

**Debate No. 36 of 02.12.08**

**ORAL ANSWERS TO QUESTIONS**

**MBL DISTRIBUTION LTD. – WHISKY IMPORTATION –  
ALLEGED CASE OF FRAUD**

**(No. B/1336) Mr E. Guimbeau (First Member for Curepipe and Midlands)** asked the Prime Minister, Minister of Defence & Home Affairs whether he will state if Mr B.C. the former Director of Customs had handed over to him a document in connection with an alleged case of fraud and corruption in relation to an importation of whisky by the MBL Distribution Ltd. from the United Kingdom, and, if so, indicate if the matter has been referred to the Independent Commission Against Corruption and if so, when.

**The Prime Minister:** Mr Speaker, Sir, in my reply to the Private Notice Question of the Leader of the Opposition on 19 August 2008, I commented lengthily on the alleged case of undervaluation of imported whisky.

In my answer I stated that I was going to refer this case to the ICAC, in spite of the fact that, in this particular case, the DPP had advised no further action for lack of evidence. However, I added that should Mr Cunningham or any other person hold any evidence relating to the case, they should hand over such information to the ICAC.

Thereafter, I liaised with the Director-General of the ICAC who informed me that he had already started an inquiry into the matter once he saw the allegations being made on his own initiative.

**Mr Bérenger:** Mr Speaker, Sir, last week when we were discussing that case of illegal practices at SSR International Airport, he could not tell me whether the inquiry had been carried out by the MRA itself, on itself, or by the Police. Has this case been referred to the Police?

**The Prime Minister:** In fact, Mr Speaker, Sir, this case had originally started in November 2000. It was felt that the duty paid was, in fact, short paid. There was a notice of seizure and the case was then referred to Police for inquiry as is usually the case. After the inquiry, in January 2006, the DPP advised that there should be no further action because of lack of evidence. In fact, he said that most of the evidence was hearsay evidence, it will not stand in court. The Director of Legal Services then agreed that mostly the evidence was hearsay evidence. The MRA Legal Adviser also concurred with the advice, then the Director of Customs suggested that the decision of the DPP should be subject to judicial review. That is not right, Mr Speaker, Sir, but however any party who is aggrieved can go to court. Because this came up again with Mr Cunningham, as I said I was sending all the documents to ICAC and they had already sent them to the Ministry of Finance, I should say, which had already sent them prior to that. They had the same documents that were given to me and the Director-General of ICAC informed that they had started an inquiry into the matter.

**Mr Guimbeau:** Mr Speaker, Sir, I am glad to hear that the hon. Prime Minister will refer the case to ICAC because in his answer to the PNQ of the Leader of the Opposition, the Prime Minister himself said no less than three times and I quote: “when I see all these cases I find that there are two versions to the same story”. What we want to know is the only one true story. When I read the report of Mr David Warren, Senior Executive Officer of the Scotland Investigation Service, it is crystal clear that there has been dual invoicing and under declaration of goods, Mr Speaker, Sir. This is where I would like to table the report of Mr David Warren to make sure that there is a case.

**Mr Speaker:** Is it a signed report?

**Mr Guimbeau:** Of course, Mr Speaker, Sir! It is an official one.

**Mr Bérenger:** The hon. Prime Minister will agree with me that obviously the DPP comes to a decision on the basis of the inquiry carried out by the Department concerned, but the point that Mr Cunningham made repeatedly was that there was systematic cover-up in the Customs and at SSR International Airport. I wonder whether the hon. Prime Minister has read – as it is worth reading – the report of two officers, Mr Mancoo and Mr Munusami on allegations of corruption and malpractices at the SSR International Airport which hon. Guimbeau laid on the Table of the National

Assembly. It is shocking reading. When I asked the hon. Minister of Finance whether anybody had been suspended, he replied no. There is harassment by the head of Department against the officers appointed to inquire into the affair. Can I ask the hon. Prime Minister whether he does not think that a full-fledged inquiry like the one that has been carried out should be conducted concerning the MBL Distribution Ltd. issue?

**The Prime Minister:** I explained in the past, Mr Speaker, Sir, that the ICAC is precisely there to have such inquiries. All the evidence was looked at and, apparently, hon. Guimbeau has laid some reports on the Table of the National Assembly, I think that he should send a copy to ICAC as well. I suppose they have it, but he should. When we look at the reports in detail, for example, we see that Mr Kimber Johnson of the Canada Border Services says, in fact, in Canada itself, they have had problems of overcoming the hearsay evidential rules in the courts and he goes on to say that there are evidential obstacles in prosecuting an accused, but in spite of all this, we have asked ICAC to relook at the whole issue. They are looking at it and I would suggest that we wait and see; ICAC might find something else that was overlooked in the inquiry.

**Mr Dowarkasing:** Mr Speaker, Sir, in the reply to the PNQ, the hon. Prime Minister stated that we have a problem of the inability to utilise the evidence collected from the UK customs and expert witness to testify. He was proposing to amend the regulations or, if need be, even the law. Is the hon. Prime Minister looking into that or has any regulations been amended with respect to that particular issue?

**The Prime Minister:** No regulations had been amended and I was advised that it would not be proper. It would mean going through the whole gamut of evidential rule in this country.

**Mr Guimbeau:** Mr Speaker, Sir, the document has been laid on the Table of the Assembly, therefore it is a public document; anybody can have access to it. Mr Speaker, the hon. Prime Minister said that he was going to get all the documents from Mr Burt Cuningham. Can he inform the House whether he has got all the documents concerning all these cases which Mr Cuningham referred to?

**The Prime Minister:** It is a huge file, in fact.

**Mr Speaker:** I think the question is a very specific one on a specific matter. If the hon. Member wants to come with a general question, he should give notice.

**Mr Guimbeau:** Let us refer to this case. I think the hon. Prime Minister can have the report. What I want to know is whether the hon. Prime Minister is going to have that report and take necessary action.

**The Prime Minister:** As I explained to the hon. Member, on the contrary he was going to give me the original documents. I suggested to him that he should not give me the original documents, tomorrow somebody might say the original documents have been lost at the Prime Minister's office. I asked him to photocopy them. He took precautions and photocopied all the documents. As I asked him, he kept the original documents with him so that he had two copies and he gave me the photocopies. As I said in my answer, when I was going to hand them over to ICAC, the Ministry of Finance, in fact, had the same documents that they have already given. ICAC had the documents and they have restarted an investigation.

#### **INFINITY CALL CENTRE - MRS J. R. - ALLEGED SEXUAL HARASSMENT**

**(No. B/1337) Mr E. Guimbeau (First Member for Curepipe and Midlands)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the alleged case of sexual harassment on one Mrs J. R., employed at the Infinity Call Centre, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if the victim had made a statement at the Rose Hill Police Station on 18 October 2005, at 10 20 hrs and, if so, where matters stand as to the inquiry carried out thereinto.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that on 18 October 2005, one Mrs J.R, an employee of Infinity, made a statement to the Rose Hill Police Station against one Mr C.T., another employee of the same company. A Police enquiry was subsequently instituted, following which a case of "Assault" was lodged against Mr C.T. on 04 January 2007 before Rose Hill District Court.

The case was postponed on two occasions since the accused was not present in court as he said he had not been warned personally due to the fact that he could not be traced. Subsequently, on 03 May 2007, the case was struck out by the District Magistrate of Rose Hill and the Police was ordered to trace out the accused.

Mr C.T. then called at the Rose Hill Police Station on 12 November 2008, that is, more than one year afterwards, and stated that he had changed his address and hence had not received any summons to attend court.

I am further informed that the case was lodged again on 12 November 2008, that is, on the same day and the accused pleaded not guilty. The case will now be called before the court on 03 December 2008 for the accused to inform the court whether he has retained the services of Counsel.

However, Mr Speaker, Sir, I must point out that the decision to prosecute the accused for "Assault" was taken at the level of an Assistant Superintendent of Police.

The Commissioner of Police has had a fresh look at the complaints made by Mrs J. R. and he now considers that the accused should be prosecuted on a different charge 'attempt upon chastity'.

I am informed that the Commissioner of Police has already sent the whole file to the Director of Public Prosecutions together with a report suggesting that the present case of 'Assault' be re-examined.

The matter will then follow such course as the DPP will advise.

**Mr Guimbeau:** Can the hon. Prime Minister enlighten the House? I don't understand how comes that when an accused person was absent in court three times, the case got struck out. Can the hon. Prime Minister inform the House whether the DPP is aware of such a situation? Is it normal that the case be struck out when the accused is absent?

**Mr Speaker:** No, I am sorry. This question cannot be allowed because the hon. Prime Minister is not answerable for the DPP.

**Mr Guimbeau:** Mr Speaker, Sir, the Prime Minister said that the case has been reopened on 12 of November 2008. It is only after 10 of November 2008 when the lady was on Radio One that “the case *est relogé pour proforma le 03 décembre 2008, soit demain.*”

**Mr Speaker:** Another point is that the matter is *sub judice*, it cannot be discussed here, it can prejudice the outcome of the case.

*The Table has been further advised that Parliamentary Questions Nos B/1338 and B/1353 have been withdrawn.*

### **MR J. S. - ADVISER - INFORMATION TECHNOLOGY**

**(No. B/1338) Mr G. Guinness (Third Member for Montagne Blanche and GRSE)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Mr J. S., Special Adviser in Information Technology matters, he will –

- (a) state his qualifications;
- (b) now table his terms and conditions of appointment, and
- (c) state if he has a clean criminal record.

*(Withdrawn)*

### **MBC – EQUIPMENT - PURCHASE**

**(No. B/1339) Mrs S. Hanoomanjee (Second Member for Savanne and Black River)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the new building constructed to house the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain from the Corporation, information as to if new items of equipment will be purchased therefor and, if so, the estimated costs thereof.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Director-General of the Mauritius Broadcasting Corporation that new digital equipment has been purchased and installed at the MBC to replace the old analogue equipment as part of the ongoing digitalisation project.

These equipment will eventually be transferred to the new MBC building currently under construction at Réduit.

In fact, since July 2007, the MBC has embarked on a vast programme of digitalisation. The first phase of the project was completed in February of this year and the necessary equipment have already been acquired. The implementation of the second phase has just started and it is scheduled to be completed by February next year.

I am informed by the Director-General of the MBC that Letters of Award for the procurement of equipment for the second phase have already been issued.

**Mrs Hanoomanjee:** Mr Speaker, Sir, can the hon. Prime Minister confirm whether employees of the MBC have referred to ICAC a case to the effect that equipment has been purchased by the MBC for the new building and that the necessary and appropriate procedures have not been followed?

**The Prime Minister:** If that is the case, Mr Speaker, Sir, then ICAC will do its own investigation.

**Mr Jhugroo:** Is the hon. Prime Minister aware whether a very close relative of the Director-General of the MBC is involved as consultant in the construction of the new compound of the MBC?

**The Prime Minister:** In fact, it is being done by the Chinese Government through a line of credit. They are involved also in it.

**Mr Speaker:** The question relates to items of equipment and now the supplementary question which the hon. Member is putting is about the new building. That is a totally different matter. The hon. Member has to put questions about the purchase of new equipment.

**Mr Jhugroo:** Can the hon. Prime Minister confirm whether the same equipment recently purchased for the news room will be used in the MBC new compound?

**The Prime Minister:** As I explained in my answer, Mr Speaker, Sir, the equipment that is being used actually has been purchased during the first phase that ended in February 2008. That equipment, which is replacing the old analogue equipment, is going to be the same equipment that is going to be used in the new building. There is a second phase and for that second phase, they have already issued the letters of award for the procurement of equipment.

**Mrs Hanoomanjee:** Can the hon. Prime Minister say whether the analogue equipment which he has just mentioned has been purchased in 2007 and that those equipment will now not be used with regard to the new building? The new building requires digitalisation and the analogue equipment, which has been purchased in 2007, will no longer be used now.

**The Prime Minister:** The analogue equipment has been purchased in 2007 unless the hon. Member has that information. I said that they are replacing the old analogue equipment.

**Mrs Hanoomanjee:** I was just asking the Prime Minister whether he is aware that analogue equipment to the tune of millions of rupees have been purchased in 2007 which will not be used for the new building?

**The Prime Minister:** No, in fact, the MBC tells me that since July 2007, they have been embarking on a vast programme of digitalisation. In fact, this analogue equipment is there since a long time, even the former Government was saying that they are replacing the analogue equipment.

### **POLICE WELFARE ASSOCIATION – FUNDS – ALLEGED MISMANAGEMENT**

**(No. B/1340) Mr S. Lauthan (Third Member for Port Louis Maritime and Port Louis East)** asked the Prime Minister, Minister of Defence and Home Affairs whether he is aware of the allegations of mismanagement of funds at the Police Welfare Association and, if so, will he, for the benefit of the House, obtain from the Commissioner of Police, information as to if an inquiry has been carried out thereinto, indicating the outcome thereof.

**The Prime Minister:** Mr Speaker, Sir, the Police Welfare Association is a benevolent association registered with the Registrar of Associations. Its membership is voluntary and open to all serving members of the Police Force as well as retired officers and it is under the legal obligation to file its returns with the Registrar of Associations.

In view of Standing Order 21 of the Standing Orders and Rules of the National Assembly, it would not be proper for me to give information on the management of funds of the Police Welfare Association.

However, I would like to inform the House that I have requested the Commissioner of Police who is in the presence of a letter of complaint from four members of the Managing Committee of the Police Welfare Association to ensure that the Registrar of Associations carries out an in-depth enquiry into the matter.

## **ZIMBABWE – POLITICAL CRISIS**

**(No. B/1341) Mr N. Bodha (First Member for Vacoas and Floreal)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the ongoing political crisis in Zimbabwe, he will state if he has been apprised by the Heads of State and of Governments within the Southern African Development Community of any new development to find a solution.

**The Prime Minister:** Mr Speaker, Sir, the House will recall that in my reply to PQ B/1033, I had stated that following intense negotiation led by former President Mbeki as the SADC facilitator, a Memorandum of Understanding was signed in Harare by President Mugabe, Mr Tsvangirai, Leader of the MDC-T and Mr Mutambara, Leader of the MDC faction, on 21 July 2008.

Subsequently, a power-sharing agreement between the three major political parties represented in the Zimbabwe Parliament, namely ZANU-PF, MDC-T and MDC faction, was signed in Harare on 15 September 2008.

The power-sharing deal was meant to fairly apportion Ministries between the ZANU-PF Tsvangirai's MDC and Mutumbara's MDC. According to the deal, President Mugabe was to retain the Presidency, while Mr Tsvangirai was to become the Prime Minister and Mr Mutumbara the Deputy Prime Minister.

However, no Constitutional Amendment was passed to create the post of Prime Minister and the deal was quickly overcome as we have seen by bickering over posts and powers.

