yogesh Rai Basgeet, both PwC partners, as ‘Special Administrators’ of BAI Co. (Mtius) Ltd, and any of its related companies with effect from 01 May 2015. Due to the prevailing urgency and legal requirements, the Special Administrators started work straightaway.

With regard to part (a) of the question, the first engagement letter of the ‘Special Administrators’ was received by the FSC on 15 June 2015. It included their proposed terms and conditions and two attachments –

- (i) a schedule showing a breakdown of their proposed fees, and

(ii) PwC's terms of business.

Mr Deputy Speaker, I am informed by the FSC that, on 24 June 2015, the Commission rejected the proposed Letter of Engagement of the Special Administrators, after making the following observations and I quote -

“It was observed that the fees claimed by the Special Administrators are open-ended and outrageous and no breakdown is given. Many items quoted are not clear. The draft Letter of Engagement contains an “indemnity” clause which also covers PwC in addition to the Special Administrators who have been appointed. The indemnity clause should be assessed as it is too wide in scope and the FSC cannot provide such a vague indemnity clause.

After discussions, the Board agreed that the legal team of the FSC together with management examine the draft Letter of Engagement and to inform the Special Administrators of the terms and conditions which are not acceptable to the Commission and to seek a reply from the Special Administrators within the deadline to be set by management. The Special Administrators should also be requested to provide details on the fees claimed, the time spent and the advice tendered. It is viewed that the fees to be charged by the Special Administrators should be a fixed fee plus any additional fee as may be agreed by the Commission.”

I am now tabling a copy of the First Engagement Letter for the benefit of the House.

Mr Deputy Speaker, Sir, I am further informed by the FSC that, following the rejection of the First Engagement Letter, the ‘Special Administrators’ subsequently, sent a second Letter of Engagement which was officially received on 02 July 2015 and was accepted and signed by the Acting Chief Executive of the Commission.

I am also tabling a copy of the accepted ‘Letter of Engagement’ which contains the terms and conditions of appointment of the Special Administrators. No schedule or breakdown of fees was attached to the Engagement Letter and the only reference to ‘Fees’ stated as follows and I quote:

“Our fees for the services will be agreed with the Appointer from time to time.”

With regard to part (b) of the question - on 17 June 2015, the ‘Special Administrators’ claimed an amount of Rs23,862,500 (inclusive of VAT), which the FSC authorized them to debit from the account of BAI Co. (Mtius) Ltd as an ‘advance payment’ which would be adjusted against their fees on settlement.

Subsequently, on 03 August 2015 the Board of the FSC decided to cap the fees of the Special Administrators to Rs28 m. (inclusive of VAT) and that higher fees could not be entertained.

The balance of Rs4,137,500 has not yet been charged to the account of BAI Co. (Mtius) Ltd.

With respect to part (c) of the question, Mr Mushtaq Oosman and Mr Andre Bonieux, both PwC Partners, were acting as ‘Conservators’ appointed under Section 106 of the Insurance Act 2005 to maintain continuity, Mr Mushtaq Oosman continued as ‘Special Administrator’ together with Mr Yogesh Rai Basgeet, both PwC Partners and Insolvency Practitioners.

**Mr Uteem:** Mr Deputy Speaker, Sir, may I know from the hon. Minister whether he has a breakdown of the fees that has been claimed and is outstanding from the Special Administrators?

**Mr Bhadain:** Yes. I do have at my Office, Mr Deputy Speaker, Sir. I don’t have a copy with me now but I can inform the hon. Member that the last claim that they sent contained a breakdown and then they have the audacity of coming and saying that they could claim 5% under the Insolvency Act which would amount to Rs651 m. fees for work which has been conducted from May to now and they have the further audacity of informing the FSC that they were giving the FSC a discount of Rs450 m. out of this and, therefore, they were claiming only Rs136 m. but I can assure the hon. Member that this Government will not tolerate such abuse and the fees have been capped at Rs28 m. they will paid Rs28 m. whether they like it or they don’t like it.

**Mr Uteem:** May I know from the hon. Minister in order to avoid recurrence of such event in the future, instead of having an ad hoc agreement on fees; will there be a schedule of fees now attached to whenever they retain Special Administrators?

**Mr Bhadain:** I totally agree with my hon. friend Uteem on this, I believe the FSC should have done that in the first place but, because of the urgency prevailing and the legal requirements, because people had to be paid their salaries and there were so many issues regarding all these companies in the BAI group, the Special Administrators started work straight away, then they abuse the situation by sending the first engagement letter on 15 June and when they brought this breakdown of fees which exceeded Rs100 m. the FSC rejected it. By then they sent their second engagement letter which was accepted with the line that I have

already read but I do agree, I have raised it with the FSC as well, things must be done in a more tedious and concrete manner going forward, I do agree.

### **NATIONAL PROPERTY FUND - CREDIT FACILITY - BANK OF MAURITIUS**

**(No. B/379) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** Minister of Finance and Economic Development whether, in regard to the credit facility granted by the Bank of Mauritius to the National Property Fund Ltd., he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to the -

- (a) terms and conditions thereof, and
- (b) amount disbursed in respect thereof as at to date.

**Mr Lutchmeenaraidoo:** Mr Deputy Speaker, Sir, regarding part (a) of the question, I am informed by the Bank of Mauritius that it granted, on 29 June 2015, a credit facility of three billion and five hundred million rupees to the National Property Fund Ltd (NPFL) at an interest rate of 3.75 per cent per annum. The capital and accrued interest are repayable by 30 June 2016.

Regarding part (b) of the question, the Bank, as at date, has disbursed three billion and five hundred million rupees to the National Property Fund Ltd.

**Mr Uteem:** Thank you, Mr Deputy Speaker, Sir, may I know from the hon. Minister whether the approval of the Board of the Bank of Mauritius was sought and obtained before this loan was disbursed.

**Mr Lutchmeenaraidoo:** I will think so. The Governor of the Central Bank will not take a decision of this magnitude without consulting its lawyer or consulting those who are close to him unless, you have some information contrary to this. I have no doubt that the Governor has followed strictly procedures.

**Mr Uteem:** Given the answer of the hon. Minister, maybe he can verify with the Governor of the Central Bank whether the procedures have been followed and whether they have received any legal advice before they disbursed Rs3.5 billion to a company which is not a financial institution.

**Mr Lutchmeenaraidoo:** It is not but it is Government. Well we are dealing with Government and this money had to be – we had the cash flow, cash flow was not good

enough to fulfil our obligations towards those we have taken commitments against those who have lost in the Ponzi Scheme. So, the Ministry of Finance requested the Bank of Mauritius to make these facilities available to the National Property Fund.

**Mr Bérenger:** This is very serious what had just been said in the House. I heard the hon. Minister saying he thinks that the Board gave its green light and then he added comments that indicated clearly that, if that was not the case, the Governor was at fault. Being given the seriousness of what we have just heard, can I ask the hon. Minister whether he will seek confirmation from the Governor that the Board did give its approval?

**Mr Lutchmeenaraidoo:** I will certainly look in the matter, as I have said I am convinced, I know the Governor personally. I am convinced that all procedures have been followed. I am sure he has even consulted the legal advisers of the Central Bank before moving. I think he has done this in the course of the whole business of the Central Bank. Why we did it? We did it because the National Property Fund has been set up by Government to fulfil its obligation vis-à-vis those who have lost money in the Ponzi scheme.

**Mr Uteem:** Other than the Government guarantee was there any security given to secure this line of credit of Rs3.5 billion?

**Mr Lutchmeenaraidoo:** No, but we are the security. Government is the security. When we stood up and guaranteed to those who have lost money in the Ponzi scheme that we are going to pay back the money that they have lost, it was the commitment of Government. Government decided at the most proper moment that we guaranteed the employment in both the Bramer Bank and BAI, we guaranteed all depositors in the Bramer Bank that their money would be safeguarded and we guaranteed also that those who have lost money in the Ponzi scheme will be repaid. We took these commitments. We have fulfilled them and we are Government.

**Mr Uteem:** The money has been advanced to the National Property Fund. So, may I know from the hon. Minister of Finance and Economic Development what was the exact purpose for the line of credit, what are they supposed to use this Rs3.5 billion for?

**Mr Lutchmeenaraidoo:** My colleague Minister spelt out this morning that the money was provided to regulate the cash flow problem at the level of the National Property Fund. We had to fulfil our engagement, we have fulfilled our engagement, but there is a cost to everything. In this case, if we had sold Britam, Britam was valued at Rs4.2 billion. If we tried

to sell it on the stock market, maybe we would have got even less than half of it. So, we didn't want to take the risk of selling such properties just because we had a cash flow problem. It is in view of the above, we think that Britam will pick up. We think that the NCB will pick up beautifully as well as the insurance company that we decided to provide cash flow facilities to the National Property Fund.

**Mr Bérenger:** Can I know from the hon. Minister whether he will check and tell us whether there was not a firm offer to buy Britam, BAI Investment in Kenya for a sum above Rs4 billion?