Consequently, an Extraordinary Summit of the SADC Heads of State and Government was convened on Sunday 09 November 2008 in Johannesburg to, *inter alia*, review the political situation in Zimbabwe. Since I was not able to personally attend, Mauritius was represented by our High Commissioner in South Africa, who gave me a full briefing on the Summit's deliberations.

One of the decisions of the Summit pressed for the formation of an inclusive Government in Zimbabwe. That Summit further decided, amongst others, that the Constitution of Zimbabwe, the amendment of the Constitution must be introduced without delay in order to give effect to, *inter alia*, the provisions of the power-sharing agreement.

Subsequent to the November Extraordinary SADC Summit, the negotiators of the three political parties, that is, ZANU-PF, MDC-T and the splinter MDC faction are meeting, since 25 November 2008, for the first time again under the facilitatorship of Mr Mbeki, in the absence of their respective principals.

I can inform the House that on 27 November 2008 ZANU-PF and the two MDC formations initialed a negotiated document relating to the amendments of Section 19 of the Constitution of Zimbabwe which will now be submitted to the respective principals for approval.

Mr Speaker, Sir, I should like to add that we remain concerned with the situation of deadlock, while the humanitarian situation continues to deteriorate and thousands of people are suffering. We now see that there is a spread of cholera in the country.

I would like to take this opportunity, Mr Speaker, Sir, to condemn the denial of visas to the Group of Elders, comprising former UN Secretary-General Kofi Annan, former US President Jimmy Carter and the international advocate for women's and children's rights, Dr Graca Machel. Their mission to Zimbabwe was intended particularly to make an assessment of the humanitarian situation in the country. It is a matter of deep concern and regret that they have been denied visas to enter Zimbabwe.

We are seriously concerned about the deteriorating humanitarian situation which, I have explained, has been further compounded with the outbreak of cholera in the country.

We hope that the authorities in Zimbabwe will take steps to make possible the proposed visit of the high-level Elders Group to the country as such a visit will naturally pave the way for the international community to bring much needed humanitarian assistance to the suffering of the Zimbabwean people.

**Mr Bodha:** Thank you, Mr Speaker, Sir. May I ask the hon. Prime Minister whether he will agree that so far SADC has not been instrumental to find a solution and that time is of the essence today when we see the runaway inflation and the fact that the health system has broken? May I ask him whether he will agree with me that today Mr Mbeki, not being the President of the South Africa, no longer has the leverage to be able to see to it that we have a solution to the Zimbabwe crisis?

**The Prime Minister:** Mr Speaker, Sir, I tend not to agree with the hon. Member because, in fact, it was SADC which initiated all these discussions that have been long and very detailed. And then, there are things that happen also that are spoken inside the Summit, for example, some agreements had been arrived at and then some people changed their mind afterwards. It has been difficult. You cannot have a negotiation, you agree to something and then when you go out, because you get pressure from your own people, you change your position. That is wrong and that is why I think all this has happened. But, now, as I say, under the initiative of the SADC, they have, as I explained, met on 25 November - not the principals but their representatives. Now, on 27 November, they have initialed a negotiated document which relates to the amendment of the Constitution so that the post of Prime Minister and all this can be created. We will now wait for the approval of the respective principals.

**Mr Bodha:** Mr Speaker, Sir, my second question is: in view of the fact that the situation is deteriorating rapidly and it has become man-made humanitarian crisis as said by Mr Tsvangirai, will the hon. Prime Minister agree that maybe one of the issues is that SADC should not recognise Robert Mugabe as a legitimate President of Zimbabwe unless a power-sharing agreement is reached on?

**The Prime Minister:** Mr Speaker, Sir, inside SADC there are different opinions, I must tell you. For example, Botswana has taken a different position altogether, but it is generally felt that if we embark on this line, it will be even more difficult. Mr Mugabe will become even more refractive to any kind of negotiation and things will worsen. But as I said, Mr Speaker, Sir, we condemn, without hesitation, the fact that the Group of Elders, including people like the former UN Secretary General and former President Jimmy Carter and Mrs Machel, have been refused in. Even

during the negotiations the leader of the Opposition, Mr Tsvangirai had been refused a visa to go for the negotiation. That is unacceptable. How can we have a negotiation?

*(Interruptions)*

**Mr Bérenger:** Mr Speaker, Sir, before I put the question which I wanted to put to the Prime Minister, I had the impression, except for the last part, because it is Mr Mugabe who prevented these honorable gentlemen and the lady from entering, that he was saying that MDC had agreed to certain things and then it changed. Will he agree with me that this is not the case at all? We got stuck on the Home Ministry and other Ministers, but, in fact, what happened is that the agreement reached was fiddled by the ZANU-PF side and it has been recognized as such. Will the hon. Prime Minister agree with me that the MDC cannot be blamed for anything in this matter?

**The Prime Minister:** The hon. Leader of the Opposition is right, but I was not referring to that. I was referring to previous part of the agreement which the MDC had agreed to and then they changed their mind. Some people say under pressure from different groups. In fact, we did tell Mr Tsvangirai, at the Summit that I attended that he cannot agree to something and then change his mind and we have to stick to it. Then he has not done it, but recently, this is exactly what has happened. This is why we condemn that situation.

**Mr Bérenger:** Mr Speaker, Sir, if I can put the question which I wanted to put? The Secretary General of the United Nations has just gone to meet the President of the African Union, Mr Kikwete, the President of Tanzania and then the Secretary General of the United Nations had discussed with Mr Mugabe in Doha where there is a conference. At the same time, Mr Tsvangirai met President Abdoulaye Wade in Dakar and requested formally that the SADC Mbeki mediation which evidently has failed, be replaced by an African Union mediation. I am sure that this was taken up by the Secretary General of the UN with the President of the African Union. Will Mauritius, in trying to help move things forward, agree to an African Union mediation instead of the SADC Mbeki mediation?

**The Prime Minister:** In fact, Mr Speaker, Sir, I'll look at it from a practical point of view. What is more important is that we get a settlement in Zimbabwe and the sooner the better. Whoever does it, we will be all for it, except that on 27 November, as I said, they have just initialled a negotiated document, I am hoping that they will agree to that. But, if need be, we will support that move.

**Mr Dowarkasing:** Mr Speaker, Sir, I have two questions. The first one relates to the bone of contention between the two parties, the MDC and ZANU PF, concerning the Ministry of Internal Affairs. Has the issue been discussed in the SADC Summit? Have they reached any conclusion on how to go about with that particular Ministry? At a point in time, it was a question of sharing for six months. Has that issue been sorted out?

**The Prime Minister:** As far as I am aware this issue has not been sorted out. Even the issue of Prime Ministership is now being sorted out.

**Mr Dowarkasing:** My second question, Mr Speaker, Sir, is about the sanctions being levelled against Zimbabwe. Is the hon. Prime Minister aware that the economic sanction that have been voted by the UN and the European Union are affecting the people of Zimbabwe?

**The Prime Minister:** I do not know what sanctions the hon. Member is referring to. I am aware that sanctions are being taken against high officials of President Mugabe's Cabinet, the people around him, but not against Zimbabwe.

**Mr Bérenger:** Mr Speaker, Sir, as I said earlier, there is now strong suggestion that the SADC-Mbeki mediation – he has done his best – be replaced by an African Union mediation. For some time now the new President of Botswana, who has been very critical of Mugabe has come to the conclusion and has gone public that it can't be refuted this deal, that there should be fresh presidential elections under international supervision, somebody like former Secretary General of the UN, Kofi Annan. Would Mauritius be prepared to support that stand?

**The Prime Minister:** Mr Speaker, Sir, we have to tread very carefully. When I was at the Summit, Mr Mugabe contends that people have been saying that he has done all sorts of things, but the fact remains that he actually lost the election and he contends that if he had actually done what people are saying, he would have won. There are different interpretations on that. What we do not want to do is to put him in a corner that he does not want to react to anybody. Let us see how things develop and then we will see what needs to be done but, at the moment, it is only the President of Botswana, as far as I know, who is saying that. I do not know whether the new President of Zambia is saying the same thing.

### **PORNOGRAPHIC CLIPS – MOBILE PHONES - CASES**

**(No. B/1342) Mr N. Bodha (First Member for Vacoas and Floreal)** asked the Prime Minister, Minister of Defence & Home Affairs whether, in regard to pornographic clips forwarded through mobile phones, since January 2008, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof, indicating if inquiries have been carried out thereinto and the outcome thereof?

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that since January 2008, six cases related to pornographic clips forwarded through mobile phones have been reported to the Police.

Eight persons have been arrested so far in relation to these cases on a charge of dealing with obscene matters. Police inquiry is being pursued in all six cases. On completion of the inquiry, the case files will be referred to the Director of Public Prosecutions' Office for advice.

**Mr Bodha:** Mr Speaker, Sir, may I ask whether minors were involved in any of those cases?

**The Prime Minister:** The answer is yes.

**Mr Bodha:** Mr Speaker, Sir, there was a case referred to in an answer which was given by the hon. Prime Minister on 11 November where the inquiry was still on. May I know whether the inquiry has been completed in that particular case?

**The Prime Minister:** Can the hon. Member tell me what is the case? I do not have this previous PQ with me.

**Mr Bodha:** The case was referred to in an answer on 11 November.

**The Prime Minister:** If I knew what case I would be able to tell the hon. Member about it. I do not have the previous PQs with me.

**Mr Bodha:** May I ask the hon. Prime Minister what is done, when we have a clip which has been transmitted from one phone to another to prevent that clip to be further transmitted after the case has been reported? Is anything done to prevent that?

**The Prime Minister:** It is a bit of a difficult situation. With technology today what we need to do is to reinforce the process of the registration of the SIM cards, they should not then be able to activate them. That is what we are doing.

**Mr Speaker:** Time is over! May I inform the House that the Table has been advised that PQ No. B/1351 addressed to the hon. Prime Minister has been withdrawn. Questions addressed to hon. Ministers!

## **LAVIMS – CONTRACT**

**(No. B/1354) Mr E. Guimbeau (First Member for Curepipe and Midlands)** asked the Minister of Housing and Lands whether, in regard to the Land Administration, Valuation and Management Information System (LAVIMS), he will state if the contract has been awarded, indicating –

- (a) the name of the successful bidder;
- (b) the contract value thereof;

- (c) the number of tenders launched and the number of bidders received, giving the names of the bidders and their countries of origin.

**Dr. Kasenally:** Mr Speaker, Sir, the contract for the Land Administration, Valuation and Management Information System commonly known as LAVIMS Project for which tenders were floated internationally by the Central Procurement Board, has not yet been awarded.

In regard to parts (a) and (b) of the question, I am informed that the name of the successful bidder is Infoterra Ltd to whom a Letter of Intent has been issued on 15 July 2008 for a contract value of USD18,285,000, inclusive of VAT.

In regard to part (c) of the question, I am informed that an Expression of Interest was launched on 18 May 2007 with closing date 27 June 2007. Thereafter, a Request for Proposal was launched on Thursday 01 November 2007 and the closing date for the submission of bids was Wednesday 16 January 2008. Eight bids were received as follows –

<b>Sn</b>	<b>Tenderer</b>	<b>Country of Origin</b>
1	Data Communications Ltd in Partnership with Sobha Renaissance	Mauritius
2	State Informatics Ltd	Mauritius
3	Infoterra Ltd	United Kingdom
4	Salmat Businessforce in association with Pixelsoft Pvt Ltd Megabyte Ltd	Australia
5	Speck Systems Ltd – DCDM Consulting	India
6	JY CB Richard Ellis/A Tinkler Ramlackhan	South Africa
7	Land Equity International Ltd	Australia
8	CB Richard Ellis (Hong Kong)	Hong Kong

**Mr Guimbeau:** Mr Speaker, Sir, can the hon. Minister confirm that the LAVIMS project will cover all private lands as well as State lands.

**Dr. Kasenally:** Yes, it will cover every single piece of land in the Republic of Mauritius.

**Mr Dowarkasing:** Mr Speaker, Sir, may I ask the hon. Minister if we are benefiting from any international funding for this project and, if so, can he give the amount and from which institution?

**Dr. Kasenally:** If the hon. Member could put a substantive question, I will look for it and give precise information to the hon. Member.

**PQ Nos. B/1355 and B/1356 – See “Written Answers to Questions”.**

#### **CUSTOMS DEPARTMENT - PASSPORTS, PERSONALIZED SYSTEM AND CONSUMABLES - INQUIRY**

**(No. B/1357) Dr. R. Hawoldar (Second Member for La Caverne and Phoenix)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the under evaluation of passports, the personalization system and consumables, he will, for the benefit of the House, obtain from the Customs Department, information as to where matters stand?

**The Minister of Education, Culture & Human Resources (Dr. V. Bunwaree)** Mr Speaker, Sir, with you permission, I will answer this question. I am informed by the MRA that a full inquiry was conducted regarding the under evaluation of passports, the personalized system and consumables.

In that respect, MRA sent a Report on 15 October 2007 to ICAC, requesting the latter to carry out further investigations regarding any breach of the provisions of the Prevention of Corruption Act 2004.

I understand that the matter is still with ICAC.

**Dr. Hawoldar:** Mr Speaker, I wish to thank the Minister for the answer? But can I ask the substantive Minister whether the importing company has paid any amount to Customs in terms of shortage or undervaluation?

**Dr. Bunwaree:** I am not aware of this, but I'll refer the question to my colleague, the substantive Minister.

**Dr. Hawoldar:** Mr Speaker, Sir, may I ask the acting Minister whether he is aware that there was a first letter which was sent by the Customs to the Police, saying that the importing company should pay between Rs23 m. to Rs25 m.?

**Dr. Bunwaree:** Mr Speaker, Sir, I think there is something like that in the file, but this matter is at ICAC for the time being.

**Dr. Hawoldar:** May I ask the acting Minister whether there is a second letter.....

*(Interruptions)*

.... from the Customs written by Mr Cunningham which says that the matter has been settled for about Rs18 m. and that Police should proceed no further with the case?

**Dr. Bunwaree:** Well, these are details of the case. All these have been taken into consideration, whether it is one or two letters. The case has been referred to ICAC, as I mentioned.

**MR B. C. – FORMER COMPTROLLER OF CUSTOMS  
– SHIP MODELS - EXPORTS**

**(No. B/1358) Dr. R. Hawoldar (Second Member for La Caverne and Phoenix)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to an alleged report concerning the export of ship models by Mr B. C., the former Comptroller of Customs, he will state if an inquiry has been carried out thereinto and, if so, the outcome thereof.

**The Minister of Education, Culture and Human Resources (Dr. V. Bunwaree):** Mr Speaker, Sir, with your permission, I shall reply to this question. Mr Speaker, Sir, with regard to the alleged report concerning the export of ship models by the former Comptroller of Customs, I am informed that the MRA did carry out an enquiry.