**Mr Lutchmeenaraidoo:** There was nothing firm to it. We, in fact, requested Barclays to see if they could help us secure one buyer for the whole lot. They said there might have one but no one secure. In fact, I can tell the House one thing, if there is a buyer for Britam at Rs4.2 billion, we will sell it immediately, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Last supplementary question, hon. Uteem!

**Mr Uteem:** Thank you, Mr Deputy Speaker, Sir. Being given the excess liquidity in the banking system, does the hon. Minister find it correct that the Central Bank should inject an additional Rs3.5 billion when there is already an excess cash in circulation?

**Mr Lutchmeenaraidoo:** We talk of what is ideal. I am not talking of what is the ideal. I am talking of crisis management and this is crisis management. There is no doubt that the national debt has increased substantially just because of this Rs3.5 billion. So, it is in our interest also to ensure that this advance made to the National Property Fund is reimbursed in 2016. Again, I have to spell out that we don't want to *brader*, to just sell off the properties that the National Property Fund has presently. So, it is not the best decision, but it is the best decision in this consensus we are facing.

**The Deputy Speaker:** Hon. Lesjongard!

#### **LA NICOLIÈRE DEVELOPMENT COMPANY – STATE LAND - LEASE**

**(No. B/380) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Agro-Industry and Food Security whether, in regard to State land, he will state if any agreement for the lease thereof for agricultural purposes has been signed with the La Nicolière Development Company and, if so, indicate -

(a) the date of signature thereof;

- (b) the duration thereof;
- (c) the extent thereof;
- (d) the purpose therefor;
- (e) the rental value thereof, and
- (f) if the lessee has pledged his rights in respect thereof and, if so, indicate the -
  - (i) name of the bank or financial institution concerned therewith, and
  - (ii) consideration of the sum of money for which the land has been pledged.

**Mr Seeruttun:** Mr Deputy Speaker, Sir, I am informed that, in regard to State land, no lease agreement has been signed with La Nicolière Development Company Ltd for agricultural purposes.

However, a lease agreement was signed between the Government and La Nicolière Development Company Ltd for the lease of State Lands Nicolière, Desenne, Valet, Jauffret, Noel and Jean Pierre in the districts of Pamplémousses and Moka for shooting and fishing purposes.

The replies to the different parts of the question are as follows:

With regard to part (a) of the question, the lease was initially signed on 3 June 2008 with Designer Development Ltd and was subsequently transferred to La Nicolière Development Company Ltd on 10 February 2010.

The duration of the lease was for a period of 7 years from 8 September 2007 to 7 September 2014. The lease was renewed for another period of 7 years from 8 September 2014 to 07 September 2021.

Regarding part (c) of the question, the aggregate extent of the land leased was 233.49 hectares.

As for part (d) of the question, the purpose of the lease as stipulated under section 3 of the Shooting and Fishing Leases Act was to shoot and to go in pursuit of game and to fish, hunt or fowl on the State land.

As regards part (e) of the question, the rental paid for the first lease was increased yearly from Rs168,750 in 2010 to Rs191,250 in 2014 based on the assessment of the Government Valuer.

As regards part (f) of the question, the lease agreement does not provide for the right to pledge and no request was made by the lessee to my Ministry to exercise such a right.

Mr Deputy Speaker, Sir, I wish to inform the House that following a site visit carried out on 13 January 2015 by officers of the Forestry Service of my Ministry, it was reported that no deer had been introduced yet and no grazing places had been created which clearly indicated that no deer hunting activities had been carried out by the lessee since the grant of the lease in 2008.

In view thereof, the lease was cancelled on 25 February 2015 and the lessee was given a three months' notice to vacate the land and restore it to its original state.

My Ministry has now resumed possession of the State land.

**The Deputy Speaker:** Hon. Lesjongard!

**CEMENT BAOBAB LAKAZ - MAURITIUS STANDARDS BUREAU -  
CLASSIFICATION**

(No. B/381) **Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the newly launched cement Baobab Lakaz on the local market, he will, for the benefit of the House, obtain from the Mauritius Standards Bureau, information as to -

- (a) the classification thereof according to the Mauritius Standards Bureau, and
- (b) if it uses sugar cane fly ash mixed with coal fly ash;
- (c) if it has no organic matter, and
- (d) if its loss on ignition is less than 7 per cent.

**Mr Gungah:** Mr Deputy Speaker, Sir, I am informed by the Mauritius Standards Bureau that three tests had been carried out on 21 and 29 April and 12 May 2015 on the new type of cement under the brand name Baobab Lacaz. This cement is classified as CEM II/B-Z- 32.5 TU (Tropical Use) under the Mauritius Standard MS 36-3:2007 Part 3 - composition, specifications and conformity criteria for cements for tropical use.

The tests carried out relate to the following -

- The physical and mechanical properties for its compressive strength and soundness;
- sulphate and chloride contents, and
- heat of hydration.



This new type of cement marketed under the brand name Baobab Lacaz is meant for non-structural works such as rendering, plastering, block laying and flooring.

I am also informed that it is more adapted to the climatic conditions of the country and reduces formation of cracks. This new product is sold at a lower price compared to the normal cement.

As regards parts (b), (c) and (d) of the question, I am informed by Mauritius Standards Bureau that the determination of sugar cane fly ash mixed with coal fly ash, of organic matter in cement and of loss on ignition in cement for tropical use is not a requirement for cement classified as CEM II/B-Z- 32.5 TU as per the relevant standard.

Mr Deputy Speaker, Sir, however, I have contacted the Manufacturer of Baobab Lakaz, who has informed that no sugar cane fly ash and coal fly ash are used as they are not covered under the BS Norms in view of the potential mineral deficiencies. I am also informed that very limited organic matter is used and is far from below norms.

As far as loss of ignition is concerned, I am informed that it is 1.8% compared to the required 5%.

**Mr Lesjongard:** Thank you, Mr Deputy Speaker, Sir. I thank the hon. Minister for his reply. One question which I would wish to ask the hon. Minister since he, himself, in his reply, mentioned that this type of cement is used for non-structural works. May I ask him how do we ensure that end users – because this type of cement is lower in price as compared to the cement we use for structural works - do not use this type of cement for structural works rather than using the other type of cement which is higher in price and that we might see ourselves in the future with serious problems?

**Mr Gungah:** Mr Deputy Speaker, Sir, in fact, on certain part of the cement bag it is very well specified, it is displayed that this cement is appropriate only for non-structural construction. I spoke to the company and they told me that they have had meetings with the *quincailliers* and given them explanation as to when people come to buy the bags of cement, they are well made aware of this.

**Mr Lesjongard:** I understand the reply of the hon. Minister, but this is Mauritius. You might have a contractor who, instead of using the cement that he is supposed to use for

structural works, uses Baobab Lakaz because it is cheaper. How do we ensure that this does not happen?

**Mr Gungah:** Well, I think, for the security, the constructor or the owner of the building should choose the appropriate cement; one for the structural purposes and one for the non-structural. As far as it is clearly specified, I think the consumer has to go according to specifications.

**The Deputy Speaker:** Hon. Mohamed!

**Mr Mohamed:** Thank you, Mr Deputy Speaker, Sir. May I humbly suggest a solution and I wonder whether the hon. Minister will agree with that, that a special team is put in place with Inspectors that could go and verify construction sites at random and to provide by regulations that there would be penalties for any violation? So, at least, that would act as a deterrent to address the serious and valid concerns raised by hon. Lesjongard - just a team that would act as a deterrent. I humbly suggest that.

**Mr Gungah:** I will think about the suggestion of the hon. Member.

**The Deputy Speaker:** Hon. Lesjongard, next question!

### **TERTIARY EDUCATION COMMISSION – POSTS - SCHEMES OF SERVICE & QUALIFICATION REQUIREMENTS**

**(No. B/382) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Education and Human Resources, Tertiary Education and Science Research whether, in regard to the Tertiary Education Commission, she will, for the benefit of the House, obtain therefrom –

- (a) information as to the changes brought to the schemes of service and qualification requirements for the posts of Executive Director and Deputy Executive Director thereof respectively, indicating whether there has been an upgrading or a downgrading of the entry qualification requirements in relation thereto and
- (b) copy of the schemes of service for the posts of Financial Controller, Head of Finance and of Deputy Finance Controller thereof respectively and table same.

**Mrs Dookun-Luchoomun:** Mr Deputy Speaker, Sir, with regard to section (a) of the question, according to information provided by the Tertiary Education Commission (TEC), no change has been brought to the scheme of service and qualification requirements for the post of Executive Director.

Regarding the post of Deputy Executive Director, I wish to inform the House that, at a meeting of the previous Board held in September 2014, it was decided that the scheme of service be amended.

The main changes brought to the scheme of service are as follows -

- (i) The qualification requirement has been revised from the previous “post graduate degree, at doctoral level” to a ‘Master’s Degree in the fields of Management or Business Administration or Law or Economics or an equivalent qualification’;
- (ii) The requirement for prospective candidates to be at Professorial level has been removed; and
- (iii) The experience requirement of “at least ten years teaching and research at tertiary level” has been amended to read “[at least ten years post qualification experience in a senior management position”.

I view the situation with concern, and the changes brought to the scheme of service appear to be indeed a downgrading of the post without any change in salary.