I am further informed that following investigations and legal advice, the ship models were allowed to be shipped to destination.

**Dr. Hawoldar:** Mr Speaker, Sir, may I ask the acting Minister whether he has been given information as to whether Mr Cunningham has made a declaration to the MRA, saying that his hobby was the collection of ship models and that he was going to get artisans in Mauritius to construct the ship models for him?

**Dr. Bunwaree:** I am not aware of this, Mr Speaker, Sir, but I know that the inquiry is over and the ship models have been allowed to be shipped.

**Dr. Hawoldar:** Mr Speaker, Sir, may I ask the hon. Minister whether he has been informed that actually the museum, which is possessed by Mr Cunningham, is selling those ship models and the booking can be done on internet? I have copies here, Mr Speaker, Sir, of H.M.S. Victory, H.M.S. Bounty and all the ship models that are being sold with the price mentioned. For example, the H.M.S. Bounty of 94 cms costs 1,100 Canadian dollars and you have to send half of this amount when you book for these ship models.

**Dr. Bunwaree:** Mr Speaker, Sir, this is an information that is being given to the House, but I can say that the inquiry had revealed that the allegations of Mr Bissessur against Mr Cunningham were considered to be not founded and this has been taken care of and the shipment has been allowed. Now, what Mr Cunningham is doing with these ship models should be looked at at another forum than this one.

**Dr. Hawoldar:** Mr Speaker, Sir, one last question. Is there any country in the world where a Comptroller of Customs is doing business in ship models....

**Mr Speaker:** No, no! I am sorry, the question must be rephrased: whether he was allowed to do business. That should be the question.

**Dr. Hawoldar:** Mr Speaker, Sir, I would like to know whether the ex-Director of Customs was given the permission to do a business in ship models?

**Dr. Bunwaree:** Mr Speaker, Sir, it is a matter of interpretation. In any case, it is said it was his hobby.

**Dr. Hawoldar:** Just one last question, Mr Speaker, Sir. Did Mr Cunningham have a permit to export those ship models to Canada? Was he registered with the Ministry as an exporter of ship models?

**Dr. Bunwaree:** I must say that on 05 September 2008 the case file was referred to the Director of Public Prosecutions who, on 19 September, 2008, *inter alia*, advised, I quote –

“(...) that the container may be allowed to be shipped to destination.”

*(Interruptions)*

**Mr Speaker:** Next question!

### **CEB - ELECTRICITY TARIFFS**

**(No. B/1359) Mr G. Lesjongard (Second Member for Port Louis North and Montagne Longue)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the electricity tariffs, he will state if Government is proposing to review same with a view to alleviating the burden on the consumers, following the decrease in the price of fuel oil.

**The Deputy Prime Minister, Minister of Renewable Energy and Public Utilities (Dr. R. Beebeejaun):** Mr Speaker, Sir, for the purpose of electricity production, CEB uses two types of fuel oil, namely HFO 380 CST and HFO 180 CST which contribute to around 36% of the electricity generation and balance of 64% is met as follows –

- 45% from coal;

- 15% from bagasse, and
- 4% from hydro.

Mr Speaker, Sir, on the basis of the generation mix, it is clear that electricity tariff is not solely dependent on the price of fuel oil.

The purchase price of the two types of fuel oil fluctuated from around USD 500 per metric tonne in January 2008 to around USD 440 per metric tonne in October 2008 with a peak of USD 750 per metric tonne in July 2008.

Besides the cost of fuel oil, electricity production is also substantially dependent on the costs of three other variables, namely coal, freight and insurance and exchange rates.

It is imperative that tariff levels are reflective of both operating and investment costs in order to enable the CEB to meet future demand and improve reliability of supply.

Mr Speaker, Sir, in spite of the tariff revision in April 2008, the financial situation of the CEB remains precarious. The CEB's present overdraft stands at Rs1.9 billion and more than ever there is need for sound financial management of the organisation, particularly in view of the credit limit being imposed in the aftermath of the international financial crisis.

Notwithstanding, CEB's unfavourable financial situation, the tariff for domestic social group or customers (23,000 households), with monthly consumption not exceeding 75 kWh per month, has remained unchanged since September 2007, with no increase in the last tariff revision of April 2008.

Mr Speaker, Sir, I would like to inform the House that CEB has appointed a team of Consultants to carry out an in-depth review of its tariff structure.

At present, the electricity tariff consists of twenty-two categories which have evolved on an *ad hoc* basis over time. The objective is to streamline and rationalise the tariff structure in order to make it in line with international best practices.

Consultations with stakeholders are being held; the final Report is expected during the course of December of this year.

**Mr Lesjongard:** May I ask the hon. Deputy Prime Minister what is the actual cost of one unit generated by the CEB?

**Dr. Beebeejaun:** Mr Speaker, Sir, I don't have the figures in hand. It is around Rs3, but I have to refer to it. As I said, oil is only one component of the cost.

**Mr Lesjongard:** The hon. Deputy Prime Minister mentioned domestic consumers. We have two sub tariffs with regard to domestic consumers, that is, 110, 120 and 140. There are only 3,438 consumers under the 140 tariff who are benefiting from the no-increase in the electricity tariff. Others, that is, some 3,000 consumers have been hit by two increases, that is, one of 15% and the other one of 16%. Doesn't he feel that this is a burden? As we know, right now, the average fuel costs have decreased drastically on the international market and this should be passed over to the consumers, that is, the decrease in the price of electricity tariffs?

**Dr. Beebeejaun:** Mr Speaker, Sir, I have already made the point that there is a revision, that the CEB is indebted, that there are special tariffs for the low consumers. I think we should leave it to the consultant to sort it out.

**Mr Bérenger:** Mr Speaker, Sir, I heard the hon. Deputy Prime Minister repeat that consultants have been appointed to review the CEB electricity tariffs in general. Can we know the name of the firm or the consultants concerned and how they have been chosen?

**Dr. Beebeejaun:** Mr Speaker, Sir, I do not have the name, but I'll certainly provide it.

**TOURIST ARRIVALS –  
NOVEMBER/DECEMBER 2008 – JANUARY 2009**

**(No. B/1360) Mr G. Lesjongard (Second Member for Port-Louis and Montagne Longue)** asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the tourist arrivals, he will state the forecast for the months of November and December 2008 and January 2009.

**The Vice-Prime Minister, Minister of Tourism, Leisure and External Communications (Mr X. L. Duval):** Mr Speaker, Sir, the recent world financial crisis has brought in its wake an uncertain, volatile and unstable economic environment which has produced a change in the pattern of behavior of the traveller, especially those travelling long-haul. They have become not only hesitant to finalise their travel plans well in advance, but they also have the tendency of opting more and more for last minute bookings.

Mr Speaker, Sir, in the light of the new economic landscape, members of the House will agree with me that it would not only be difficult, but also not prudent to make a forecast for the coming months.

Mr Speaker, Sir, with regard to the number of tourist arrivals for the month of November 2008, I wish to inform the hon. Member that the figures are still being compiled at the Passport and Immigration Office and will be published shortly.

I would like to add, Mr Speaker, Sir, that from information available Mauritius is outperforming other destinations like Seychelles, Maldives, Singapore as well as islands in the Caribbean.

**Mr Lesjongard:** Mr Speaker, Sir, since the Minister does not have the figures, can he confirm that some of the 5-star hotels of the country have already put their employees en *chômage technique* for the month of December?

**Mr X. L. Duval:** Mr Speaker, Sir, it is on a case to case basis. Some hotels are doing very well, I must say, because we have been trying to place people for the '*Festival Creole*', for instance. Some hotels are full and some in Bel Ombre are doing less well. It is on a case to case basis, Mr Speaker, Sir, but the figures are the figures. What is happening in terms of tourist arrivals is different from tourist nights and room occupancy. These figures are published monthly and are very transparent and are there for everybody to see.

**Mr Bérenger:** We are talking about November and December, but for October, I see that the number of tourists coming from UK went down by 8% and the number of tourists from France unexpectedly went up by 8%. I am sure the hon. Minister would have looked for answers. Can he offer any explanation?

**Mr X. L. Duval:** Mr Speaker, Sir, it is no news to anyone that UK, for instance, is experiencing very harsh economic problems and, in fact, travelling from UK to many similar destinations is down a lot, Mr Speaker, Sir. Seychelles, for instance, which counts a lot on UK, tourist arrivals are down by 15% for the month of October only.

**Mr Bérenger:** What about France?

**Mr X. L. Duval:** Mr Speaker, Sir, France has an emotional attachment to Mauritius. It is doing well. Also we have been right to have given Corsair traffic rights. I don't think we should be les *oiseaux de mauvaise augure* also. We are happy that this is so. We should be patriotic and help the tourism industry get over this difficult period.

**Mr Lesjongard:** Since the Vice-Prime Minister has confirmed that there are employees of the tourism industry who will go on *chômage technique* during the month of December, can we have an indication what are the arrangements that have been made by the hotels so that we alleviate the burden of those employees?

**Mr X. L. Duval:** Mr Speaker, Sir, I can only reply on a general basis. Obviously, we have impressed upon all tour operators, not just hotels, that it is important to bear with their staff because, in fact, the success of the tourism industry in Mauritius relies on the hospitality and the good nature of the staff in Mauritius. That is the differencing factor. So, we have talked to

the hotels, we have talked to the tour operators about that, but, obviously, some people are in a more difficult situation than others. Now, there is a support package that AHRIM and others are talking to the Ministry of Finance about how things can be evened out for the future.

**Mr Bodha:** Mr Speaker, Sir, usually at the end of the year, we have full occupancy of all the hotel rooms. What is the forecast in the hotels, whether there will be full occupancy at the end of the year or not?

**Mr X. L. Duval:** I cannot say, Mr Speaker, Sir, there are differing views. Some people say it is going to be all right, others say it is going to be more difficult.

### **SQUATTING – SURVEY AND EVICTION ORDERS**

**(No. B/1361) Mr G. Lesjongard (Second Member for Port Louis North and Montagne Longue)** asked the Minister of Housing and Lands whether in regard to squatting, he will state if –

- (a) his Ministry has recently carried out a survey thereinto, and
- (b) eviction orders have been issued over the past six months, and if so, indicate the number thereof which have been executed.

**Dr. Kasenally:** Mr Speaker, Sir, in regard to part (a) of the question, a survey was carried out by my Ministry in September 2008 to update the list of residential squatters and it established that some 1220 squatters were by that time illegally occupying State lands throughout the island.

In regard to part (b) of the question, 46 eviction orders have been issued and served over the past six months, all of which have been resisted by the concerned squatters. For reasons of security and of the timing of official intervention to evict the squatters, I am not specifying the geographical areas involved and when exactly the eviction orders will be enforced, as the element of surprise is essential in such cases.

As is the practice, tenders were launched for the exercise of demolition of illegal structures. Such a tendering procedure, however, takes time to be completed. Additionally, very few contractors, being given the sensitive nature of the work indicated, are willing to bid, and in certain cases no bid has been received. Notwithstanding this, the Government has agreed

to the inevitable use of appropriate alternative means and measures to evict squatters who resist eviction orders served on them, to ensure that the law in our *Etat de Droit* is fully respected and abided by.

I must also emphasise that, on my assuming office as Minister of Housing and Lands, and to continue, with added vigour, to implement Government policy of no tolerance for squatting, I have initiated the launching of an aggressive campaign against squatting, comprising the issue of a pertinent Press Communiqué, and there shall be no let or hindrance in the eviction of squatters.

**Mr Bérenger:** We are all for zero tolerance for new squatters, but, in the past, there was a cut-off point and Government had devised plans to help those long-time squatters, for example, on the west coast, La Gaulette and Case Noyale, which is an eyesore and which is very bad for the environment, for tourism and for everything. Is the Minister looking at schemes, not to reward yesterday's squatters, but for those after the cut-off point for whom schemes had been devised?

**Dr. Kasenally:** Mr Speaker, Sir, I wish to inform the House that the Government has gone not only the extra mile, but a few more extra miles to help these people and in these new housing schemes for the *social*, provision has been made for certain squatters for some sites and services. There is a substantive question regarding this. I'll give more precise details about people who are being housed. However, we are not going to tolerate, because as these squatters move, there are others coming up. This is the main problem. Before the cutting point, we are, as far as possible, helping them to go into new housing schemes or give them a piece of land, that by way of sites and services they get a piece of land with all the infrastructure being set up.

**Mr Lesjongard:** Mr Speaker, Sir, the Minister himself said that so many eviction orders were issued by his Ministry, but not executed and he has also said that the squatters are resisting more to those evictions. Does not he feel that if we are dealing with the eviction orders, the situation might get more difficult and if this is the case, what does he propose to do?

**Dr. Kasenally:** Mr Speaker, Sir, life is a matter of choices. If things are difficult, we cannot always just come back. We have to use all the tacts possible and be humanitarian, but, unfortunately, in certain areas where there are thugs, it is a hotbed of unsocial habits and with the *forces vives* we try to move them, but there is a point in time where action and reaction cannot just be equal and opposite and, therefore, we will try, without too much distress to people, to meet them gently, but, at the end of the day, this Government has to assume its responsibility.

**Mr Lesjongard:** Mr Speaker, Sir, can we have an indication from the Minister not with regard to the places, but to which part of the country the squatters are mostly located?

**Dr. Kasenally:** I am sorry I cannot give you the precise place where we are going to do that because, unfortunately, there may be misinterpretation of the motives of Government. But I can assure the hon. Member that not only squatters in his constituency, but all those over the island, will be moved.

**Mr Ganoo:** Mr Speaker, Sir, I heard the hon. Minister say that bids have been issued for tenderers interested to demolish the illegal structures. Isn't that an erroneous policy? Because, as we know, the employees of the Ministry of Housing used to do this job. Doesn't the hon. Minister think this is ill-advised? Because, as soon as the first structure is set up, the Ministry should act very quickly and respond with celerity, and not allow people to build structures and then issue tenders!

**Dr. Kasenally:** Mr Speaker, Sir, we have the *Police des Terres* attached to my Ministry. They go around each weekend, especially at the time when poles start to be set up, and the next day they try to get down these poles. They have been trying to exert control, but there are things that have been allowed to go on for a long time. Unfortunately, if action is not taken, the problem may become insurmountable. The hon. Member can rest assured that we are not going to use undue force or try to create an atmosphere of unrest. We will try to be gentle, but firm.

*At 1.00 p.m the sitting was suspended.*

*On resuming at 2.35 p.m with Mr Speaker in the Chair.*

**Mr Speaker:** The Table has been advised that Parliamentary Questions No. B/1372, B/1374, B/1388, and B/1403 have been withdrawn.