I am however informed that the new TEC Board has recommended that the scheme of service for the post of Deputy Executive Director be reviewed so as to make it more consonant with the post taking into consideration that the holder will be called upon to, *inter-alia*, deputise for the post of Executive Director.

With regard to part (b) of the question, a copy the scheme of service for the post of Financial Controller, Head Finance Division and of the Deputy Finance Controller respectively is being tabled.

**Mr Lesjongard:** Thank you. Do I understand from the hon. Minister that when the scheme of service was changed at that time, that is, back in September 2014, it was, like we say, *taillé sur mesure*?

**Mrs Dookun-Luchoomun:** It would seem so. I would wish the hon. Member to check with his former alliance, maybe this was the case.

*(Interruptions)*

**The Deputy Speaker:** Hon. Lesjongard!

**Hon. Ganoo:** Can I ask one supplementary, please. I listened very carefully to the hon. Minister; I thought I heard her saying that for the post of Deputy Executive Director, the qualifications will be reviewed. Would it be for the case of the Executive Director also?

**Mrs Dookun-Luchoomun:** The Executive Director has already been appointed according to the former scheme.

**Mr Ganoo:** What was the requirement needed for the post of Executive Director?

**Mrs Dookun-Luchoomun:** It was okay.

**Mr Lesjongard:** May I ask the hon. Minister to inform the House, as it is right now, how many senior officials are holding posts in an acting capacity at the level of the Tertiary Education Commission?

**Mrs Dookun-Luchoomun:** I don't have the exact figure, but I know that for the Finance Controller, the post is being occupied by the Deputy Finance Controller on actingship.

**The Deputy Speaker:** Hon. Lesjongard!

#### **BETAMAX SHIPPING LTD/STC – PETROLEUM PRODUCTS – INTER-MINISTERIAL COMMITTEE**

**(No. B/383) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the contract between Betamax Shipping Ltd. and the State Trading Corporation for the transportation of petroleum products from India to Mauritius, he will –

- (a) state the terms of reference of the inter-ministerial committee set up to look thereinto, indicating the
  - (i) composition thereof and the number of sittings held as at to date, and
- (b) for the benefit of the House, obtain from the State Trading Corporation, information as to if the Corporation had launched a tender for the recruitment of a consultant to look thereinto and, if not, why not and, if so, indicate -
  - (i) if the Board thereof had approved the contract related to the tender, and
  - (ii) the terms and conditions of the contract.

**Mr Gungah:** Mr Deputy Speaker, Sir, with regard to part (a) of the question, in September 2009, the then Government set up an inter-ministerial committee to examine the various clauses of the contract of agreement for the acquisition of a tanker vessel for the conveyance of petroleum products.

The inter-ministerial committee was set up under the chairmanship of the then Vice-Prime Minister and Minister of Tourism, Leisure and External Communications and comprised the then Vice-Prime Minister and Minister of Finance and Economic Empowerment, the then Minister of Public Infrastructure, Land Transport and Shipping, the then Minister of Information and Communication Technology and the then Minister of Business, Enterprise and Cooperatives. The committee met on four occasions.

With regard to part (b) of the question, I am advised by the STC that it did not launch any tender for the recruitment of a Consultant. My Ministry has requested the Police to carry out an enquiry into the contract between STC and Betamax Ltd.

In view of the ongoing police enquiry into the matter, I am not in a position to provide any further information, so as not to cause any prejudice to the smooth running of the enquiry.

**Mr Lesjongard:** Thank you, Mr Deputy Speaker, Sir. I understand the position of the hon. Minister. To the reply to part (a) of the question, he has mentioned the composition of the inter-ministerial committee without stating the terms of reference of that committee. May we know what were the terms of reference of that committee?

**Mr Gungah:** In fact, the aim was to examine the various clauses of the contract of agreement for the acquisition of a tanker vessel for the conveyance of petroleum products.

**The Deputy Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Mr Deputy Speaker, Sir. I understand that there is a police enquiry going on. But will the hon. Minister table a copy of the recommendation made by the inter-ministerial committee?

**Mr Gungah:** Mr Deputy Speaker, Sir, as I have just said, there is a Police enquiry going on. I do not want to compromise its integrity and I prefer the enquiry to go on.

**Mr Mohamed:** I have been very careful to ensure that whatever question I put, any answer that comes from it would not in any way go and jeopardise any Police enquiry since it's what, I think, the hon. Minister said so three times. What about the Inter-Ministerial Committee? Has it looked into the issues pertaining to arbitration, since it is provided for in the contract - that has nothing to do with the criminal matter? Now, where are we at with regard to arbitration matter, has Government responded, has the STC responded, or are we being left to dry?

**Mr Gungah:** Mr Deputy Speaker, Sir, I am not aware of any report of what the hon. Member is saying.

*(Interruptions)*

**The Deputy Speaker:** The question has been answered. Hon. Jhugroo!

**Mr Jhugroo:** Is it true to say that the former Prime Minister was in a such hurry to give this contract to Betamax that he has not waited for the recommendations of the Inter-Ministerial Committee?

**Mr Gungah:** Mr Deputy Speaker, Sir, there is a Police enquiry going on.

**CEB – PLAINE LAUZUN, CAMP CHAPELON & PAILLES – REPRESENTATIONS**

**(No. B/384) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the proposed installation by the Central Electricity Board of four new Heavy Fuel Oil Engines at the St Louis Power Station by end 2017, he will, for the benefit of the House, obtain from the Board, information as to if it is in presence of representations made by inhabitants of Plaine Lauzun, of Camp Chapelon and of Pailles complaining of the level of pollution and of the nuisances generated by Heavy Fuel Oil Engines and, if so, obtain information as to the actions the Board proposes to take to ensure that no inconveniences or nuisances are caused to the inhabitants and the other actions that will be taken, as appropriate, in the circumstances.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Mr Deputy Speaker, Sir, CEB has informed me that it has received a number of complaints from the *Mouvement Civique de Plaine Lauzun* regarding pollution alleged to being caused by St. Louis Power Station.

The CEB had a meeting with that ONG on 04 June 2015 and CEB informed that ONG that old Pielstick engines would be phased out in 2017 with the installation of the new engines at the St. Louis Power Station. On 22 June 2015, the *Mouvement Civique de Plaine Lauzun* has served a *Mise en Demeure* requiring the CEB to stop the installation of the new engines.

The St. Louis Power Station is the first diesel power station of the CEB and is operational since 1955. Since then, the area, which was originally dedicated to industrial development, has witnessed significant residential development. CEB has over the years taken measures to address the environmental concerns of the inhabitants, namely –

- (i) the old Pielstick engines are gradually being phased out. Today, out of the initial six Pielstick engines, commissioned between 1978 and 1981, only four are operational at capacity of 6 MW each, and
- (ii) 3 Wartsila engines of 13.8 MW became operational in 2006. These were subject to an Environment Impact Assessment and are in compliance with environmental norms.

As the House may be aware, the old engines will be phased out in 2017 with the installation of the new 60 MW engines. When Liquid Natural Gas is introduced in Mauritius, the new engines may be converted to energy, thus reducing further the environmental risks. A re-tendering process has been initiated by CEB. In line with the EIA Licence, environmental safeguards regarding noise, air and other environmental standards have been incorporated in the design of the plant.

I am also informed that the CEB recently conducted an air monitoring with the assistance of the Mauritius Cane Industry Authority and emissions were found to be within environmental norms.

**Mr Baloomoody:** It is clear that the meeting which the CEB has had with the organisation did not convince them because, subsequently, there was a *Mise en Demeure* served on the CEB. May we know from the hon. Vice-Prime Minister what the actual situation is now with regard to the noise and pollution levels, especially when all the engines are on? Also, what is the actual level of pollution?

**Mr Collendavelloo:** There is no doubt that the use of the old Pielstick engine is creating environmental hazard, but what can we do. We can't black out the area because of the Pielstick engine, we have to balance. So, we are going on – we know the saga of these St. Louis machines - and we are pressing ahead to have these new engines as soon as possible. I think I have said it before; the tender is open until October. In October, after it has gone to the CPB, we will take a decision because we anticipate many things.

**Mr Mohamed:** Mr Deputy Speaker, Sir, is there a practice at the level of the CEB, as is the case in many European countries where in places where energy is produced, whereby there are measurements of noise levels made at regular intervals where institution can self-assess itself as far as noise pollution goes and that those readings are made available to members of the community to try to convince them that, at least, we are aware of the

problems and those are the measures that we are taking, a continuous regular assessment at monthly intervals.

**Mr Collendavelloo:** Let me check if my information can be confirmed because, to my knowledge, regular checks are made for noise and, for air, I know that the Mauritius Cane Industry Authority (MCIA) has got a specific machine to monitor air and these checks are done as and when required, but they are not on regular basis. Let me just add that I am informed that the Pielstick engines are in operation since 35 years.

**Mr Uteem:** Being given that the hon. Vice-Prime Minister has just said that these Pielstick machines have been in operation for the past 35 years, can the hon. Vice-Prime Minister reassure the House and the people living in this region that, all scheduled maintenance of these engines are carried out properly and there is absolutely no risk to any of the inhabitants of this region?

**Mr Collendavelloo:** Well, first of all, let me take this opportunity to pay homage to the inhabitants of Camp Chapelon and the vicinity. They are going through tough times. I do not want to interfere in their internal problems at local level, but the majority of the population, I am sure, fully understand the situation. Others, like the *Mouvement Civique* want to make sure that they get a clean environment, and that is absolutely what they should do, but we have to look also at the security of supply for the country. Regular maintenance is made. Of course, I have answered this question in the past. Every year we have regular maintenance. I have myself, personally, monitored the maintenance plan and that is the issue when we talk of border line, because sometimes if you maintain too many machines that may lead you to border line. But now, we have Mr Hébrard and he knows his job. I trust him. I am not going to interfere in the maintenance of the machines.

**Mr Jhugroo:** Can I ask the hon. Vice-Prime Minister whether the former Government had contemplated to take action to tackle this problem of pollution and, if yes, when and by what means?

**Mr Collendavelloo:** As you know, I don't like playing the blame game. Whatever has been done or not done, let it be for history to judge. We have to grapple with the present situation. It is true that there was a lack of energy at the Ministry of Energy!

*(Interruptions)*

But what can we do? Let us look forward!



*(Interruptions)*

**Mr Baloomoody:** According to my information, when the four new engines will be in operation, there will be around 162,000 tonnes of heavy oil burning. May I know what precautionary action has been taken to ensure that the actual level of pollution does not increase?

**Mr Collendavelloo:** I have asked this question many a time and I have been assured that the new engines, according to the specifications which have been worked out in the tender, will be according to environmental standards. I see a piece of paper rushing in to me...

*(Interruptions)*

The Environmental Impact Assessment (EIA) Committee has approved these machines which are stated to be in compliance with environmental regulations. They are new machines and we trust that this will be the case.

**The Deputy Speaker:** A last supplementary question, hon. Lesjongard!

**Mr Lesjongard:** Thank you, Mr Deputy Speaker, Sir. I understand the position of the hon. Vice-Prime Minister; on one side we have to meet electricity demand, and on the other side we have engines that are operating far beyond their lifespan. I appreciate that the hon. Vice-Prime Minister has paid homage to the inhabitants of Camp Chapelon. Maybe CEB should go further than paying tribute to the inhabitants of that area and try to look into some sort of compensation to the inhabitants of Camp Chapelon.

**Mr Collendavelloo:** I think the appetite of the hon. Member has been whetted by what appeared in the newspapers on Sunday. I don't think that is all. We are going to proceed as planned. Let us say that these *Pielstick* machines have ended their lifespan. But what CEB is doing - as the hon. Member knows fully well - is that at night time when the national demand is at about 200 MW, then they are not used. So, they are used only at peak time when we need about 450 MW that are required.

**The Deputy Speaker:** Hon. Baloomoody, next question!

**AIRMATE LTD – WORKERS – RECRUITMENT**

**(No. B/385) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the recent allegations of discrimination faced by workers of Airmate Ltd., a subsidiary company of Air Mauritius Ltd., he will state the actions taken, if any, by his Ministry for these workers to be recruited by Air Mauritius Ltd., on the same terms and conditions as the workers of Air Mauritius Ltd.

**Mr Calichurn:** Mr Deputy Speaker, Sir, following representations made by the *Confédération des Travailleurs du Secteur Privé (CTSP)*, on behalf of its affiliated union, the Private Enterprises Employees Union which is recognised as the sole bargaining agent of workers of Airmate Ltd., to the effect that the workers employed by Airmate Ltd. are discriminated inasmuch as they are paid lesser wages than the workers employed by Air Mauritius Ltd., my Ministry held several tripartite meetings with the parties.

The hon. Member may wish to note that the claim of the Union is based on section 20 of the Employment Rights Act on 'Equal remuneration for work of equal value' and discussion has been held on this issue only.

I wish to emphasise that I personally met the Union on 27 April 2015 to discuss the issue of alleged discrimination. Subsequently, on 06 May 2015, the Permanent Secretary of my Ministry chaired a meeting with the Union, the Management of Airmate Ltd. and that of Air Mauritius Ltd. where it was agreed that further meetings would be held between the parties to discuss the matter.

I am given to understand that –

- (i) Airmate Ltd. considers that it has a different entity from Air Mauritius Ltd. and has its own internal procedures and conditions of work governing its employees which are completely unrelated to internal procedures and conditions of work of Air Mauritius Ltd. and as such, was not prepared to entertain the claim of the *Confédération des Travailleurs du Secteur Privé (CTSP)*;
- (ii) Air Mauritius Ltd. considers, on its part, that it applies the equal opportunity concept and does not apply any form of discrimination towards its employees. The internal procedures and conditions of service governing its employees are completely unrelated to the internal procedure and conditions of work of Airmate Ltd. As such, the salaries and conditions of work of Air Mauritius Ltd. cannot be compared with the salaries of Airmate Ltd. as both companies carry out different objectives and business;

(iii) It is worth pointing out that Airmate Ltd., as a Job Contractor, has been providing Air Mauritius Ltd. with manpower as and when required by the latter to perform the following duties –

- cleaning;
- clerical;
- baggage service;
- Information Technology;
- Passage handling, and
- office attendant

My Ministry is closely following the matter and further meetings will be held with a view to finding a solution. In case of deadlock, further enquiry will be carried out by my Ministry and in the event that a *prima facie* case is established, the matter will be referred to the Industrial Court for determination.

**Mr Bérenger:** Throughout the world, companies like Air France have set up subsidiary companies with different conditions of employment and so on. I have just heard the Minister refer to Airmate Ltd. as a job contractor. Is Airmate Ltd. a subsidiary of Air Mauritius Ltd., is it registered as a job contractor? What is the situation?

**Mr Callichurn:** Airmate Ltd. was created in 2006 and Air Mauritius Ltd. is the holder of 100 percent of the shares of Airmate Ltd. It is a subsidiary.

*(Interruptions)*

They provide job contracting services. That is what I have just stated.

**The Deputy Speaker:** Hon. Rutnah!

**Mr Rutnah:** Mr Deputy Speaker, Sir, can the hon. Minister confirm that the problems that Airmate Ltd. employees are facing today vis-à-vis those who are employed by Air Mauritius Ltd. whether those problems were not inherent at the time of the incorporation of the company in 2006 onwards until the last general elections?

**Mr Callichurn:** I don't have such information. Will the hon. Member repeat the question, please?

*(Interruptions)*

**Mr Rutnah:** Whether the problems faced by the employees of Airmate Ltd. at the moment were not already inherent since the incorporation of Airmate Ltd. since 2006 onwards up to the general elections when the time when those who are laughing on the other side were in alliance for a year with the Labour Party?

**Mr Callichurn:** It is without any doubt that the problem was created since 2006 by the previous Government. My predecessor himself refused to look into the matter as per a letter I received on 13 March 2015. Let me read part of it –

“We believe that the Ministry of Labour, whose first and foremost role is to protect the workers, cannot be waiver in this endeavour. However, your predecessor went against this fundamental role of protecting workers as he went ahead and signed an affidavit against them while the Union is fighting at the Supreme Court to correct this injustice.”

**Mr Mohamed:** Could the hon. Minister inform the House when is the first time that a complaint was made by this Union in relation to Airmate Ltd. and Air Mauritius Ltd. supposed discrimination practices? The first official complaint made at the level of his Ministry. Since he has also referred to an affidavit that his predecessor, meaning me, has allegedly signed, could he just at least table that affidavit?

**Mr Callichurn:** I don't have the affidavit with me, but it is in the letter which was addressed to me on 13 March 2015. I believe that the complaint was made well before I took office!

*(Interruptions)*

Well before I took office, I said, because...

*(Interruptions)*

I have a date. The letter was addressed to me on 13 March 2015. So, it was well before I took office!

*(Interruptions)*

**The Deputy Speaker:** Hon. Mohamed, please!

*(Interruptions)*

**The Deputy Speaker:** Hon. Mohamed, please! Hon. Baloomoody, any more questions on this?

**Mr Baloomoody:** No.

**The Deputy Speaker:** Hon. Dr. Sorefan!

## PRIMATES - EXPORT

(No. B/386) **Mr S. Rughoobur (Second Member for Grand'Baie and Poudre d'Or)** asked the Minister of Agro-Industry and Food Security whether, in regard to the export

of primates from Mauritius, he will, for the benefit of the House, obtain information as to the names and addresses of the companies specialised in such activities, indicating -

- (a) the turnover of each of these companies in respect of the past financial year and
- (b) if he is aware of any adverse reports and/or criticisms from local and/or foreign organisations in relation thereto.

*(Withdrawn)*

#### **NATIONAL TRANSPORT CORPORATION - FINANCIAL SITUATION**

**(No. B/387) Mr S. Rughoobur (Second Member for Grand' Baie and Poudre d'Or)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the National Transport Corporation, he will, for the benefit of the House, obtain therefrom, information as to the financial situation thereof in respect of the six months ending 30 June 2015, indicating the -

- (a) cash flow
- (b) net return and
- (c) quantum of the loans secured from Government, compared to the corresponding period over the past two years and table copy thereof and, if not, why not.