### **SALAZIE, NOUVELLE DECOUVERTE REGION – STATE LAND LEASE**

**(No. B/1362) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue)** asked the Minister of Housing & Lands whether, in regard to the lease of State lands in the Salazie, Nouvelle Découverte region, since July 2005 to date, he will give a list of the beneficiaries thereof, indicating in each case –

- (a) their addresses ;
- (b) the extent of land leased, and
- (c) the purpose of each land leased.

**Dr. Kasenally:** Mr Speaker, Sir, since July 2005 to date, my Ministry has granted only one lease in the region of Salazie, Nouvelle Découverte. The lease over two Hectares (20,000m<sup>2</sup>) of State land has been allocated to Ushna Vaari Gurukulam for the construction of a Sanskrit school. The address of the Association is Valton, Long Mountain.

In regard to leases of State lands granted for cow breeding, milk production or shooting and fishing, they do not fall under the purview of my Ministry.

### **OVERSEAS EDUCATIONAL & TRAINING INSTITUTIONS – RECRUITING AGENTS**

**(No. B/1363) Mrs S. Hanoomanjee (Second Member for Savanne & Black River)** asked the Minister of Education, Culture & Human Resources whether, in regard to the persons registered at his Ministry as recruiting agents for overseas educational and training institutions, he will state –

- (a) the number thereof, and
- (b) if any Police clearance is required before the permits are issued.

**Dr. Bunwaree:** Mr Speaker, Sir, regarding part (a) of the question, in accordance with the Licensing of Recruiting Agents for Overseas Educational and Training Institution Act 2006, 25 applicants have so far been issued with a licence by my Ministry for the recruitment of students for post secondary studies abroad.

Concerning part (b), no Police clearance as such is required prior to the issue of the licence. However, a character certificate (*certificat de moralité*) from the Director of Public Prosecutions in favour of the applicant or shareholders, if the applicant is a company, and also for the employees responsible for the recruitment of students, is one of the requirements for the issue of a licence by my Ministry to act as recruiting agent.

I would further wish to inform the hon. Member that my Ministry publishes, on a regular basis, in the press, the list of recruiting agents duly issued with a licence by my Ministry as well as a list of unauthorised ones after scrutiny from press advertisements. The information is also available on my Ministry's web site.

**Mrs Hanoomanjee:** Mr Speaker, Sir, can the hon. Minister confirm whether those who are legal recruiting agents – because the Minister just stated that there are some unauthorised agents as well – have, according to the Act, to adhere to certain conditions? Can he say what are the mechanisms that have been put in place to ensure that they adhere to the Act?

**Dr. Bunwaree:** Mr Speaker, Sir, in fact, there is a list of conditions which have to be followed. If ever there is anything which does not go according to these conditions, action is taken. Since some time, my Ministry – I don't know how it was last year when my colleague was my predecessor there – had already established a mechanism, whereby we are following these recruiting agents very closely.

**Mrs Hanoomanjee:** Mr Speaker, Sir, the Minister is surely aware that, in a recent past, several students who have been recruited by these agents went abroad, and then found themselves in dire difficulty. How is it then that mechanisms are put in place, to which they adhere and, yet, these students find themselves in difficulty when they go abroad?

**Dr. Bunwaree:** Mr Speaker, Sir, I agree, this is a problem. In fact, when I was Minister of Labour, some people did not know and came to see us for that. We are following this very closely and, if necessary, we may come with amendments to the regulations to make them more stringent.

**Mr Dowarkasing:** Mr Speaker, Sir, the hon. Minister just stated that, on a regular basis, the list is communicated to the press. Can we know when this was done the last time?

**Dr. Bunwaree:** Mr Speaker, Sir, I don't have the date on which it appeared in the press for the last time. But, it is on the web site of the Ministry, which is updated regularly.

## NORTHERN PLAINS IRRIGATION PROJECTS PHASE II

**(No. B/1364) Mrs S. Hanoomanjee (Second Member for Savanne & Black River)** asked the Minister of Agro Industry, Food Protection & Security whether in regard to the Northern Plains Irrigation Projects Phase II, he will state –

- (a) the amount of money already disbursed by the *Banque Africaine de Développement* and the *Banque Arabe pour le Développement Economique en Afrique*;
- (b) the number of planters concerned with the project, and
- (c) if any portion of land has been excised from the extent covered by the project

**Mr Faugoo:** Mr Speaker, Sir, the Northern Plains Irrigation Project Phase II covers a total area of 3,500 ha of land, out of which 2,100 ha are owned by some 3,700 small planters, and 1,400 ha by miller/corporate planters. 700 ha of land owned by miller/corporate planters are already under irrigation system set up by the planters themselves. The Irrigation Authority has, so far, installed irrigation facilities on 700 ha of land owned by some 1,300 small planters.

The 3,500 ha of land is on eight blocks and projects on Blocks 1, 2, 3 and 8a have been completed. Projects implemented by Irrigation Authority were on Blocks 2, 3, and 8a, and were financed by Government and International Fund for Agricultural Development (IFAD).

The current project, that is, the second phase, is being financed by ADB and BADEA, and is in respect of the remaining Blocks 4, 5, 6, 7 and 8b covering an area of 1,410 ha belonging to small planters exploiting plots of land of less than 4.2 ha.

With regard to part (a), a sum of €157,963 has been disbursed so far by the ADB to finance the cost of consultancy services.

Regarding part (b), 2,400 small planters are concerned with the current project.

As for part (c), 10 plots of land of a total extent of 9.6 ha have been excised from the project by the Irrigation Authority.

**Mrs Hanoomanjee:** Mr Speaker, Sir, can the hon. Minister confirm whether, recently, the BAD has raised serious concern on the fact that residential houses are being constructed within the irrigated blocks to be developed?

**Mr Faugoo:** That is to some extent true, Mr Speaker, Sir.

**Mrs Hanoomanjee:** Will the hon. Minister then say whether these constructions have been done legally, that is, they have obtained approval from the Land Conversion Committee of the Ministry of Agriculture or whether it is the IA through the Land Management Committee, which has been instituted, which has done so?

**Mr Faugoo:** I am made to understand, Mr Speaker, Sir, that Irrigation Authority had, through a committee which was set up at the level of the Irrigation Authority, excised some of the lands which fall within the irrigation zone and that is also without any mandate. There is some misunderstanding, some misinterpretation of the law as it is. As far as the Land Conversion Committee is concerned, none of these owners has been to the Land Conversion Committee.

**Mrs Hanoomanjee:** Since the hon. Minister has just mentioned that the Irrigation Authority, through a misunderstanding of the legislation, has excised certain plots of the land, what action has been taken at the level of his Ministry since there is land conversion tax which has not been paid?

**Mr Faugoo:** First of all, we did a survey of all the lands which have been excised by the Irrigation Authority and we are requesting all the owners, who fall under that category, to apply to the Land Conversion Committee so that we can assess on a case to case basis, on the merit of the cases, to allow or not allow and then all those who are being allowed, they will be asked to pay whatever fees.

**Mrs Hanoomanjee:** Can the hon. Minister say whether the Chairman of the Irrigation Authority and another Board member are themselves involved in having taken such action. They are the ones who have instituted that Land Management Committee and they are the ones who have benefited from it.

**Mr Faugoo:** I don't know the composition of the committee, Mr Speaker, Sir. I will have to look into this.

**Mrs Hanoomanjee:** If the hon. Minister does not know the composition of the committee, the Ministry has a representative on the Board of the Irrigation Authority. What is the role of the representative of the Ministry if not to brief the Minister?

**Mr Faugoo:** I confirm there is an employee of the Ministry who forms part of the Board and he is a full-fledged member like any of the Board members. It is through that person that we carry the enquiry and we are acting on whatever we have been given.

**Mrs Hanoomanjee:** This misinterpretation of the law has been done by the IA and decisions have been taken by the Board, but there was a communiqué which had been issued previously by the Ministry of Agriculture to say that land within irrigation zones cannot be excised. What was the role of the representative of the Ministry if not to draw the attention of the Board or the Chairman to the fact that this should not have been done?

**Mr Faugoo:** This is what exactly he did, Mr Speaker, Sir. When we came to know at the level of the Ministry that there was such a practice or be it a misinterpretation of the law, we immediately took out a communiqué to stop. We gave instructions to the IA to stop such practice and, in fact, they have stopped. Now what we did through the representative of the Ministry, we have enquired how much land has been extracted from the zone. As I said, we have taken certain decisions and we are acting on this.

**Mrs Hanoomanjee:** Mr Speaker, Sir, now things which are illegal are being regularised. I mean constructions have already been done and now the Ministry is going to give the approval for the land conversion. Since the Chairman of the IA himself is concerned with this and since he has benefited from it, can I ask the hon. Minister whether he proposes to take any action against the Chairman and that Board member who are involved in the transaction?

**Mr Faugoo:** As I said, Mr Speaker, Sir, if a decision has been taken erroneously on the basis of wrong interpretation of the law, it does not confer any right on the person on whom it has been given some kind of conversion or extract of a portion of land. Initially, it is illegal and it is null and void. This is why I said that all those who are concerned and they have developed the land...

**Mr Speaker:** The question is whether action will be taken against those who are implicated in the matter.

**Mr Faugoo:** As I said, we are looking into all the facts of the case and if there is evidence that he has done something without knowing that it was wrong - because the first impression we had is that he acted in good faith.

**Mrs Hanoomanjee:** One last question, Mr Speaker, Sir! Can we have any time frame from the hon. Minister so that the House may know whether action has been taken against the Chairman or not?

**Mr Faugoo:** I cannot give a time frame, Mr Speaker, Sir. As I said, we are requesting those people to come to the Land Conversion Land Committee.

**Mr Speaker:** We go to the next question now!

**MORCELLEMENT CHAZAL, FLIC-EN-FLAC –  
INFRASTRUCTURAL WORKS**

**(No. B/1365) Mrs S. Hanoomanjee (Second Member for Savanne and Black River)** asked the Minister of Environment and National Development Unit whether, in regard to the region of Morcellement Chazal, Flic-en-Flac, he will state if money has been earmarked for infrastructural works to be carried out thereat to prevent flooding in the area, in view of the coming cyclonic and rainy seasons and following repeated requests from the inhabitants thereof and, if so, indicate –

- (a) the amount budgeted, and
- (b) when works are likely to start.

**Mr Bundhoo:** Mr Speaker, Sir, an amount of Rs30 m. has been earmarked for the implementation of a drain scheme at Morcellement Chazal at Flic-en-Flac.

Mega Design Consulting Engineers have been awarded the contract for the design and supervision of the scheme on 24 November 2008.

As regards part (b) of the question, the design is scheduled for finalisation by the end of January 2009 and works are expected to start by March 2009.

**PLAINE WILHEMS – SEWER RETICULATIONS – CONTRACT**

**(No. B/1366) Mr A. Ganoo (First Member for Savanne and Black River)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the contract WW151Z concerning waste water works at Plaines Wilhems granted to “Ups and Downs Tech Materials Ltd”, he will, for the benefit of the House, obtain from the Waste Water Manager Authority, information as to –

- (a) the contract value thereof, and
- (b) if another bidder has referred to the Independent Review Panel, indicating –

- (i) the outcome thereof, and
- (ii) if the Panel has criticized the award of the contract.

**The Deputy Prime Minister, Minister of Renewable Energy and Public Utilities (Dr. R. Beebeejaun):** Mr Speaker, Sir, the contract WW151Z pertains to the design and construction of sewer reticulations, house connections and maintenance works in the already sewerred areas of Plaines Wilhems District. The contract is a unit rate, that is, each item of work is measured on site, following which the amount due to the contractor is calculated against the prevailing rates for each item.

I am advised that –

- (i) on 15 February 2008, the Central Procurement Board approved the award of contract WW151Z to Ups and Downs Tech. Materials Ltd. and 29 February 2008, the notification of award was issued to the company by the Waste Water Management Authority;
- (ii) on 03 March 2008, one aggrieved bidder, namely, Mr H. Padiachy Contractor Ltd. informed WMA that it was challenging the procurement proceedings. On 07 March, WMA gave explanations to the bidder;
- (iii) not satisfied with the explanations, he applied on 19 March 2008 to the Independent Review Panel, for a review of the procurement proceedings for the contract under section 43 of the Public Procurement Act 2006;
- (iv) on 30 June 2008, the Independent Review Panel recommended a review of the decision to award the contract to Ups and Downs Technical Materials Ltd, and
- (v) on 26 August, in the light of the decision of the Independent Review Panel, the Central Procurement Board approved the award of the contract to Mr H. Padiachy Contractor Ltd.

The grounds for the recommendations of the Independent Review Panel were –

- (a) allegations made by one contract manager, Mr Lan Hing Po against Ups and Downs Technical Materials Ltd for having proposed his name as contract manager without his prior consent should be investigated into as per procedures of the Public Procurement Act, and
- (b) the contents of the Bank Certificate produced by Ups and Downs Tech Materials Ltd should be declared not in compliance with the requirements of the bidding documents. Instead of producing a document certifying that it satisfies the minimum criteria of Rs2 m. liquid assets or credit facilities net of other commitments, the company produced a bank document certifying that an overdraft will be given to the company, in case it is awarded a contract.

**Mr Ganoo:** Can the hon. Minister inform the House who is the Chairman of the Independent Review Panel and the other Members?

**Dr. Beebeejaun:** Mr Allyboccus.

#### **UNIVERSITY OF MAURITIUS – TAX REGIME – STUDY**

**(No. B/1367) Mr A. Ganoo (First Member for Savanne and Black River)** asked the Honourable Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will state if he has taken cognizance of the joint report of the Law and Management Faculty of the University of Mauritius and the Mauritius Research Council, highlighting the negative impact of the current tax regime on the middle income earners and, if so, indicate the recommendations proposed in the report to alleviate their plights.

**The Minister of Education, Culture and Human Resources (Dr. V. Bunwaree):** Mr Speaker, Sir, I am aware of the presentation made at a half day seminar at the Mauritius Research Council in respect of a study carried out by the University of Mauritius entitled “The Impact of the Tax Reform on the Individual Income Tax System in the Republic of Mauritius”.

The study, Mr Speaker, Sir, is considered to be severely flawed. It is based on a questionnaire survey sent to 1,500 employees in the 100 top companies with a very low response rate of 28.9%. Moreover, out of the 452 questionnaires received, 37 questionnaires were not useable. Beyond the problem of poor response, not corrected by any reported efforts to obtain additional data, the survey is also not representative of the population of taxpayers. Also, whilst claiming to base its conclusions on the survey, in fact, some of the claims rest on pure speculation. For example, the study gives the example of someone with Rs50,000 monthly income losing out because they can no longer deduct interest on debt service of some Rs32,000 and Rs6,600 as insurance premium. This example cannot be valid. Banks in Mauritius would never lend under such circumstances with proper due diligence. For these several fundamental flaws in methodology, established research standards would preclude using this study to draw any credible conclusions.