*(Withdrawn)*

#### **AFRICAN CONTINENT – TRADE PROMOTION**

**(No. B/388) Mr S. Rughoobur (Second Member for Grand' Baie and Poudre d'Or)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the Agenda 63 of the African Union, he will state the initiatives taken by his Ministry for the promotion of trade between Mauritius and the African continent through bilateral relations with countries of the Regional Economic Community.

*(Withdrawn)*

#### **SUPREME COURT - MACKAY REPORT - RECOMMENDATIONS**

**(No. B/389) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Attorney-General whether, in regard to the Mackay Report 1998, he will state if

Government will consider the implementation of the Recommendation thereof in relation to the reorganization of the Supreme Court into two sections, namely, into a Court of Appeal and a High Court.

**Mr Yerrigadoo:** Mr Deputy Speaker, Sir, with a view to improving the efficiency of our Courts and more generally, our judicial and legal system, the Mackay Report did indeed recommend the setting up of a separate Court of Appeal Section of the Supreme Court to hear all appeals from subordinate Courts and of the High Court Section, as Judges who sit on appeals are themselves Judges of the Supreme Court.

Mr Deputy Speaker, Sir, the Government Programme 2015-2019, which addressed the above recommendation of the Mackay Report, clearly states that reforms will be brought to the Judiciary to expedite determination of Court cases and improve services to the public, and that in line with the Mackay Report, Government will introduce legislation to set up a separate Court of Appeal Section in a separate High Court Section of the Supreme Court.

In order to implement the above recommendation and various other recommendations of the Mackay Report, my Office has, for some time now, been working on, firstly, the Constitution (Amendment) Bill, and secondly, the Judicial and Legal Services Provisions Bill which provide for amendments to be brought to a series of enactments to give effect to the proposed changes in the Constitution.

The Constitutional (Amendment) Bill in fact seeks to amend various provisions of the Constitution so as to provide for the recommendations made by Lord Mackay, to which I referred earlier, whereas the Judicial and Legal Provisions Bill, which seeks to amend a number of enactments to give effect to the proposed changes in the Constitution, is consequently being prepared not only to provide for the division of a Supreme Court into a Court of Appeal and a High Court, but also to, *inter alia*, implement certain of the recommendations of the Presidential Commission relating for instance to the use of modern technology in recording evidence, the non-attendance in Court by law practitioners, parties and witnesses, the admissibility of evidence taken abroad, the timely lodging of an information in cases involving a juvenile and certain procedural matters in civil cases. Some of the various enactments which are thus being amended by the Judicial and Legal Provisions Bill in order to cater for the above matters include the following –

- Courts Act
- Criminal Code
- Criminal Procedure Act

- District and Intermediate Courts (Civil Jurisdiction) Act
- District and Intermediate Courts (Criminal Jurisdiction) Act
- Interpretation and General Clauses Act
- Law Practitioners Act

Moreover, consequential amendments will have to be made to not less than 80 enactments.

As already pointed out, Mr Deputy Speaker, Sir, the reforms we are envisaging do not limit themselves to the creation of a Court of Appeal. Those reforms are definitely wider and concern various aspects of our judicial system and the administration of justice in Mauritius.

Once the above Bills are finalised, Mr Deputy Speaker, Sir, Government intends to circulate them so that the views and comments of all relevant stakeholders may be obtained in view of the numerous implications of these Bills. Indeed, the financial implications for instance (in terms, of infrastructural facilities, staff etc.) will also need to be given due consideration.

Mr Deputy Speaker, Sir, once finalised and Government approval is obtained, the above Bills will then be introduced in the National Assembly.

**Dr. Sorefan:** Mr Deputy Speaker, Sir, the Court of Appeal presently takes a very long time to hear appeals. Justice delayed justice denied! May we know from the hon. Attorney General the time frame for the implementation of the reform? And what I hear is that the Judiciary does not have enough money to set up the appeal, three judges sitting together. As we know, we have voted here Rs600 m. in the last budget. May the hon. Attorney General give us a time frame when all these enactment will come to this House?

**Mr Yerrigadoo:** Mr Deputy Speaker, Sir, in my answer, I detailed the different processes involved before we can actually have the law passed in this House and, therefore, implemented. The hon. Member will appreciate that I cannot, therefore, give a definite time frame. But I can assure the hon. Member that we are doing everything that is possible with all the stakeholders, so that this issue may be addressed at the earliest.

**Mr Ramphul:** Since the whole reform is about getting litigants to settle their dispute expeditiously. Can the hon. Attorney General inform the House whether he will consider the desirability of also extending mediation services to lower courts?

**Mr Yerrigadoo:** As the hon. Member would be aware, mediation and ADR is already being encouraged at the level of the Supreme Court. I do understand that the Chief Justice is canvassing the idea of strengthening the process, and I do understand also that my Learned

Friend, the hon. Member, being a practising barrister, will appreciate that this is being encouraged in the day-to-day practice in Mauritius.

**Mr Baloomoody:** The hon. Attorney General has listed a lot of laws even the Constitution will be amended, but has some ground work been made already regarding the infrastructure? Where will be the Supreme Court? Where will be the appeal court because already in the Supreme Court, we do not have space for judges? So, have this ground work been done? Can hon. Attorney General inform the House where we will have the Court of Appeal, in which building?

**Mr Yerrigadoo:** The Judiciary is working on the proposals and I will keep this House informed as soon as I am abreast of those changes.

**Mr Jhugroo:** Can I ask the hon. Attorney General when he is contemplating to have new structures, can he also consider to ask the courts to have more discipline with regard to timeframe? Sometimes you can be called at 10.00 hours and you get your verdict at 12.00 and even after 12.00

**Mr Yerrigadoo:** If I understood the hon. Member correctly, this falls under the Master and Registrar of the Supreme Court, but I am aware that a lot of effort is being put with the collaboration of the practising law practitioners to improve the system. I can also tell the hon. Member, I alluded to this in my speech on the Budget that, in our District Courts, you would see that a sum of money has been voted in the Budget for the rehabilitation and construction of new structures. Many practitioners would agree and the public in general that often basic facilities such as public toilets, waiting areas, covered waiting areas in District Court are not readily available and lots of people using our judicial system have to wait and sometime for long hours, travel distances. Certain remedial measures are being taken, but we are limited in time and space as well, but these issues are being addressed. I can tell the hon. Member that I am aware that the Master and Registrar is addressing those issues in a Standing Committee.

**Mr Rutnah:** Following the question of the Second Member of Mahebourg and Plaine Magnien, can the hon. Attorney General state to the House whether - while we are dealing with discipline and judges of Supreme Court, High Court and Court of Appeal - he would consider setting up a Judicial Complaint Commission so that the profession of judges could be kept in checks and balances in a modern civilisation, especially when things are supposed to be met with transparency, good governance, etc.?

**Mr Yerrigadoo:** I will give some thought to the suggestion.



### SMART CITIES PROJECT - VACOAS & PHOENIX

(No. B/390) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Finance and Economic Development whether, in regard to the proposed Smart Cities Project, he will state where matters stand as to the implementation thereof, indicating if consideration will be given for the setting up of a committee to study the possibility of transforming the towns of Vacoas and of Phoenix into a smart city and consider the –

- (a) relocation of the Special Mobile Force Quarters, and
- (b) planning constructions thereof according to the guidelines prescribed for smart cities.

**Mr Lutchmeenaraidoo:** Mr Deputy Speaker, Sir, the features, components, criteria as well as investment incentives of the Smart City Scheme are set out in the Investment Promotion (Smart City Scheme) Regulations 2015, which came into force on 18 June 2015. The Scheme is managed and administered by the Board of Investment (BOI). The Guidelines for smart city projects, including environmental guidelines, have already been worked out by the Board of Investment and are on its website.

I am informed by the Board of Investment that, as at to-date, 14 Smart City projects are currently in the pipeline across the island. Total investment is estimated at Rs140 billion, predominantly from private and foreign sources.

Furthermore, a Smart City Technical Committee, comprising representatives of the relevant Ministries and Authorities, has been set up to examine applications for smart city projects and facilitate their implementation.

With regard to the second part of the question, the Regulations enable an existing site or project to be redeveloped as a Smart City provided it meets the set criteria and obligations of the Scheme.

In this respect, I am informed that the Municipal Council has submitted a request to the transformation of the Town Centre into a Smart City. The request of the Council is being examined by the Technical Committee within the established framework.

**Mr Mohamed:** Mr Deputy Speaker, Sir, the hon. Minister talked about the various smart Cities that we've been hearing of and that they are all in the pipeline. There are two things which I would like to obtain from you, Mr Deputy Speaker, Sir, which is as follows: At what part of the pipeline are the projects and how long is the pipeline?

**Mr Lutchmeenaraidoo:** The pipeline has given birth already to four projects mainly Mont Trésor, Royal St Louis, Cap Tamarin, Mauritius Yihai Garden and those other ones.

*(Interruptions)*

I need to tell you that the Fast Track Committee chaired by the Secretary, this is ensuring that all those projects are moving as smoothly as possible.