Mr Speaker, Sir, in contrast, we have facts from a serious study by the MRA covering each and every individual who submitted their income tax return in September/October 2007, that is, 107,000 salaried taxpayers and 32,000 self-employed taxpayers in all. The study also considered that the 36,000 removed from the tax net, whether or not they filed in 2007.

The study has been reviewed and commented by international experts who have commended its seriousness and scientific approach whilst also validating the results. These experts agree that the study confirms that the tax reform has indeed benefitted the vast majority of taxpayers.

The facts are as follows –

- 36,600 taxpayers out of a total of 72,000 were removed from PAYE;
- 82% of taxpayers were either better off or at the same level as before the reform;
- all taxpayers earning up to Rs16,500 monthly did not pay tax, and
- 31% of taxpayers earning between Rs16,500 and Rs32,700 monthly also did not pay any tax in view of higher deductions for dependents.

Mr Speaker, Sir, according to the Central Statistics Office, of the 335,000 households in Mauritius, 67,000 households have an income exceeding Rs30,400 per month for a family of four and constitute the Upper Middle Class or Upper Income groups. Those with income lower than Rs30,400 per month are in the middle class or low income groups. The MRA study clearly brings out that the tax reform has removed the middle class from the tax net and significantly reduced the tax burden facing much of the upper middle class. Indeed, another important finding of the MRA study is that salaried taxpayers earning less than Rs46,150 monthly have, on average, benefitted from higher deductions after the tax reform, due to the deductions being automatically provided to all instead of claimed by those who can.

Mr Speaker, Sir, clearly there has been no negative impact of the current tax regime on the middle income earners because the tax reform has already delivered all required corrective action.

Mr Speaker, Sir, the MRA study in fact demonstrates that even many upper middle class and upper income taxpayers have benefitted from these reforms.

The main exceptions are -

- (a) those who did not report income,
- (b) those who under-reported income, and
- (c) those who were able to aggressively use deductions.

Mr Speaker, Sir, in fact this is one of the major drawbacks of the previous system. Although the previous system boasted multiple tax bands and rates, it was nevertheless regressive in practice due to the numerous deductions, reliefs and allowances not being uniformly and automatically provided. Taxpayers in the lower middle class were paying twice the rate on average compared to those in the higher income groups. This unfairness has been corrected by the reforms as demonstrated by the MRA study, with the lower middle class now out of the tax net.

Mr Speaker, Sir, I need not remind the House that, in addition to making all taxpayers pay their fair share at a low rate, another key objective of the 2006 tax reform is to position Mauritius as a low tax, internationally competitive jurisdiction with –

- (i) low tax rates:
- (ii) a broad tax base, and
- (iii) a transparent/rule based tax regime.

This has resulted in a surge of both domestic and foreign investment.

**Mr Ganoo:** Mr Speaker, Sir, it comes as no surprise that Government is challenging the findings of this report. The hon. Minister says that it is severely flawed, but he should know that, in fact, this report mirrors the feelings of the middle class income earners today. Can I ask the hon. Minister about the recommendations which the report came up with? Does he have any comments to make concerning its recommendations?

**Dr. Bunwaree:** I have given the reasons why we believe it is flawed at the level of the Ministry and we seriously believe it is like that. I came to know that when I was replacing my colleague. In fact, I am going to call the Research Council and the people at the University who did this report and discuss with them before coming to the House again.

#### **C.W.A - COLD WATER METERS - TENDER EXERCISE**

**(No. B/1368) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the tender exercise for the supply of 80,000 cold water meters by the Central Water Authority, he will, for the benefit of the House, obtain from the Authority, information as to –

- (a) if the evaluation norms have been followed, and
- (b) the name of the bidders, indicating in each case, the value of the bids.

**The Deputy Prime Minister, Minister of Renewable Energy and Public Utilities (Dr. R. Beebeejaun):** Mr Speaker, Sir, I am informed that –

- (a) On 06 March 2008, the Central Water Authority invited bids for the supply of 80,000 units of cold water meters. On 23 May 2008, the bids were received at the Central Procurement Board and were evaluated by an Evaluation Committee at the level of the Central Procurement Board.
- (b) On 20 August 2008, the Central Procurement Board conveyed its approval to the CWA for the award of the contract to Timber Connection Ltd. for the sum of Rs33,580,000 inclusive of VAT.
- (c) On 22 August 2008, the successful bidder was informed by the CWA of the decision of the Central Procurement Board and notice was also given to the other bidders in line with Section 40 of the Public Procurement Act 2006.
- (d) One of the bidders, namely, Metex Trading Co. Ltd. challenged the decision for the award of the contract to Timber Connection Ltd. and lodged an appeal before the Independent Review Panel.
- (e) On 23 October, the Independent Review Panel drew attention to technical errors and omissions with the Technical Evaluation and recommended that the award of the contract to Timber Connection Ltd. be reviewed.
- (f) On 27 October 2008, the CWA transmitted the decision of the Independent Review Panel to the Central Procurement Board which is still considering the matter.

With regard to part (b) of the question, with your permission, I am tabling the list of bidders as communicated to the CWA by the Central Procurement Board. However, as regards the value of the bids, I wish to inform the House that a two-envelope system was adopted and the only information communicated to the CWA by the Central Procurement Board is the name of the successful bidder and the contract value.

**Mr Lauthan:** Mr Speaker, Sir, can I ask the Deputy Prime Minister to follow the situation very closely because there have been cases where one bidder has got very high marks and has been registered only 15 days ago. Another bidder has got all the maximum marks and had never placed a single meter in the life time of his company. Another bidder has been selected, but had not submitted all the required papers. There are many irregularities and I can understand the Central Procurement Board setting up an independent panel to review the situation *car c'est un autre cas de scandale qu'il faudrait éviter*.

**Dr. Beebeejaun:** I can only confirm that there have been technical errors and omissions which are being looked into.

### **CITE ROCHE BOIS – ETHANOL REFINERY PROJECT**

**(No. B/1369) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Minister of Environment & National Development Unit whether, in regard to the implementation of an ethanol refinery project at Cité Roche Bois, he will state if he is aware of the representations made by the inhabitants thereof to the effect that it may represent serious environmental and health hazards.

**Mr Bundhoo:** Mr Speaker, Sir, my Ministry is not in presence of any representation made by the inhabitants of Cité Roche Bois.

Furthermore, I wish to inform the hon. Member that, up to now, no application has been received at my Ministry for an EIA licence with regard to the implementation of an ethanol refinery project at that site.

**Mr Lauthan:** Mr Speaker, Sir, may I request the hon. Minister to liaise with the Ministry of Local Government because at the launching of the project the President of the *forces vives de Roche Bois* objected publicly. Roche Bois being surrounded by *l'essence, gaz, engrais, produits chimiques* and now the ethanol refinery project, there is strong resistance to the setting up of the ethanol refinery there.

**Mr Bundhoo:** Mr Speaker, Sir, with your permission, I would like to refer the hon. Member to PQ No. B/121 addressed to the then Minister of Agro-Industry whereby he was informed that the land was earmarked and allocated by the then Mauritius Freeport Authority on 17 September 2004 while he was in Government.

**Mr Lauthan:** However, it seems that Government is proceeding further because following that protest, the Lord Mayor said that they would review the whole thing and come with a second presentation of the project.

**Mr Bundhoo:** I am not aware if the Lord Mayor is mandated with regard to environment project issues and to give go ahead or not.

**Mr Bérenger:** May I ask the hon. Minister whether he has taken the trouble to at least liaise with the Board of Investment, to check whether there is a project at the Board of Investment?

**Mr Bundhoo:** I shall do same.

### **FOSTER PARENTS – ALLOWANCES**

**(No. B/1370) Mrs S. Grenade (Second Member for GRNW and Port Louis West)** asked the Minister of Women's Rights, Child Development and Family Welfare whether, in regard to the allowances granted to foster parents, she will state if they have been recently reviewed.

**Mrs Seebun:** Mr Speaker Sir, the answer is yes. Since 01 July 2008, the allowance granted to foster parents has increased from Rs1300 to Rs1500 monthly.

**Mrs Grenade:** May I ask the hon. Minister how many registered foster care parents there are?

**Mrs Seebun:** In all we have 33 registered foster care parents and 37 children.

**Mrs Grenade:** May I ask the hon. Minister how many times did she meet the foster care parents?

**Mrs Seebun:** The visits paid are very regular at start and with time it is fewer in number.

**Mrs Grenade:** May I ask the hon. Minister, apart from the Rs200 increase, what has been done since 2005 to improve the project of foster care parents?

**Mrs Seebun:** We do believe that instead of putting children in shelters, it is always better to encourage foster care parents to take the children in a home. We are carrying out a sensitisation programme to encourage parents who do not have children to take the children in their families.

**Mrs Grenade:** Puis-je demander au ministre si, avec le coût de la vie qui a augmenté considérablement, R200 n'est pas une somme très minime pour un enfant ayant un foster care parent? Est-ce que la ministre a l'intention de faire quelque chose d'autre surtout en cette fin d'année pour ces enfants?

**Mrs Seebun:** I am equally aware and this is the reason why we have increased it by Rs200. We will see if we can increase it further in the next Budget.

### **TRIPARTITE SUMMIT – UGANDA – NATIONAL ROAD MAP**

**(No. B/1371) Mr M. Mardemootoo (Second Member for Rivière des Anguilles and Souillac)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether he will state if Government is proposing to prepare a National Road Map in the light of the decision taken by the East African Community, the Common Market Eastern and Southern Africa and by the Southern African Development Community, at its Summit held in Uganda-Kampala, to move towards a single market.

**Dr. Boolell:** Mr Speaker Sir, the Tripartite Summit of the Heads of State and Government of the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) which took place in Uganda on 22 October 2008 has set the milestone for the harmonization and synchronization of trade and economic policies among these three regional blocs.

The variations in the different trade regimes of these three blocs were becoming a source of regional tension, having the risk of derailing the process of smooth integration. This problem was becoming significantly pronounced in case of those countries belonging to two regional blocs. The issue was becoming so sensitive that countries in dual membership were being urged to take the painful decision of pulling out from either of the one blocs because they would not be able to sustain two sets of conflicting trade regimes simultaneously.

Mauritius, which belongs both to SADC and COMESA, considers the tripartite arrangement as a crucial building bloc towards convergence in the policies of the three regional blocs and hence the maintenance of its “*acquis*” in an enlarged market.

The Tripartite Summit has directed the Secretariats of the three regional blocs to develop the following two road maps with the objective of deepening and coordinating a harmonious path towards larger integration -

- (i) the first road map relates the immediate objective of establishing a Free Trade Area encompassing the member states of the three regional blocs. This road map must be developed within six months.
- (ii) the second road map relates to a long term objective of forging the merger of these three regional blocs into one single bloc.

Since the adoption of the Tripartite Summit decisions, my Ministry has already initiated the following actions at national level -

- (a) I convened a meeting of the Inter Ministerial Committee comprising representatives of both public and private sector to discuss the main outcome of the Tripartite Summit decisions;

- (b) the Mauritian delegation which attended the SADC Technical Working Group Meeting on Customs Union last week was instructed to -
  - (i) advise the meeting to revisit the road map of SADC Customs Union in the light of the Tripartite Summit decision and
  - (ii) underline that the initial goal of SADC to achieve Customs Union by 2010 would not be realistic;
- (c) the Mauritian delegation will adopt similar position at the forthcoming COMESA Council meeting where it will endorse the decision to postpone the launch of a COMESA Customs Union, initially scheduled for December 2008;
- (d) my Ministry is planning to organize a national conference early next year to deliberate on the implications of a Customs Union and on a model that would be appropriate for Mauritius. The Conference will guide us in making policy responses and in taking policy options in respect of Customs Union or an alternative arrangement, and
- (e) the outcome of the National Conference will help us to fine-tune our National Road Map towards larger regional integration. However, this will remain a dynamic exercise as it will be continuously updated by developments taking place at the levels of COMESA, SADC and the African Union.

I am laying on the table of the Assembly, a copy of the Communiqué of the COMESA-EAC-SADC Tripartite Summit.

**Mr Mardemootoo:** Will the Minister state whether Mauritius is going to remain in both SADC and COMESA despite the fact that they are two sets of conflicting trade regime?

**Dr. Boolell:** I have already highlighted in the reply which I have given the reason as to why now it is possible for us to remain in the two regional groups.

**Mr Mardemootoo:** Can the hon. Minister state whether a National Road Map will be made available?

**Dr. Boolell:** Yes, it will be made available.

**Mr Bérenger:** Since this was a first time Summit, very important Summit of Heads of State or Government from COMESA, SADC and East Africa Community, can I know at what level we were represented? Who represented Mauritius and how many Heads of State or Government were present?

**Dr. Boolell:** I, of course, represented Mauritius and I represented the Prime Minister at the Conference. There were nine Heads of State present.

**Mr Cuttaree:** The hon. Minister has talked about the National Road Map, but we are dealing with several countries and this is a very complicated issue in terms of rules of origin, sensitive products and all these things. Is there a technical working group representing various blocs which is sitting together and trying to work this out?

**Dr. Boolell:** This is a relevant question. In fact the secretariat of the three regional economic communities have joined together with a set objective of eventually having a single market. But you know, as it stands, it is like a can of worms or, as they say, it is like spaghetti all over the place. Basically they were to move from spaghetti to lasagne and from lasagne towards a bigger pizza. As the hon. Member rightly pointed out, we need to highlight all the issues where we differ. We have to come together in the light of issues which appear to be contentious from rules of origin to further market access.

**Mr Cuttaree:** Can I ask the hon. Minister whether he thinks it realistic to expect this road map which was laid out at the Summit six months ago - I think this is incredible, no one who knows the subject matter really believes that in six months' time one would get something out of this. How is it that at the Heads of State meeting this decision was taken?

**Dr. Boolell:** The decision was taken following careful thought being given to all the issues. Besides the secretariat sat together some time back to work out and they came with a decision that if the political will is there – since the political will was there - it would be possible at least to prepare the road map which relates to the immediate objective of setting up the free Trade Agreement.

## CEB - POWER PURCHASE AGREEMENT

**(No. B/1372) Mr V. Mardemootoo (Second Member for Rivière des Anguilles and Souillac)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the Power Purchase Agreements, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to if the terms and reference for the review thereof have been prepared and, if so, indicate when will consultations start between the parties concerned and the Consultant, indicating if the Bagasse Transfer Price will also be reviewed.

*(Withdrawn)*

## DRUG ADDICTS - COUGH SYRUPS

**(No. B/1373) Mr Y. Varma (First Member for Mahebourg and Plaine Magnien)** asked the Minister of Health and Quality of Life whether, in regard to certain cough syrups, he will state if he is aware that some drug addicts use same as substitute for drugs and, if so, indicate the actions that are being taken to control the sale thereof.