### **INDEPENDENT POWER PRODUCERS – COAL/BAGASSE ENERGY**

**(No. B/391) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Independent Power Producers (IPP) producing electricity from coal/bagasse, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to

-

- (a) the average GWhr produced last year for each IPP;
- (b) the percentage of energy from coal compared to bagasse, and
- (c) if any negotiation is on-going between the Central Electricity Board and Alteo Ltd. regarding the redevelopment of FUEL P/S and unit cost KWhr in rupees proposed by Alteo Ltd.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Mr Deputy Speaker, Sir, with regard to part (a) of the question, the CEB informs me that in 2014, the IPPs producing electricity from either Coal or Bagasse plants exported 1454 GWh out of a total of 2560 GWh on the grid. These IPPs contributed, therefore, 55.9 % of the total generation. The contribution of each IPP is as follows -

- Consolidated Energy Limited - coal only as from 2014 - 162.9 GWh
- Terragen (Belle Vue) - coal / bagasse - 400.8 GWh  
(coal : 74.2%, bagasse : 25.8%)
- Alteo Energy Limited (FUEL) - coal / bagasse - 165.9 GWh  
(coal : 45%, bagasse : 55%)
- Omnicane (Compagnie Thermique du Sud) - coal only - 230.5 GWh
- Omnicane (CTSav) running on coal and bagasse - 493.6 GWh

(coal : 72.8%, bagasse : 27.2%)

With regard to part (b) of the question, the energy exported by the IPP's using coal and bagasse was 1,125 GWh and 328 GWh respectively. The bagasse based energy excludes the 6.3 GWh energy purchased from Médine S.E which operates on Bagasse only.

I am further informed by the CEB that in 2014 the percentage of coal based energy was 43% as compared to 13% of bagasse based energy.

With regard to part (c) of the question, Alteo Energy Ltd. made a presentation with regard to a new plant to replace the existing ones which are already 31 and 17 years old. I am informed by the CEB that there are no on-going negotiations with Alteo Energy Ltd.

There having been no proposal apart from a presentation, the question of unit cost does not arise.

**Mr Jahangeer:** Mr Deputy Speaker, Sir, can the hon. Minister confirm that we will not be in a similar situation of unsolicited bid like CT Power when it comes to the presentation given by Alteo to CEB?

**Mr Collendavelloo:** I think the hon. Member should be clear as to what he is talking about. We are not talking of bidding in the normal course of things. Alteo is here, their contract is terminating in a few months' time, they need to continue to produce and they want to update their machines. So, the question of unsolicited bid does not arise at all.

**Mr Jahangeer:** But the hon. Minister will surely agree that they are increasing the power and exporting to the network, so it is still an unsolicited bid?

**Mr Collendavelloo:** Let us see what we are talking about. I don't want to take much of the time of the House. What do we want? We want energy to be exported on the grid. There is this company which is already producing electricity. It tells you that it has got the capacity to export more energy than it is doing now. What do I tell them? Do I tell them: no, thank you and tell them to close down their factory and put people off work? I am not going to say that. I have watched the presentation. There is no increase in the use of coal in the new machine which they are putting. They are offering, I don't know whether it works or it does not work, but they are offering new technology, when the time comes, these people will discuss with CEB on technical terms and we will see how to amend the PPA. If it is outlandish, of course, we will say no, but it did not appear to me to be outlandish. It appeared

to me, a layman, to be a very good project with new technology. So we should encourage that. This is what we are encouraging, new technology. I think that has been sufficiently clear.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, the hon. Minister has given figures with regard to the production of electricity from coal and bagasse in the country. May I know from the hon. Minister how much more capacity will the CEB be allowed to take within its base load structure so that it does not disturb the set up in the base load structure?

**Mr Collendavello:** Let me just wait for the answer before I give it to you. I am afraid I don't have that knowledge. It is 16 megawatts more.

### **CWA - TENDERS – BAGATELLE WATER TREATMENT PLANT - CONTRACTORS**

(No. B/392) **Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Central Water Authority Tenders CPB/02/2015 for the Construction of the Pipeline from the Bagatelle Water Treatment to Sorèze and CPB/03/2015 for the Construction of the Pipeline from the Bagatelle Water Treatment Plant to Belle Rose, he will, for the benefit of the House, obtain from the Authority, a list of the contractors thereof, since ten years having completed similar works for the Central Water Authority worth more than Million MUR 150.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavello):** I am informed by the Central Water Authority that, over the last ten years, the Authority has awarded two contracts for works worth more than Rs150 m. The contracts were awarded to Sotravic Ltee.

**Mr Jahangeer:** Thank you, Mr Deputy Speaker, Sir. I will remind the House that the background of our economy is based on SME. By fixing the ceiling to Rs150 m., we are depriving the right of medium-sized contractors to participate in this tender. Can the hon. Minister confirm that he will widen the range so that others can participate in the tender exercise?

**Mr Collendavello:** I take the point. Obviously, I would theoretically agree with the hon. Member. Let us see what happened in this case. We received representations at the

Ministry and there were allegations of at least bid rigging or tailor-made specifications. Faced with this, I decided together with the Senior Chief Executive of the Ministry that this should be reported to ICAC, *quantum valeat*, of course, and ICAC is undertaking an enquiry. But apart from that, I have myself made an enquiry and I have interviewed the General Manager of the Central Water Authority and his two engineers who were involved in this tender. The results are clear. Sotravic has not been preferred because for the moment there were, at least, nine or ten tenderers who fitted in the qualifications.

Now let us come to the second part of the question which is SMEs. Of course, we will encourage SMEs, but I am providing water, 66 million m<sup>3</sup> to the population. Am I going to tell CWA: 'give it to any small contractor?' Not on my life. I am going to trust only contractors with experience because that is what we have got to do. We are gone from the times when people...

*(Interruptions)*

Long gone is the time when people who were agents of a Party could secure that sort of contract.

**The Deputy Speaker:** Hon. Jhugroo!

**Mr Jhugroo:** Would the hon. Vice-Prime Minister agree with me, when we give these contracts to big contractors, it takes time and also we cannot forget the traffic congestion. So what will happen if we were to split these contracts to small contractors; there will be big traffic hazard everywhere in the country, then the Government will be blamed.

**Mr Collendavelloo:** Well, I take it that this is a question. So,...

*(Interruptions)*

Having an accumulation of small contractors, I agree, is not the ideal solution because we are going to go into mayhem. Now, that contract is under my watch. This is not the sort of contract where I can just blame my predecessors, etc. This has happened while I am a Minister and I am taking all the care possible and I hope that we are not going to have a crisis like we have had in the old contracts. I am monitoring, but I have no right to influence the tendering process which is in the hands of the Central Procurement Board. I know there are nine or ten tenderers, I know that according to the prices, Sotravic is the one which you are

trying to gun down, I don't want to gun down anyone. He is third on the list. It will be up to the CPB to decide.

**The Deputy Speaker:** Hon Rutnah! Last supplementary question!

**Mr Rutnah:** Thank you, Mr Deputy Speaker, Sir. Is it not right and the hon. Minister can confirm that in fact supply of water has been so lamentable at least for the last 10 years that now that this Government is coming with a plan to revamp the entire island into an island where there will be no shortage of water that such work should be contracted with larger companies who have got more manpower and resources than small companies?

*(Interruptions)*

I am so sorry. Perhaps the hon. Members should be brought to order.

**The Deputy Speaker:** Silence! Silence, please! Hon. Vice-Prime Minister, please answer.

**Mr Collendavelloo:** Well, the overall issue is what happens to CWA, that is a vexed question indeed. It is not only for the last ten years that we have had this problem. It is for more than ten years. Even the Government, when we were...

*(Interruptions)*

**The Deputy Speaker:** Silence!

**Mr Collendavelloo:** When we were in Government in 2000-2005, I know how the hon. Prime Minister, the hon. Leader of the Opposition was Minister of Finance, the then Minister of Energy were worried about the water situation. It is a structural issue, but you know in Mauritius, when you start shaking a tree contrary to agriculture, it is not the right fruit that falls down. So, we have to work it out that we come with a nice development plan for CWA. It will take time, but at the same time, I am pressing up for the works to be done, *inter alia*, this Bagatelle Dam, this Bagatelle Water Treatment Plan together with the water pipes.

**The Deputy Speaker:** Hon. Jahangeer!

**CEB - ST. LOUIS POWER STATION - DIESEL POWER PLANT**

**(No. B/393) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Central Electricity Board Tender CPB-20-2015 for the Redevelopment of St. Louis Power Station-Design, Supply, Installation and Commissioning of Diesel Power Plant of Capacity 60MW  $\pm$ 10%, he will, for the benefit of the House, obtain from the Board, information as to why the specifications included only medium speed engines and excluded slow speed engines, indicating if the use of slow speed engines would not have been more appropriate to ensure network stability so as to better accommodate intermittent renewable energy sources.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** The hon. Member may be referring to the slow speed engines similar to the one installed at the Fort George Power Station which has got a capacity of 30 MW and which was installed during the period 1992 to 2000.

The CEB has opted for medium speed engines instead of slow speed because according to the CEB -

- (i) The technology - and that is the main consideration - allows for conversion to Liquid Natural Gas (LNG) in the future which is a recommendation of the National Energy Commission to favour LNG for power generation. As the House is aware, we have been working on a preliminary examination of that issue;
- (ii) Secondly, the inherent operational vibrations of slow speed engines, which cannot be mitigated, would cause environmental concerns to the residents of the region;
- (iii) Thirdly, modern medium speed engines operate at efficiency very close to low speed engines and efficiency considerations are significantly mitigated by the price of the equipment. Moreover, for the same capacity rating (MW), slow speed engines are more costly than medium speed engines.

The demand pattern in Mauritius with night load as low as 200 MW, warrants the use of medium speed engines on account of their operational flexibility to be used as semi-base load units. Slow speed units are generally used as base load units only.

I am informed by the CEB that medium speed engines, gas turbines and hydro turbines are appropriate technologies to cope with intermittent renewable energy sources such as photovoltaic.

**The Deputy Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can the hon. Vice-Prime Minister inform the House what have been the recommendations of consultants with regard to this decision and what has been also the stand of the ADB and the World Bank with regard to that same decision?

**Mr Collendavelloo:** That is, what I have given is a summary of the recommendation, is in short the recommendation of the African Bank and the World Bank.

**The Deputy Speaker:** Hon. Lesjongard!

**Mr Lesjongard:** Thank you, Mr Deputy Speaker, Sir. I always rely on experts in the field. I understand that they have given reasons why the choice of medium speed as compared to slow speed. But in his reply the hon. Vice-Prime Minister, with regard to the first reason, it was the conversion from HFO to Liquid Natural Gas and he stated that it is much more easier to convert a medium speed engine from HFO to LNG rather as compared to the slow speed engine. I don't think this is a correct statement, hon. Vice-Prime Minister.

**Mr Collendavelloo:** But, I don't know; Engineers may quarrel forever and ever on this. I don't know. This is what I have read in the reports which have been given to me. What I have is a statement in front of me. No slow speed engine in the world operates on LNG. Well, I mean, this is what I have been told. I am not an Engineer. In any case, I have read it in the National Energy Commission report; I have read it in the report which was tabled in the Assembly. I cannot say more.

**The Deputy Speaker:** Hon. Jahangeer!

**Mr Jahangeer:** Thank you, Mr Deputy Speaker, Sir. Can the hon. Vice-Prime Minister confirm that the specification for this particular tender has been written for only two engine manufacturers, out of which one is disqualified because they have a litigation in case? I name the two engine manufacturers: Wartsila and MAN B & W. Wartsila will be disqualified according to the illegal procedures, so we are left with MAN, which means that we have only one engine manufacturer, who will have to give their price to different bidders



which means also, we will be at the mercy of that manufacturer. They will give the price differently to each bidder. So, can you confirm regarding this statement?

**Mr Collendavello:** Mr Deputy Speaker, Sir, we are not dealing with motor vehicles. We are not dealing with cars. These engine manufacturers, you don't have many of them running around the world. A decision was taken on the type of machine. Let us not forget that the first tender was disqualified and the African Development Bank had told us that we should cancel the tender and call for new tenders. This is what we did and we have the green light. This has not been commented negatively neither by the World Bank nor by the African Development Bank. We turned to these two institutions. For the moment, we have no disqualification as the hon. Member suggests and we expect two to three competitors. What is the point? The point of the hon. Member is that, of course, this new tender excludes the slow speed engines which are more manufactured in the Asian countries such as Korea, etc. So, that is the only point. But for the point of disqualification, I cannot agree. There have been many people, many manufacturers who visited the site, which is an indication that the specifications are more open than before.

**The Deputy Speaker:** A last supplementary question to hon. Jahangeer!

**Mr Jahangeer:** I am very sorry, the hon. Vice-Prime Minister is inducing the House in error.

*(Interruptions)*

We have a dozen of engine manufacturers around the world. So, it is not only MAN and Wartsila. We have Mitsubishi, we have Toshiba. We have the Korean Manufacturer....

**The Deputy Speaker:** Hon. Jahangeer, please refrain from giving an opinion! Put your question to the Minister. I had allowed you a last question, time is running out. So, please, put a question!

**Mr. Jahangeer:** Mr Deputy Speaker, Sir, I will reframe the question. Is the hon. Vice-Prime Minister aware that there are more than two engine manufacturers for diesel engines in the world?

**Mr Collendavello:** Well, that's fabulous! It means that the tender is wide open to the world, so what are we complaining about!

**The Deputy Speaker:** The Table has been advised that...

*(Interruptions)*

We have run out of time!

**Mr Ganoo:** Mr Deputy Speaker, Sir, you saw me standing up and then you allowed hon. Jahangeer.

**The Deputy Speaker:** Hon. Ganoo, please sit down!

**Mr Ganoo:** I am just asking you whether....

*(Interruptions)*

**The Deputy Speaker:** I have allowed four additional minutes on this question! The Table has been advised that PQ B/407 has been withdrawn. Time is over!

## STATEMENTS BY MINISTERS

### STATE LAND - SQUATTERS

(4.47 p.m.)

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, as the House is aware, the problem of squatting State lands is a long-standing one. It has existed for decades. The present Government is bent on addressing very rigorously this problem, but in a humane manner taking into consideration the socio-economic implications.

An exercise has been carried out and it has been found that, as at August 2015, the number of reported cases of squatters island-wide is 1,054 cases, mainly localised in Riambel, La Ferme, Le Morne, Dilo Pouri, Port Louis, Plaine des Roches, Poste de Flacq and Camp Carol, including 82 reported cases in Tranquebar.

It has been observed that usually squatters are persons who are economically vulnerable and, who, without authorisation, put up CIS structures over State lands and use same as residential units. The living conditions thereat are deplorable and generally unhygienic conditions prevail thereat; thus, representing serious health hazards to the squatters and their families. Some of these people may have the option of applying for a housing unit under existing housing schemes of the NHDC or other such bodies.

I wish to inform the House that with regard to some 332 squatters of State lands in the district of Port Louis, my Ministry is either relocating or regularising them *in situ*. As a matter of fact, 110 of these squatters are found on the proposed Ring Road Phase 2 and Phase 3 Alignment. It is also to be noted that these include about 80 squatters who come from Rodrigues. Some of whom are already either private land owners or State land lessees in Rodrigues

I also wish to inform the House that with regard to the squatters who are being relocated to Pointe-aux-Sables, they will be allocated a housing unit provided they meet the eligibility criteria thereof.

Furthermore, with regard to the squatters of State lands located at La Ferme, in the context of the rehabilitation of the La Ferme Dam, 126 families are being relocated as a matter of urgency.

However, the regularisation of squatters in general is subject to these families' satisfying the eligibility criteria which are mainly about the person not being already a land owner and of his social and economic conditions being very precarious.

Once the squatted sites are vacated, the respective Ministries/Departments responsible for the implementation of various projects thereon will have to ensure that the sites are kept free from any squatting again.

Besides, I have arranged for regular Police control to be exercised to deter any more squatting. In this connection, it has been agreed at my Ministry's level that any new case of squatting will not be tolerated and will be severely dealt with.

The overall exercise being conducted by my Ministry aims at eradicating squatting in Mauritius.

Thank you.

(4.52 p.m.)

### **ELECTRICITY SUPPLY - WORLD BANK REPORT**

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Mr Deputy Speaker, Sir, with your permission, I would like to make a statement on the World Bank Report on electricity supply.

You will recall that on 03 March 2015, in my reply to a PNQ - and I do apologise because my statement is a little bit long - I informed the House that the World Bank was

reviewing the capacity expansion plan for the medium-term based on updated economic conditions and that the report was expected to reach us by the end of March.

In my reply to a second PNQ on 01 April 2015, I stated that the final report of the World Bank was expected by end of March, but following the Government decision on the CT Power project, the World Bank has had to review its analysis of the situation. I also informed the House that my Ministry was pressing the World Bank to submit the final report within the shortest delay and that on receipt of the report; I would consult Government as to whether the report can be made public.

My Ministry received the final World Bank report only on 15 July 2015. The technical department of my Ministry and the CEB subsequently examined the report. I subsequently submitted it to Government. Today, I am tabling a copy on the Table of the Assembly.

Mr Deputy Speaker, Sir, I have given the assurance to the House that all measures are being taken to provide uninterrupted electricity supply to the population. It is important for the House to know that some of these measures had already been initiated even before we received the final World Bank report.

The World Bank was requested to carry out an independent assessment of our short and medium-term electricity supply requirements. In its report, the World Bank –

- (i) has reviewed the demand forecast for the periods 2015-2017 and 2018-2022;
- (ii) has adopted an approach relating to expected Gross Domestic Product under low, base and high growth scenarios, and
- (iii) has endorsed the Central Electricity Board's "base" forecast for 2015-2017.

Under the CEB's base scenario, it is considered that the impact of energy savings and structural changes in the Mauritian economy would not significantly affect demand.

The Bank has additionally worked out a "sensitised" option taking into account energy efficiency policy measures and structural changes. This "sensitised option", which is lower than CEB's forecast, would not have any impact over the above period.