**Dr. Jeetah:** Mr Speaker, Sir, I am informed that drug addicts have been using cough syrups for nearly 15 years. The codeine does not only act as a substitute but it also boosts the effect of heroin.

The following measures have been taken by my Ministry to control the sale of syrup containing codeine –

- (i) in December 2007 all retail pharmacies were reminded by way of a circular of the need to abide by the provision of Section 27(6) of the Pharmacy Act 1983, which stipulates that any sale of poison inclusive of codeine should be effected only against prescription, and
- (ii) a quota system has been set up to control the quantity of codeine preparations imported into the country by wholesale pharmacies.

The implementation of these two measures is closely monitored by the Pharmacy Unit of my Ministry in order to discourage any abuse.

**Mr Varma:** Mr Speaker, Sir, can the hon. Minister inform the House whether there have been surprise visits effected to pharmacies during the past few months?

**Dr. Jeetah:** In October 2008, there have been, I understand, 30 visits.

**Mr Varma:** Could we know the outcome of these visits, if the illegal sale of cough syrups have been detected?

**Dr. Jeetah:** I understand a report is being compiled and we could see the conclusions thereof.

**Mr Varma:** Can we know when the report will be ready, Mr Speaker, Sir?

**Dr. Jeetah:** In due time, Mr Speaker, Sir.

### **MAURITIAN MEDIA LAWS - REFORM**

(No. B/1374) **Mr Y. Varma (First Member for Mahebourg and Plaine Magnien)** asked the Attorney-General whether, in regard to the reform of the Mauritian Media Laws, he will state where matters stand.

*(Withdrawn)*

### **PLEIN BOIS – PAVEMENTS AND DRAINS - CONSTRUCTION**

(No. B/1375) **Mr Y. Varma (First Member for Mahebourg and Plaine Magnien)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether he will state if he is aware of the need to construct pavements and drains along the main road in Plein Bois and, if so, indicate the actions he proposes to take in relation thereto.

**Mr Bachoo:** Mr Speaker, Sir, works are scheduled to start in January 2009.

## TROIS BOUTIQUES – PARCOURS DE SANTE - CONSTRUCTION

(No. B/1376) **Mr Y. Varma (First Member for Mahebourg and Plaine Magnien)** asked the Minister of Environment and National Development Unit whether, in regard to the proposed construction of a “*Parcours de Santé*” at Trois Boutiques, Union Vale, he will state where matters stand.

**Mr Bundhoo:** Mr Speaker, Sir, the land identified for the proposed construction of a “*Parcours de Santé*” at Trois Boutiques, Union Vale belongs to the Business Park of Mauritius. The latter has agreed in a letter dated 25 September to release the said plot of land under certain conditions. A site survey was carried out on 20 November 2008 and a project is presently being designed. Subsequently a cost estimate will be worked out and hopefully works may start by early next year.

## BASSIN BLANC – NATIONAL PARK – LAND ACQUISITION

(No. B/1377) **Mr M Dowarkasing (Third Member for Curepipe and Midlands)** asked the Minister of Housing and Lands whether, in regard to the creation of a National Park at Bassin Blanc, he will state if Government has compulsorily acquired a plot of land of around 305 *arpents* from Succession A. R. G. and, if so, indicate if the payment has been effected and, if not, why not.

**Dr. Kasenally:** Mr Speaker, Sir, on 21 March 2007, Government compulsorily acquired a portion of land of an extent of 149 hectares, about 355 *arpents* belonging to heirs Abdool Rajack Goburdhun situated at Bassin Blanc in the district of Savanne in terms of a Notice under Section 8 of the Land Acquisition Act transcribed in Vol. 6527 No. 38 for the setting up of a National Park by the National Park and Conservation Service of the Ministry of Agro Industry and Fisheries.

No payment has been effected so far as procedures are presently under way to resell the land by retrocession to the former owners.

**Mr Dowarkasing:** Mr Speaker, Sir, one year ago I had put the same question to this House. The reply I was given is that very soon the Government Valuer will come up with the figures. Do we imagine the trauma this family is going on since one year? Their land has been compulsorily acquired. It is more than one year since we are waiting for the Government Valuer's Report.

**Dr. Kasenally:** If the hon. Member heard me properly, I said that it is being sold by retrocession to the previous owners, that is, Government in other words, is not buying it. The problem arose from the fact that there has been a terrible escalation of the value of that land and, initially, Government thought, in its wisdom, at the time, that it was going to cost about Rs13 m. Eventually, the Government Valuer put it up to Rs35 m. which prompted us to see why was this sudden increase. And to put the nail in the coffin, one of the heirs came up with a value of Rs120 m. As the House would probably know, the financial cloth of this country at this present time, like in any other country, is very precious and we have to be very careful about investing such amount of money in a piece of land which will take time to develop.

**Mr Dowarkasing:** Mr Speaker, Sir, I just want to have a reply from the hon. Minister. Since the fact that Government had compulsorily acquired the land and now it feels that the price is too high, it does not need the land, will Government pay compensation to the families?

**Dr. Kasenally:** I leave it to the technicians to evaluate whatever compensation, if any, needs to be given. But one has to be reasonable. When you are expecting, according to your plan, to pay Rs13 m. it has escalated to Rs35 m. and Rs120 m., any decent person would think twice before embarking in it. However, as far as compensations are concerned, there are rules and regulations and law of the land which will be applied appropriately.

**Mr Cuttaree:** Mr Speaker, Sir, the hon. Minister quoted two figures, Rs13 m. and Rs35 m. Can I ask him when was the evaluation giving the value of Rs13 m. made and that giving the value of Rs35 m. made?

**Dr. Kasenally:** At one stage, the value of the property was initially assessed at Rs13 m., but then the Chief Government Valuer, in August 2006, put the value of Rs18 m. And then, in May 2007, the Chief Government Valuer assessed it at Rs35,318,000. This prompted the Financial Secretary to request the views of the Minister of Finance of how compensation can be increased from Rs18 m. to Rs35 m. The causes were not forthcoming to give us all the answers. And then, the relatives came with another demand of Rs120 m. This is what it is. There was no ulterior motive, it is pure simple economics.

**Mr Dowarkasing:** Mr Speaker, Sir, do I understand from the hon. Minister now that the Minister of Housing and Lands is giving up the idea of making Bassin Blanc a National Park at a time when this Government is stating everywhere that they want to fight for environment, that this is a good opportunity that they are missing to make one of the most precious part of the island as a Natural Park?

**Dr. Kasenally:** Of course, Government will want to do everything to improve the environment, reduce our carbon emissions, but there are ways and means. If you have nothing in your pocket, where are you going to fetch money?

### CESS MONEY - GRANT

**(No. B/1378) Mr M. Dowarkasing (Third Member for Curepipe and Midlands)** asked the Minister of Agro Industry, Food Protection and Security whether, in regard to the Cess money, he will state the amount –

- (a) received during the last three years, and
- (b) of grant given to the Sugar Industry Labour Welfare Fund and the Mauritius Sugar Industry Research Institute, respectively, on a yearly basis.

**Mr Faugoo:** Mr Speaker, Sir, I am advised by the Mauritius Sugar Authority that cess money received during the past three years is as follows -

2005 : Rs601.5 m.  
 2006 : Rs587 m.  
 2007 : Rs575 m.

With regard to part (b), the information is as follows -

Year	SILWF	MSIRI
2005	Rs27 m.	Rs160.9 m.
2006	Rs10 m.	Rs154.9 m.
2007	Rs9 m.	Rs155.9 m.

**Mr Dowarkasing:** Mr Speaker, Sir, if I listened to the hon. Minister carefully, I understand from the figures that the amount from cess money directed to the Sugar Industry Labour Welfare Fund has decreased over the three years and that of the MSIRI has increased whereas there was a decision regarding all these structures. Can we know from the hon. Minister, based on what, some of those institutions have had their money decreased and some increased?

**Mr Faugoo:** Depending on the activities, Mr Speaker, Sir.

**Mr Dowarkasing:** Mr Speaker, Sir, we had been promised that a copy of the report of the KPMG on cess money by the sugar proceeds would be tabled a year ago in this House. There was a PQ. Can we know when this copy will be tabled? It has never been done so far.

**Mr Faugoo:** An exercise is being carried out by the Ministry to study the report which has been given by KPMG. I will come back to the House in due course.

**Mr Dowarkasing:** The former Minister of Agriculture stated that the report was ready and he was going to table it. The reply was: "I'll do so" And it is more than one year now. Can we know from the hon. Minister now when do we expect it?

**Mr Speaker:** The hon. Minister has just said that the report is being studied by another group.

*(Interruptions)*

## **ECONOMIC PARTNERSHIP AGREEMENTS - NEGOTIATIONS**

**(No. B/1379) Mr M. Dowarkasing (Third Member for Curepipe and Midlands)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Economic Partnership Agreements, he will state the actual status of the negotiations in relation to –

- (a) Mauritius;
- (b) the regional block to which Mauritius belongs, and
- (c) the African Carribean Pacific countries.

**The Minister of Foreign Affairs, Regional Integration & International Trade (Dr. A. Boolell):** Mr Speaker, Sir, I am, with your permission, answering this question.

Since the Economic Partnership Agreements impacts upon present and future economic needs of the country, I will seek the indulgence of the House to give a rather lengthy reply.

Mr Speaker, Sir, I had, in response to a PNQ on 19 September 2008 indicated that the EPA is critical for Mauritius given that the EU is our main trading partner accounting for 2/3 of our exports and is also our main development partner. It is in the interest of Mauritius, therefore, to enter into an ambitious, predictable, legally binding and WTO compatible Agreement with the EU. We are fully committed to concluding such an EPA that supports Mauritius on its development path.

As Members of the House are aware, the EPA Negotiations were expected to be completed in December 2007. However, in view of the slow progress in the different areas of negotiations, an interim EPA was concluded covering only trade in goods, development cooperation and fisheries. It was agreed that negotiations in the remaining areas, including services, trade related issues and agriculture would be pursued in 2008.

Regarding part (a) of the question, I wish to indicate that we have now enlarged the scope of consultations on the EPA negotiations in Mauritius to encompass Non State actors, including NGO's and the Civil society. Following a Cabinet decision, a joint public private sector task force has also been set up on international trade. I have in this regard already convened two national meetings on 25 September and 30 October 2008 to brainstorm on the state of play in the negotiations and to further reflect on the position of Mauritius.

I need to underscore though, that together with the stakeholders, Mauritius has elaborated well defined positions in all the areas on an informed basis. Several studies have been undertaken with the assistance of the ACP/EU Project Management Unit and Trade Com on sustainable impact assessment and on services. A team of 6 consultants are currently working together with the EPA working group in my Ministry to fine tune our position on investment, competition policy, sustainable development, intellectual property rights and Government procurement, amongst others.

Mauritius is leading the negotiations in the ESA group both at senior officials and technical levels. I also had the opportunity to lead an ESA delegation in several European capitals, namely Berlin, Copenhagen, London and Paris to discuss with the EU Member States on some of the contentious issues on the Interim EPA and on the need for EU Member States to provide additional funding to meet EPA adjustment costs.

As members are aware and as I indicated in my response to the PNQ referred to earlier, Mauritius has initialled the EPA which has not only preserved our continued access on the EU market, but has also enlarged the scope of preferential market access and improved on the rules of origin for textiles, canned tuna and for several agricultural products. For textiles, for instance, Mauritius can now source fabrics from anywhere in the world to be used in the production of garments.

Regarding part (b) of the question, negotiations are being pursued in the ESA region towards the conclusion of a full EPA. I need at the outset to indicate that Zambia which had initialled the Interim EPA, but without concluding market access negotiations, has now completed this exercise and has therefore joined the ranks of Mauritius, Comoros, Madagascar, Seychelles and Zimbabwe.

Since the beginning of this year, a series of meetings have been held both at the level of the ESA to define its negotiating position as well as at the level of the ESA-EU. A joint ESA-EC Ministerial meeting was also held in March where both parties agreed to finalise negotiations on outstanding issues and to continue discussion on the contentious issues, namely on the definition of substantially all trade, export taxes and the MFN Clause. A number of joint ESA-EC texts have been developed already including on services, trade facilitation, competition policy and agriculture which are being used as the basis for negotiations. Negotiations on some of these issues, in particular on trade facilitation, competition policy and agriculture may be completed in the near future.

The last ESA-EC negotiations at senior officials level held in Lusaka at the beginning of this month noted the progress made as well as the challenges lying ahead and agreed to continue negotiations in 2009 towards the full EPA. I am laying a copy of the joint conclusions of the meeting on the table of the Assembly.

Regarding part (c) of the question, as Members of the House are aware, the EPA negotiations were high on the agenda of the ACP Summit held in Ghana in October this year.

It was emphasised that the unity and solidarity which characterised the ACP group should be preserved and the EPA negotiations should help to further consolidate both regional integration within the ACP as well as at the all ACP level.

In this regard, addressing the contentious issues was considered vital to ensure that EPA was all inclusive. It was also important to ensure that the commitments taken by the EC on Aid for Trade was operationalised and that efforts were made to mobilise additional resources. As members are aware, the EU has pledged to increase aid for trade to 2 billion Euros by the year

2010 and has indicated that a substantial share of aid for trade funds will be dedicated to EPA's. However, the modalities for implementation have yet to be put in place by the EU. The ACP has taken a strong stand on this issue and has urged the EU to implement the aid for trade initiative as a matter of priority.

Mauritius proposed at the Summit that ACP Heads of State and Government, represented by President of the AU, CARIFORUM and Pacific and headed by the President of the ACP Summit should engage in consultations with EU Member States on the EPA regarding the contentious issues as well as the development dimension of the Agreement. This proposal was widely supported and a decision was adopted to that effect.

Mauritius also indicated that one of the reasons why the ACP had to be divided into 6 regional configurations to negotiate EPA was the absence of an Economic and Trade Integration agenda at the level of the ACP. It was important for the cohesion of the group as well as for its future that the ACP considers the possibility to establish an ACP wide Free Trade Area, building on the Economic Partnership Agreement. The Summit agreed that the Council of Ministers should pursue consideration of the creation of the FTA. It was also agreed that Regional EPA should build on the positive elements contained in the different interim Agreements. In this regard, it was agreed, more specifically that the regional groupings negotiating the EPA should be allowed to source out tuna globally for onshore processing into canned tuna or tuna loins. It is to be noted that such a possibility has been provided to the pacific region.

Regarding developments, more specifically in the different ACP regions, the Caribbean region signed the full EPA on the 15 October 2008. It is to be highlighted that Guyana which was initially unwilling to sign the agreement ultimately agreed to sign the EPA, one week later. The only country that has not signed is Haiti.

In the Pacific region, so far only Papua New Guinea and Fiji have initialled the Interim Agreement. At a meeting of the Pacific Trade Ministers in October 2008, it was noted that whilst progress has been made, there were various technical issues which still remained to be addressed. Consequently, Ministers agreed to pursue discussions with the EC on the outstanding issues.

In the Central African region, only Cameroon initialled the Interim EPA. Discussions are currently focused on a regional market access offer. The region has requested for flexibilities on their liberalisation schedules.

With respect to the West Africa region, Côte D'ivoire and Ghana have initialled the Interim EPA. Negotiations have been delayed as a result of the regional market access offer. Discussions with the EC have also focused on the definition of rules of origin and defence mechanism instruments.

In the SADC region, Botswana, Lesotho, Mozambique and Swaziland have indicated that they are ready to sign the Interim EPA. Namibia on its part has indicated that the contentious issues should be addressed before the interim EPA is signed. Negotiations are being pursued for the full EPA which includes Services and Investment.

As is evident, negotiations are pursuing in the five remaining regions towards the full and comprehensive EPA which may be completed in the year 2009. Such an EPA has the merit of providing enhanced market access through simple, flexible and development friendly rules of origin like, for instance, the global sourcing of tuna for processing. Simple rules of origin are also beneficial to the smaller and medium size enterprises which normally face difficulties to meet stringent rules of origin requirements. The EPA will improve access for trade in services on the EU market. In fact, there could be the possibility for workers to secure jobs in the EU on a contractual basis. It will also create a better business friendly environment and promote greater flows of Foreign Direct Investment and, therefore, contribute towards overall development and economic growth.

**Mr Bérenger:** Can I just make it clear? Mauritius is negotiating with the European Union, through the European Commission, *à travers* the Eastern Southern Africa group (ESA). That sub-group, through which we signed the interim EPA, is, therefore, a thing of the past?

**Dr. Boolell:** Yes, Sir.

**Mr Bérenger:** The hon. Minister said that Guyana, which had refused to sign the full EPA for the Caribbean region, finally signed. But when they signed, they said that it was after having obtained two things: one, that there would be an automatic review of the Caribbean EPA every five years and, secondly, if there is clash between the Caribbean agreements

setting up CARICOM, in the regional organisation, and the Caribbean EPA, it would be the regional agreement setting up CARICOM that would take priority. I have not been able to confirm that. Has the Minister looked into that? Because if it is true, it is very important for our ESA group to obtain the same advantages.

**Dr. Boolell:** It remains to be confirmed. I am not saying that it is rumour that had been floated around or whether it is vicious tongue, but what was said was that Guyana simply wanted to flex its muscle to obtain more funding upfront. But there was no firm undertaking in respect of what the hon. Leader of the Opposition has just said.

**Mr Bérenger:** The hon. Minister rightly reminded us that important decisions were taken at the ACP Summit in Accra. The main two decisions were: one, to send a top level ACP team to Europe to review things, led by the ACP Chairperson, Ghana, and, the second one, was to set up a Free Trade Area for the whole of ACP. Can I know what follow-up there has been concretely?

**Dr. Boolell:** The EU Heads of States will meet probably in December and they intend to have a back to back conference with the ACP Heads of State, Government represented by AU, CARIFORUM and Pacific. France which holds the presidency has stated very clearly, when we discussed with the special representative of President Sarkozy, that France will be willing to give all the help required to ensure that this back to back conference is being held specifically to address the contentious issues, to move the process forward.

**Mr Bérenger:** I have a last question. I am happy to learn from the Minister - and I read it in the press - have confirmation from the Minister that there have been several meetings, Government, its experts, NGOs, private sector and so on, which is a good thing, but would it not be only fair to have the Opposition on board also - you have NGOs, University - to have the Opposition invited to be present and, in the meantime, can we have the Minutes of Proceedings of those meetings that have been held?

**Dr. Boolell:** We have no problem releasing the findings of the meeting, provided there is no sensitive information. Since, you know, very often, I talk to the press, I have no problem as to information that can be

released. Whether to get the Opposition on board, we are willing to exchange information, I am always willing to lend an ear to the Opposition.

**Mr Dowarkasing:** Mr Speaker, Sir, let me come to the development chapter. In a PNQ the reply was given that we were about to finalise what we call the cost matrix and the development benchmark. Has that been finalised and, if so, can we get the list of all these items?

**Dr. Boolell:** No. I think it was hon. Ms Deerpalsing who raised the issue in respect of what was agreed in Cape Town on development matrix and then, of course, there had been the reports submitted by Mrs Taubira.

When we talked to the EU partners, especially France stated very clearly that we have only initialled agreement and that they would take on board some of the findings submitted in the Taubira Report, which means that development has to be at the centrefold of any agreement to be eventually signed.

**Mr Dowarkasing:** Mr Speaker, Sir, my second question is regarding the Ghana Summit. Can I know from the hon. Minister - because he said he was there – whether the Caribbean issue was being discussed and raised at that Summit?

**Dr. Boolell:** Mr Speaker, Sir, when we were in Ghana, I think the Minister of International Trade...

*(Interruptions)*

It is the Guyana issues!

**Mr Speaker:** Caribbean issues!

**Dr. Boolell:** The Minister of International Trade for Guyana did forcefully rebut the arguments put forward by the representative of the CARIFORUM, but they were beating the iron while it was still hot. Eventually, Guyana came back to better senses and we know what the outcome had been. Of course, their plea was to look at issues like development issues but, you know, as well as I do, that if there is one country which should not be left out, it is precisely Haiti, because it is a least developing country and it is a country which is beset by so many problems, but this is being looked into.

**Ms Deerpalsing:** Mr Speaker, Sir, may I ask the hon. Minister whether he is aware that at the ACP-EU Joint Parliamentary Assembly that has just ended, that Parliamentarians have insisted and ACP Parliamentarians were strongly supported by EU high profile members of the European Parliament, that the mechanism that will be set up by the Commission for ensuring that the EPA deliver on development, there should be a one-ACP mechanism, that there should not be this division between regions when we talk about the mechanism that will monitor that the EPAs deliver on development. So, this is what the Parliamentarians insisted upon, and may I ask whether the hon. Minister is aware of that and will take it up at the level of the ACP Council of Ministers?

**Dr. Boolell:** We were aware. This is the reason as to why we say that we have to look at the unifying factor that can pull the ACP together, hence the relevance of having a Free Trade Area agreement.

Let me also inform the House that the new Trade Commissioner, Baroness Ashton, who is also a friend of Mauritius, did talk to me over the phone to say that a meeting with ACP Ambassadors had already been arranged and, in respect of making EPA compatible with provisions of the World Trade Organisation, discussions are ongoing and that she is looking forward to interact with Ministers concerned.

**Mr Bodha:** We know that the sugar protocol has been denounced. I would like to know what is the position of the ACP as regards to the EPA, as regards to the export of sugar to the European Union in the near future. Are we going to have a dismantling of the protocol and the quota on a regional basis? Was this discussed at the Summit?

**Dr. Boolell:** I know this is a separate issue from discussion in respect of trade in goods; sugar and rice are two separate issues. There is a period of transition and you know very well that discussions are ongoing. We have already concluded strategic partnership with Sudzucker group and, hence, the relevance of why we need to go for value addition, because, we need to be competitive and our nearest competitors are not our partners in Europe, but in neighbouring countries. Having said so, by year 2015, there will be outright trade liberalisation. The relevance as to why we have impressed upon our friends in the sugar industry that we have to speed up the process of restructuration of the sugar industry.

We hope that our friends from Belle Vue and Fuel will come to better senses because, for the first time, it seems even the workers and, rightly so, are impressing upon them not to provoke any undue delay and we know what the consequences will be.

**Mr Cuttaree:** Mr Speaker, Sir, the hon. Minister is surely aware that this issue of regional EPAs was actually imposed by the European Union on the ACP and that during the negotiations we managed to ensure that there would be, at the same time, negotiations from the EPAs happening, negotiations on issues which are going to be on a whole ACP level. Can I ask the hon. Minister whether these negotiations are actually taking place? And secondly, what are the issues which are being negotiated at the whole ACP level?

**Dr. Boolell:** As matters stand notwithstanding the CARIFORUM group which has already signed a thorough inclusive EPA which now is legally binding, but in respect of the other groups, their main concern is to sort out those contentious issues. Of course, to look at longer transition periods and establish the list of sensitive products in respect of all encompassing issues, the substantially all trade, the rules of origin, the Most Favoured Nation status, standstill clause, etc. But the main concern is rules of origin and the duration for implementation in respect of substantially all trade.

**Mr Cuttaree:** Can I take it from the hon. Minister, therefore, that at the level of the negotiations on the regional EPAs, the issue of rules of origin, which is crucial to trade, is not being different for each regional EPA, but that it is decided at the level of the whole ACP, because this is of crucial importance to countries like Mauritius?

**Dr. Boolell:** It has to be decided at the level of whole ACP, but let me make it clear that until and unless we sign, for example, importing raw materials from a neighbouring country, cumulation becomes difficult. These are issues that have to be addressed and this is why they feel very strongly on MFN Clause also. So, there are technical matters. For example, let me take the case of LDCs which have duty-free, quota free in respect of Everything But Arms, but rules of origin are different. These are the problems. There is a need for harmonisation of rules of origin because you

cannot have access to market if there is no harmonisation of rules of origin. One has to be the mirror image and the reality of the other.

**Mr Dowarkasing:** Mr Speaker, Sir, I understand we are discussing the EPAs from the ESA point of view, but we are also engaged in discussions through the ACP group. Can I know from the hon. Minister what are the main points of convergence and divergence at these two levels when we are engaged in discussions?

**Dr. Boolell:** We have no problems. I have highlighted what the contentious issue is, again notwithstanding that CARIFORUM group has already signed a full-fledged EPA. Since Mauritius is part of a group, we cannot be seen not to be in full solidarity with that group. If we were to look at our own concern, it would have been a different matter, but we have to show solidarity and unity with the group on issues which I have raised.

**Miss Deerpalsing:** Mr Speaker, Sir, may I ask the hon. Minister whether he is aware that time is of the essence if we want to leverage on the support of high profile Members of the European Parliament because there is an election of the EU Parliament in June 2009 and many of our good friends who are high profile Members of the EU Parliament are not going to be standing for elections again? We have a window of about six months to leverage on the support of our friends in the EU Parliament to precisely talk about this issue of the unity at the ACP level for ensuring that EPAs deliver on development. May I ask the hon. Minister whether he will take that up within the six months' window?

**Dr. Boolell:** The hon. Member is right. But again if only we could rush in where others fear to tread; we have done so, but we cannot be seen to rush in and then knowing what the consequences would be. This is why it is relevant to convey our concern at the joint ACP/EU Assembly. Fortunately, elections are bound to be held. For example, elections are due to be held in Japan, probably in India and...

*(Interruptions)*

...eventually in Mauritius, but I hope there will be the *permanence* in respect of decisions taken.

**RODRIGUES – SEA FREIGHT RATES**

**(No. B/1380) Mr J. R. Speville (Second Member for Rodrigues)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether in regard to the sea freight to Rodrigues, he will, for the benefit of the House, obtain from the Mauritius Shipping Corporation Ltd., information as to the criteria used to arrive at the recent increase in the rates thereof.

**Mr Bachoo:** Sir, I am informed that a request for an increase in freight rates and passenger fares in respect of the Rodrigues Maritime Services was made by the Mauritius Shipping Corporation Ltd (MSCL) to my Ministry in September 2007.

The Management Audit Bureau (MAB) carried out a study and concluded that the freight rates could be increased by 12.5% and the passenger fares by 10% respectively. The recommendations were premised on the following considerations –

- (a) the MSCL could no longer maintain a cross subsidy on the Rodrigues Service from revenue generated on the international routes;
- (b) to enable MSCL to cope with inflation and the increase in operating costs, like victualling, stevedoring, crewing, insurances and expensive maintenance costs to carry livestock's on board, and
- (c) to ensure that a regular shipping connection is maintained despite decreasing cargo traffic.

The increases are effective as from 24 November 2008.

Mr Speaker, Sir, it is to be noted that the increase of freight rates has not taken into account the bunker elements and the relatively high cost of transportation of live animals.

**Mr Speville:** Mr Speaker, Sir, I heard the hon. Minister say that the request to his Ministry was made in September 2007 and the decision was taken on 24 October this year. In the meantime, international freight has been reduced by 90%. Has the MSCL, by that time, taken into consideration the decrease in freight internationally?

**Mr Bachoo:** Mr Speaker, Sir, when the price of petroleum products has gone by 147 dollars, we did not increase the freight and you have to bear with me that MSCL has accumulated losses to the tune of millions of rupees. I would request the hon. Member to bear with us. We'll look at the financial situation of the Shipping Corporation and then we'll take decisions.

**Mr Bérenger:** The hon. Minister has referred to July last year when the price of petroleum products reached 147 dollars, but it has crashed to less than 50 dollars per barrel these days and, as the hon. Member said, on the Baltic Exchange, generally speaking, freight rates have gone down massively at some 90%. This is not the time when the tourism sector is being hit hard by the world economic crisis, when petroleum products are crashing, to increase freight rates and passenger tickets.

**Mr Bachoo:** Mr Speaker, Sir, I have just mentioned that MSCL was passing through difficult times and, in fact, we hadn't increased the freight for so many years and we had to meet all those expenses and, of course, we have not forgotten our social obligations. The hon. Member can bear with us, we'll work out the figures over again and, if need be, we'll have to revise the freight rates again.

**Mr Von-Mally:** Mr Speaker, Sir, according to me, we are sending a wrong signal to Rodrigues. Being given that the freight rate worldwide is going down, will Government take it as a special case and do the needful so that prices do not go up in Rodrigues?

**Mr Bachoo:** Mr Speaker, Sir, I have just mentioned that we have accumulated heavy losses because in the past we hadn't increased the freight rate. We have got a huge loss and there has also been a problem of cash flow

at the MSCL. That was the reason. There was no other way than to increase the price and I have also promised – I am stating it again, to bear with us - we'll have a look again at the figures and, if need be, the prices will be revised.

**Mr Nancy:** Mr Speaker, Sir, according to a notice from the MSC, there is a very slight difference in the freight rate between alcoholic beverages and rice, flour, maize, onions, etc. Could the hon. Minister consider increasing the freight rate on alcoholic beverages and cigarettes and decreasing same on rice, edible oil, construction materials, etc?

**Mr Bachoo:** Mr Speaker, Sir, I will look into it.

**Mr Spéville:** Mr Speaker, Sir, I heard the hon. Minister say that MSC is encountering big losses. Does the Minister think that we, Rodriguans, have to bear this loss or will he consider granting subsidy where need be, to allow MSC to give us the same price as our friends in Mauritius in view of equal opportunity?

**Mr Bachoo:** Mr Speaker, Sir, there is another question where I will come on this issue of cross-subsidisation. But, in fact, we have been cross-subsidising heavily.