The World Bank recommends five measures for the period 2015-2017, namely –

- (a) optimisation of maintenance of both CEB's and units of Independent Power Producers (IPP's) ;
- (b) extension of the Power Purchase Agreement with Consolidated Energy Limited (CEL) Beau Champ up to 2018;
- (c) fast tracking of the project for the installation of 60MW engines at St. Louis Power station so that the units are ready by the second semester of 2017;
- (d) extension of the operation of the Pielstick engines at St. Louis Power station until the second semester of 2017;
- (e) implementation of emergency voltage reduction on the grid in 2016 and 2017, if needed when there is a low reserve capacity margin.

As I mentioned earlier, the CEB is already implementing some of these measures. CEB is actively working on the optimisation of its maintenance schedules in collaboration with the Independent Power Producers (IPP's).

For instance, on 03 July 2015, the CEB invited fresh bids with revised specifications as advised by the African Development Bank for the 60MW diesel engines at St. Louis Power station. The closing date is 01 October 2015. The CEB expects to award the contract by December 2015/January 2016 for the plant to become operational by June/July 2017.

Further, CEB has extended the Power Purchase Agreement with Consolidated Energy Limited Beau Champ since 16 June 2015 for a period of three years to provide 22MW electricity, effective as from 31 July 2015.

Regarding emergency voltage reduction on the grid in 2016 and 2017 when there is low reserve capacity margin, actual tests are being undertaken by CEB to determine the realistic value for maximum reduction during peak demand, if such a measure becomes necessary.

While working on its load scenarios, the World Bank consultants had not initially taken into account that the extension of the Power Purchase Agreement with Consolidated Energy Limited would allow for 22MW. The 60MW at St. Louis power station is expected to be operational by mid-2017.

With these measures already taken by the CEB and the potential for voltage reduction to be confirmed by a study or actual tests, the generation gaps will significantly be reduced within acceptable limits over the period 2015-2017.

In fact, the World Bank underlines that the above measures are expected to reduce the capacity gap under the base case scenario –

- from 50.9 MW to 13.5 MW in 2016, and
- from 71.8 MW to 11.5 MW in 2017.

Such theoretical gaps are considered to be perfectly manageable by CEB, which has known more critical periods in the past.

For the period 2018-2022, the World Bank report has considered CEB's high demand forecast instead of a "sensitised" forecast which is lower than CEB's forecast.

The main recommendation is that gas turbines of  $2 \times 36$  megawatts [MW] should be procured. The plant will initially run on light diesel oil and later to be shifted to LNG in a combined cycle mode.

Such new technology should provide lower costs of production of electricity in the medium-term through significant improvement of overall efficiency, which is twofold that presently experienced with gas turbines presently in operation at Nicolay with turbines operating in an open cycle mode. The environment aspects associated with diesel engines operating on heavy fuel oil will also be considerably improved.

I have mentioned in the House earlier that a prefeasibility study of LNG has already been carried out and I also tabled a copy of the report on the Table of the Assembly. That was in March 2015.

Mr Deputy Speaker, Sir, I wish to inform the House that on 14 July 2015, I chaired a meeting with my colleague, the Minister of Finance and Economic Development, to discuss the implementation of the LNG project. The CEB is in the process of appointing a consultant for a full feasibility study and a procurement process for a combined cycle gas turbine plant at Les Grandes Salines to be operational as from 2018.

A complete feasibility study on the use of LNG for power generation and other uses will as well be undertaken shortly, and it is today expected that the use of same for power generation will be a reality by 2021/2022.

For the longer term, the World Bank recommends the commissioning of –

- 90 MW in 2019
- 45 MW in 2021
- 45 MW in 2022.

However, it does not make any clear recommendation on any specific technology. It considers that the decision on the technology should be the result of detailed planning efforts of the CEB, specifically the implementation - ideally before the end of 2015 - of a robust initiative to consolidate the modernisation of methodologies, procedures and computational tools used for power system planning. Assessing the power requirements with the help of modern methodologies and procedures can significantly impact positively the costs and reliability of supply in Mauritius.

Mr Deputy Speaker, Sir, the CEB has already engaged in the modernisation of its planning process with the collaboration of the International Atomic Energy Agency and the EDF. The *Agence Française de Développement* is currently supporting us for the updating and restructuring of the energy sector database, development of energy models for demand, supply and network expansion and forecast scenarios and supply options, grid expansion plan for future power development and for integration of renewable energy.

The World Bank also recommends that public consultations should be critical to policy making with regard to the expansion of the power sector and to address environmental and socially sensitive issues.

I wish to underline that consultations are held as and when required on major policy orientations. Similarly, wide public consultations had been held by the National Energy Commission whose recommendations reflect the views of all stakeholders. My Ministry recently had consultations with NGOs before issuing the expression of interest for renewable energy.

The response to the recent early market survey, expression of interest, for the optimisation of renewable energy undertaken by CEB is very promising and there are still some one hundred submissions to be analysed on a total of two hundred and eighty projects submitted. Offers corresponding to more than 1200 MW have been received.

CEB has equally launched a new Small Scale Distribution Generation project to integrate a total of 5MW using renewable energy in Mauritius and 200 kW in Rodrigues. This project should enable 2000 small consumers, mainly households, to install grid connected renewable energy and benefit from the deduction of a total investment in solar PV from net income as announced in the Budget.

The next step is the grid consolidation measures to accommodate the maximum of this capacity on account of the intermittent nature of those production sources. A study has already been carried out on grid strengthening and CEB is working with EDF and AFD on this subject.

I also have to add that the Energy Efficiency Management Office and the *Programme National d'Efficacité Énergétique* are both working actively on the demand management site. In addition to audits, labelling of domestic appliances, the EEMO will conduct awareness campaigns at all levels to encourage energy savings.

I apologise for having taken a little bit more time than I would normally have done and I thank you for your attention.

**Mr Bérenger:** Mr Deputy Speaker, Sir, if we could have the statement circulated.

## **PUBLIC BILLS**

### *First Reading*

*On motion made and seconded, the following Bills were read the first time.*

- (i) *The Mauritius Renewable Energy Agency Bill (No. XI of 2015)*
- (ii) *The Roads (Amendment) Bill (No. XII of 2015)*
- (iii) *The Pharmacy Council Bill (No. XIII of 2015)*

## **ADJOURNMENT**

**The Prime Minister:** Mr Deputy Speaker, Sir, I beg to move for the adjournment of the House to Tuesday 08 September 2015 at 11.30 a.m.

**The Deputy Prime Minister rose and seconded.**

*Question put and agreed to.*

**The Deputy Speaker:** The House stands adjourned.



## MATTERS RAISED

(5.07 p.m.)

### *EID AL-ADHA - CATTLE - SALE*

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** I would like to raise a matter which concerns the Minister of Industry, Commerce and Consumer Protection. It is in relation to the sale of cattle for *Eid al-Adha* which is one of the pillars of Islam.

As the hon. Minister is aware last year there was a regulation which prohibited the sale of cattle of less than two years and fixed the price at Rs139.50. This year, the regulation has been amended and the price has been brought down to Rs125 per kilo but only with respect to cattle that are imported from South Africa.

It has been reported to myself, in the press and, I know, to the hon. Vice-Prime Minister that there are a lot of retailers who are selling cattle which have been imported from South Africa at Rs140 a kilo, that is, more than what is the prescribed amount, on the basis that apparently they are cattle *de race Charolais* or what not whereas the regulation is very clear: provided that it is imported from South Africa it does not matter what type of cattle it is, the price is fixed at Rs125 a kilo and also, they can't sell cattle having less than two years.

May I humbly request the hon. Minister to ask officers of his Ministry to go and have site visits, and ensure that those retailers/distributors are not selling the cattle in breach of the regulation?

**The Minister of Industry, Commerce and Consumer Protection (Mr A. Gungah):** Mr Deputy Speaker, Sir, I thank the hon. Member for the point raised because complaints have been received at my Ministry concerning especially the two issues that hon. Uteem raised, that is, the price and age. I had consultations with the hon. Vice-Prime Minister and I can assure the hon. Member that we have teams from my Ministry, officers from the Consumer Affairs Unit and veterinaries from the Ministry of Agro-Industry and Food Security who are on sites every day. I get reports and, according to the reports, the situation seems to have come under control. But, I assure the hon. Member that this is going to continue.

(5.10 p.m.)

**PORT LOUIS - ROUTE DES PAMPLEMOUSSES & ROUTE MILITAIRE –  
TRAFFIC CONGESTION**

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** It is in relation to a severe traffic jam problem in my Constituency, more specifically, at Route des Pamplemousses and Route Militaire. Every day in the morning and in the evening after work there is heavy traffic and people are getting penalised morning and evening. I would request the hon. Prime Minister if the Commissioner of Police could send traffic officers there in the morning and evening so as to ease the traffic for the people concerned in this part of the region. Thank you.

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):** May I answer this complaint? Mr Deputy Speaker, Sir, I will certainly look into the matter.

*At 5.10 p.m. the Assembly was, on its rising, adjourned to Tuesday 08 September 2015 at 11.30 a.m.*