### **PUBLIC SERVICE VEHICLE LICENCE (TAXI) – NUMBER – JULY 2005-DECEMBER 2008**

**(No. B/1381) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix)** asked the Minister of Public Infrastructure, Land Transport & Shipping whether, in regard to the Public Service Vehicle Licence (Taxi), he will, for the benefit of the House, obtain from the National Transport Authority, information as to the number thereof issued per region, since July 2005 to date, indicating –

- (a) the localities in each case;
- (b) the respective names and addresses of the beneficiaries, and
- (c) the number thereof that is planned to be issued in each locality over the next two years.

**Mr Bachoo:** Mr Speaker, Sir, 170 public service vehicle licences have been issued. A copy of the details regarding the regions covered will be laid in the Library of the National Assembly.

Regarding part (b) of the question, the relevant information is being compiled, and it will be laid in the Library of the National Assembly.

As for part (c), no exercise has been carried out to determine the number of licences to be granted over the next two years.

**Mrs Hanoomanjee:** Mr Speaker, Sir, I don't know whether the hon. Minister is aware, as he has just been shifted to the Ministry, but there was a hunger strike by some people in Bel Ombre, Chemin Grenier and Surinam only some two or three months back. They were asked to call off the strike, and informed that action will be taken. Can I ask the hon. Minister what he proposes to do for these people?

**Mr Bachoo:** Mr Speaker, Sir, I requested the NTA to look into the matter. We have to look at the legal aspect, because, if I am not mistaken, even the appeals have already been decided. We have to find ways and means to be able to help those who went on hunger strike.

### **CONSTRUCTION MATERIALS - PRICE INDEX**

**(No. B/1382) Mr S. Soodhun (Fifth Member for La Caverne & Phoneix)** asked the Vice-Prime Minister, Minister of Finance & Economic Empowerment whether he is aware that the construction price index has risen from 161.2 to 169.2, between June and August 2008, according to the Central Statistical Office, due to the increase in the price of steel, metal openings and ceramic tiles and, if so, indicate the measures Government proposes to take to control the rise in the prices of the construction materials.

**The Minister of Agro Industry, Food Protection & Security (Mr S. Faugoo):** Mr Speaker, Sir, with your permission, I shall reply to this question. I am aware that the construction price index has increased from 161.2 to 169.2 between June and September 2008. This has been published in the latest issue of the Economic & Social Indicators dated 12 November 2008.

The increase is mainly attributed to high wages, following salary compensation in July 2008, and higher prices of steel, metal openings, ceramic tiles, timber joinery and paint, amongst others.

Most of the inputs which are included in the construction price index are not controlled items, and their price is determined by market forces.

This being the case, appeals have been made to the economic operators, through regular meetings with the Mauritius Chamber of Commerce & Industry and other stakeholders, to practice a fair and reasonable profit margin. In this regard, I am informed that my colleagues, the Vice-Prime Minister, Minister of Finance & Economic Empowerment and the substantive Minister for Consumer Protection & Citizens Charter have, on several occasions, met representatives of the Mauritius Chamber of Commerce & Industry and the Joint Economic Council, and other economic operators to impress on the need for consumers to benefit from a reduction in the price of construction materials and other commodities, which is visible on the world market. The last meeting took place on Thursday 27 November 2008, and was attended by representatives of the consumer protection associations as well.

The situation regarding the movement of prices on the market is being monitored.

**Mr Ganoo:** Mr Speaker, Sir, can I ask the hon. Minister to look into the specific case of steel and iron bars, which have crashed on the world market - I gave the figures last week – from USD1,200 to USD300, although iron bars are no longer a controlled item? Can I appeal to the hon. Minister to look into this particular case?

**Mr Faugoo:** Yes, Mr Speaker, Sir, I will do so.

**KALUNDE RELIEF FUND – DBM - LOAN FACILITIES**

**(No. B/1383) Mr J. R. Spéville (Second Member for Rodrigues)** asked the Vice-Prime Minister, Minister of Finance & Economic Empowerment whether, in regard to the grant of loan facilities by the Development Bank of Mauritius Ltd, under the Kalundé Relief Fund, he will, for the benefit of the House, obtain from the Bank, information as to –

- (a) the amount of money disbursed as at to date;
- (b) the number of beneficiaries thereof, and
- (c) if he will consider the advisability of writing off such loans, as announced in the Budget Speech 2008-2009.
- (d)

**The Minister of Education, Culture & Human Resources (Dr. V. Bunwaree):** Mr Speaker, Sir, as the House is aware, the Kalundé Rehabilitation Loan Scheme was set up by the DBM Ltd on 03 April 2004, following the passage of cyclone Kalundé in Rodrigues.

I am informed by the Bank that, to date, an aggregate amount of Rs33.524 m. has been disbursed in respect of 1,526 beneficiaries under the Scheme.

Insofar as part (c) of the question is concerned, I wish to inform the House that the Amnesty Scheme for Small Borrowers, announced in the Budget Speech 2008-2009, is applicable to all loans of up to Rs200,000 disbursed prior to April 2003 and in respect of accounts that have been in arrears for, at least, five years.

The Amnesty Scheme covers a wide range of economic operators, both in Mauritius and Rodrigues. It is a one-off time bound for one year, special scheme to facilitate settlement of arrears under specified conditions

The Kalundé Rehabilitation Loan Scheme is all together a different scheme which became operational later in early April 2004. Loans granted under the Kalundé Rehabilitation Scheme are consequently not eligible under the Amnesty Scheme.

In cases where borrowers are in arrears, the Bank does provide flexibility for loan rescheduling and repayment facilities.

On the other hand, any attempt to write off a loan scheme, such as the Kalundé Scheme, must be assessed in the light of the potential losses to be incurred by the Bank. Moreover, losses made by the DBM on any loan scheme are subject to review by DBM external auditors. Any decision to write off such concessionary loans under the scheme has, therefore, to be determined in the light of the external auditors' assessment on the one hand, and the budgetary implications of sustaining such losses.

### **BREAD - PRICE**

**(No. B/1384) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix)** asked the Minister of Consumer Protection & Citizens Charter whether, in regard to bread, he will state if Government is proposing to decrease the fixed price thereof.

**The Minister of Agro Industry, Food Protection & Security (Mr S. Faugoo):** Mr Speaker, Sir, with your permission, I shall reply to this question.

Bread is a basic commodity, and it is classified under two broad categories –

- (i) schedule bread; and
- (ii) fancy bread.

Only schedule bread is controlled, and falls under the maximum price regime, whereby a price ceiling set by the Government, and the price of the commodity is not allowed to rise above this level, although it is allowed to fall below.

The price of schedule bread was last revised in January 2008, and the price of a '*pain maison*' of 100 grams was increased from Rs2.15 to Rs2.65. Given that flour constitutes a major element in the price structure of bread, it is not possible, at this stage, to determine whether a decrease in price could be considered until the tender for flour is awarded by the STC. I am informed that this exercise is under way and, once it is completed, consideration can then be given as to whether a decrease in the price of schedule bread can be envisaged.

**SC & HSC EXAMINATIONS – YEARS 2005-2008 – AMOUNT PAID  
TO CAMBRIDGE**

**(No. B/1385) Mr N. Bodha (First Member for Vacoas & Floreal)** asked the Minister of Education, Culture & Human Resources whether, in regard to the students who sat for the Cambridge School Certificate and the Higher School Certificate examinations for the years 2005, 2006, 2007 and 2008, he will, for the benefit of the House, obtain from the Mauritius Examinations Syndicate, information as to –

- (a) the number of students who participated therein in each year, and
- (b) the amount of money paid to the University of Cambridge for the conduct of the said examinations.

**Dr. Bunwaree:** Mr Speaker, Sir, I am tabling the information.

**Mr Bodha:** Mr Speaker, Sir, we are paying hundreds of millions of rupees to the University of Cambridge every year. I think it is a huge figure, and I wanted the hon. Minister to enlighten the House. In view of the fact that it is a substantial amount, I would like to ask the hon. Minister whether the time has not come to have a thorough review of the whole system and its financial implications, so that we can have better value for money?

**Dr. Bunwaree:** Mr Speaker, Sir, in fact, there are too many figures, and this is why I am tabling the information. I can give the information with regard to, at least, 2008. Out of a total sum of Rs255.7 m., Rs40 m. represent local costs, 50% of which are refunded to the MES. I fully agree that this is a huge amount and, in the light of what has been happening in the country recently, we are seriously looking into that.

### **INFINITY BPO LTD – RENTS - PAYMENT**

**(No. B/1386) Mr P. Jhugroo (Third Member for Port Louis North and Montagne Longue)** asked the Minister of Information and Communication Technology whether he will, for the benefit of the House, obtain from the Business Parks of Mauritius Ltd., information as to if the Infinity BPO company owes any amount of money to BPML and, if so, the quantum thereof.

**Mr Dulull:** Mr Speaker, Sir, I am informed by the Business Park of Mauritius Ltd that Infinity BPO Ltd does not owe anything to the BPML. However, it owes Cyber Properties Investment Ltd (CPIL), a subsidiary of BPML, an amount of unpaid rent, unpaid electricity and other charges for a given period of time.

I am also given to understand from BPML that the winding up action at the Bankruptcy Court has been initiated against Infinity BPO Ltd on the ground of non payment of rental due and the case for trial has been set for May 2009.

### **MAURITIUS TELECOM - MR R. AND MR C - LAYING OFF**

**(No. B/1387) Mr P. Jhugroo (Third Member for Port Louis North and Montagne Longue)** asked the Minister of Information and Communication Technology whether, in regard to the laying off of Mr R. and Mr C., he will state if he has had consultations with the management of the Mauritius Telecom and, if so, the outcome thereof.

**Mr Dulull:** Mr Speaker Sir, I am informed that the management of Mauritius Telecom has had consultations with the Government through the Ministry of Labour, Industrial Relations and Employment, namely, meetings between the Chief Executive Officer and the then Minister of Labour, Industrial Relations and Employment, hon. Dr. Vasant Kumar Bunwaree and subsequently meetings between the Chief Executive, the Chairperson of the Board and hon. Jean François Chaumiere, Minister of Labour, Industrial Relations and Employment. The Mauritius Telecom has had also

conciliation meetings with the Chairperson of the Industrial Relation Commissions and has proposed a draft Procedural Agreement.

The matter is being closely monitored by my Ministry as well as the Ministry of Labour, Industrial Relations and Employment.

I would also wish to inform the House that the Mauritius Telecom is a public limited company governed by the Companies Act and in line with the principles of good governance, the company is answerable to its Board of Directors regarding decisions relating to employment.

**Mr Jhugroo:** Can we know whether the hon. Minister has met Mr C. and Mr R. and, if so, when?

**Mr Dulull:** I have not met Mr C. and Mr R.

#### **SALE BY LEVY – ATTORNEYS AT LAW – COMMISSION**

**(No. B/1388) Mr S. Dayal (Second Member for Quartier Militaire and Moka)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the protection of borrowers, he will state if he proposes to amend the law with a view to prohibiting the Attorneys at law appearing in the Sale by Levy cases from claiming the ten per cent commission in cases where the amount claimed does not exceed eight million rupees.

*(Withdrawn)*

#### **LE MORNE – JETTY**

**(No. B/1390) Mr A. Ganoo (First Member for Savanne and Black River)** asked the Minister of Environment and National Development Unit whether, in regard to the project for the construction of a jetty at Le Morne, he will state –

- (a) the name of the applicant, indicating the date on which the application was received;
- (b) if an Environment Impact Assessment has been issued, and
- (c) if the applicant has been granted all the required permits.

**Mr Bundhoo:** Mr Speaker, Sir, no application for the construction of a jetty at Le Morne has been submitted to my Ministry. Therefore, parts (a) and (b) of the question do not arise.

**Mr Ganoo:** Is the hon. Minister aware that applications have been made by certain hotel promoters in that region for the construction of a jetty on the *Pas Géométriques* at Le Morne?

**Mr Bundhoo:** Mr Speaker, Sir, as I mentioned earlier, at the moment there is no application for an EIA for any jetty at Le Morne, but should the hon. Member had any specific jetty in mind, I would certainly look into the matter.

**Mr Ganoo:** Is the hon. Minister aware that the Beachcomber Group, for example, is one of the applicants?

**Mr Bundhoo:** Mr Speaker, Sir, from information I have with me Le Paradis Beach Resort and Dinarobin Hotel, both from the New Mauritius Hotel Group, have had their jetty already constructed.

**Mr Ganoo:** Can the hon. Minister tell us, in this particular case, when was the EIA issued?

**Mr Bundhoo:** May I, Mr Speaker, Sir, with your permission, inform the hon. Member that both jetties were constructed before the requirement of an EIA.

**Mr Ganoo:** Is there any application pending at the moment for the construction of a jetty?

**Mr Bundhoo:** I have already replied to this question, Mr Speaker, Sir.

**DBM – PERSONAL COMPUTER LOAN SCHEME –  
LOAN FACILITIES**

**(No. B/1391) Mr D. Rucktooa (Second Member for Grand’Baie and Poudre d’Or)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the grant of loan facilities by the Development Bank of Mauritius Ltd., for the purchase of computers, he will, for the benefit of the House, obtain from the Bank, information as to the measures taken for the timely disbursement thereof.

**The Minister of Education, Culture and Human Resources (Dr. V. Bunwaree):** Mr Speaker, Sir, I am informed by the Development Bank of Mauritius that over the last 12 months, it has received about 3,250 applications under the Personal Computer Loan Scheme for an aggregate loan amount of Rs110 m. The DBM processes for disbursement, on average, around 270 applications per month.

I am also informed by the bank that lately it has received many complaints against suppliers as regards to delays in the delivery of computers and also that a number of sub-standard computers were also being delivered to clients that were not in accordance with initial specifications.

With a view to protecting clients from supplier abuses, I am informed by the bank that disbursements are now being effected after ensuring from the client that the computer is as per the specification provided in the quotation and after the computer has been delivered.

This precautionary measure has, on the average, caused disbursement to be slightly delayed by 2 weeks approximately. However, according to the bank, this is a necessary measure to protect the interest of the clients and the bank as there is need to ascertain that the equipment is of the right type and value is purchased from the loan funds that the bank provides.

**Mr Rucktooa:** There are some loans that are taking a lot of time - nine months sometimes. With the coming up of the Maurice Ile Durable Fund, where we have Rs1 billion already in the bank, and since we have Rs10,000 grant from the Government, a very simple calculation, we have about 100,000 files now. Taking into consideration, therefore, the computer

loan scheme plus the solar heaters loan scheme and other cases, does not the hon. Minister think that we should recruit more workers at the Development Bank of Mauritius?

**Dr. Bunwaree:** I don't think this will solve the problem, Mr Speaker, Sir.

**Mr Speaker:** Time is over!